

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



奇 富 科 技

Qfin Holdings, Inc.

奇富科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3660)

**ANNOUNCEMENT OF
THE SECOND QUARTER AND INTERIM 2025 FINANCIAL RESULTS
AND SEMI-ANNUAL DIVIDEND**

We hereby announce our unaudited financial results for the second quarter and six months ended June 30, 2025 (the “**Q2 and Interim 2025 Financial Results**”) and semi-annual dividend. The Second Quarter and Interim 2025 Financial Results are provided to our shareholders as our interim report for the six months ended June 30, 2025 under Rule 13.48(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”).

The Q2 and Interim 2025 Financial Results are available for viewing at the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and our website at <https://ir.qfin.com>.

By order of the Board
Qfin Holdings, Inc.
Haisheng Wu
Chief Executive Officer

Hong Kong, August 15, 2025

As at the date of this announcement, the board of directors of the Company comprises Mr. Haisheng Wu, Mr. Alex Zuoli Xu and Mr. Dan Zhao as Directors; and Mr. Gang Xiao, Mr. Andrew Y Yan, Mr. Fan Zhao, Mr. Eric Xiaohuan Chen, Mr. Xiangge Liu and Ms. Jiao Jiao as Independent Directors.

Qfin Holdings Announces Second Quarter and Interim 2025 Unaudited Financial Results and Raises Semi-Annual Dividend

Shanghai, China, August 14, 2025, Qfin Holdings, Inc. (NASDAQ: QFIN; HKEx: 3660) (“Qfin Holdings” or the “Company”), a leading AI-empowered Credit-Tech platform in China, today announced its unaudited financial results for the second quarter and six months ended June 30, 2025 and raised semi-annual dividend.

Second Quarter 2025 Business Highlights

- As of June 30, 2025, our platform has connected 165 financial institutional partners and 275.8 million consumers^{*1} with potential credit needs, cumulatively, an increase of 11.4% from 247.6 million a year ago.
- Cumulative users with approved credit lines^{*2} were 60.2 million as of June 30, 2025, an increase of 12.3% from 53.6 million as of June 30, 2024.
- Cumulative borrowers with successful drawdown, including repeat borrowers was 36.8 million as of June 30, 2025, an increase of 14.9% from 32.0 million as of June 30, 2024.
- In the second quarter of 2025, financial institutional partners originated 23,638,189 loans^{*3} through our platform.
- Total facilitation and origination loan volume^{*4} reached RMB84,609 million, an increase of 16.1% from RMB72,864 million in the same period of 2024 and a decrease of 4.8% from RMB88,883 million in the prior quarter. RMB35,032 million of such loan volume was under capital-light model, Intelligence Credit Engine (“ICE”) and total technology solutions^{*5}, representing 41.4% of the total, a decrease of 11.0% from RMB39,344 million in the same period of 2024 and a decrease of 20.0% from RMB43,811 million in the prior quarter.
- Total outstanding loan balance^{*6} was RMB140,080 million as of June 30, 2025, an increase of 13.4% from RMB123,551 million as of June 30, 2024 and a decrease of 0.1% from RMB140,273 million as of March 31, 2025. RMB71,530 million of such loan balance was under capital-light model, “ICE” and total technology solutions, an increase of 2.8% from RMB69,589 million as of June 30, 2024 and a decrease of 9.1% from RMB78,681 million as of March 31, 2025.
- The weighted average contractual tenor of loans originated by financial institutions across our platform in the second quarter of 2025 was approximately 10.33 months, compared with 9.97 months in the same period of 2024.
- 90 day+ delinquency rate^{*7} of loans originated by financial institutions across our platform was 1.97% as of June 30, 2025.
- Repeat borrower contribution^{*8} of loans originated by financial institutions across our platform for the second quarter of 2025 was 93.8%.

1 Refers to cumulative registered users across our platform.

2 “Cumulative users with approved credit lines” refers to the total number of users who had submitted their credit applications and were approved with a credit line at the end of each period.

3 Including 1,891,320 loans across “V-pocket”, and 21,746,869 loans across other products.

4 Refers to the total principal amount of loans facilitated and originated during the given period. Retrospectively excluding the impact of discontinued service, which did not have and is not expected to have a material impact on our overall business, financial condition, and results of operations.

5 “ICE” is an open platform primarily on our “Qifu Jietiao” APP (previously known as “360 Jietiao”), we match borrowers and financial institutions through big data and cloud computing technology on “ICE”, and provide pre-loan investigation report of borrowers. For loans facilitated through “ICE”, the Company does not bear principal risk.

Under total technology solutions, we have been offering end-to-end technology solutions to financial institutions based on on-premise deployment, SaaS or hybrid model since 2023.

6 “Total outstanding loan balance” refers to the total amount of principal outstanding for loans facilitated and originated at the end of each period, excluding loans delinquent for more than 180 days. Retrospectively excluding the impact of discontinued service, which did not have and is not expected to have a material impact on our overall business, financial condition, and results of operations.

7 “90 day+ delinquency rate” refers to the outstanding principal balance of on – and off-balance sheet loans that were 91 to 180 calendar days past due as a percentage of the total outstanding principal balance of on – and off-balance sheet loans across our platform as of a specific date. Loans that are charged-off and loans under “ICE” and total technology solutions are not included in the delinquency rate calculation.

8 “Repeat borrower contribution” for a given period refers to (i) the principal amount of loans borrowed during that period by borrowers who had historically made at least one successful drawdown, divided by (ii) the total loan facilitation and origination volume through our platform during that period.

Second Quarter 2025 Financial Highlights

- Total net revenue was RMB5,215.9 million (US\$728.1 million), compared to RMB4,690.7 million in the prior quarter.
- Net income was RMB1,730.5 million (US\$241.6 million), compared to RMB1,796.6 million in the prior quarter.
- Non-GAAP⁹ net income was RMB1,849.0 million (US\$258.1 million), compared to RMB1,926.2 million in the prior quarter.
- Net income per fully diluted American depositary share (“ADS”) was RMB12.76 (US\$1.78), compared to RMB12.62 in the prior quarter.
- Non-GAAP net income per fully diluted ADS was RMB13.63 (US\$1.90), compared to RMB13.53 in the prior quarter.

⁹ Non-GAAP income from operations, Non-GAAP net income, Non-GAAP operating margin, Non-GAAP net income margin and Non-GAAP net income per fully diluted ADS are Non-GAAP financial measures. For more information on these Non-GAAP financial measures, please see the section of “Use of Non-GAAP Financial Measures Statement” and the table captioned “Unaudited Reconciliations of GAAP and Non-GAAP Results” set forth at the end of this press release.

Mr. Haisheng Wu, Chief Executive Officer and Director of Qfin Holdings, commented, “The second quarter was a challenging period of time as international trade tensions added economic uncertainties at the beginning of the quarter and regulatory update caused industry wide adjustments in operations later in the quarter. Overall risks continued to fluctuate, and we started to tighten risk standards in response to the uncertain dynamic. We will remain prudent in our business planning for the rest of the year and will continue to focus on improving the quality and sustainability of our business.

During the quarter, we issued a record amount of ABS, and the blended funding cost further declined sequentially despite certain segments of the industry experiencing some liquidity shortages. Approximately 51% of the quarter-end loan balance was under the capital-light model, ICE and total technology solutions, as we made timely adjustments to our business mix to reflect the changing environment. During the quarter, more than half of our new credit line users were acquired through embedded finance (API) partners, as we further diversified our user acquisition channels. Loan volumes through the API channels continued to grow and expected returns remained stable.

While macro challenges and uncertainties persist, our business continues to demonstrate consistency and resilience. Meanwhile, we will continue to allocate more resources to the application of AI across our credit service offerings, which should allow us to serve our users and institution clients with better offerings at greater efficiency. We believe these efforts will enable us to better navigate through the current environment and position us well to capture long-term opportunities through innovative technologies, enhanced products and collaborative models.”

“We are pleased to release another quarter of solid financial results despite a rapidly changing uncertain macro environment. For the second quarter, total revenue was RMB5.22 billion and Non-GAAP net income was RMB1.85 billion,” Mr. Alex Xu, Chief Financial Officer, commented. “We also generated approximately RMB2.62 billion in cash from operations in the quarter. As we continue to deliver healthy financial results, we also take a prudent approach to assess potential risks associated with our operations. In the second quarter, new provision booking ratio was near historical high to reflect the changing market.”

Mr. Yan Zheng, Chief Risk Officer, added, “In the second quarter, we observed continued fluctuation in portfolio risks as geopolitical uncertainties and macro headwinds continued to hamper users’ financial wellbeing. Among key leading indicators, Day-1 delinquency rate^{*10} was 5.1% in the second quarter, and 30-day collection rate^{*11} was 87.3%. On the other hand, new loans’ risk performance improved in the most recent month as we further tightened risk standards during the quarter. As macro uncertainties persist, we may take further actions to mitigate potential risks in the coming quarters.”

¹⁰ “Day-1 delinquency rate” is defined as (i) the total amount of principal that became overdue as of a specified date, divided by (ii) the total amount of principal that was due for repayment as of such specified date.

¹¹ “30-day collection rate” is defined as (i) the amount of principal that was repaid in one month among the total amount of principal that became overdue as of a specified date, divided by (ii) the total amount of principal that became overdue as of such specified date.

Second Quarter 2025 Financial Results

Total net revenue was RMB5,215.9 million (US\$728.1 million), compared to RMB4,160.1 million in the same period of 2024, and RMB4,690.7 million in the prior quarter.

Net revenue from Credit Driven Services was RMB3,565.5 million (US\$497.7 million), compared to RMB2,912.2 million in the same period of 2024, and RMB3,110.9 million in the prior quarter.

Loan facilitation and servicing fees-capital heavy were RMB460.9 million (US\$64.3 million), compared to RMB151.1 million in the same period of 2024 and RMB429.8 million in the prior quarter. The year-over-year and sequential increases were primarily driven by the increases in capital-heavy loan facilitation volume.

*Financing income^{*12}* was RMB2,205.0 million (US\$307.8 million), compared to RMB1,690.1 million in the same period of 2024 and RMB1,817.2 million in the prior quarter. The year-over-year and sequential increases were primarily due to the growth in the average outstanding balance of the on-balance-sheet loans.

Revenue from releasing of guarantee liabilities was RMB805.3 million (US\$112.4 million), compared to RMB972.6 million in the same period of 2024, and RMB778.2 million in the prior quarter. The year-over-year and sequential changes were in line with the overall trend of the average outstanding balance of off-balance-sheet capital-heavy loans.

Other services fees were RMB94.5 million (US\$13.2 million), compared to RMB98.4 million in the same period of 2024, and RMB85.6 million in the prior quarter. The sequential increase was primarily due to an increase in the late payment fees under the credit driven services.

Net revenue from Platform Services was RMB1,650.3 million (US\$230.4 million), compared to RMB1,247.9 million in the same period of 2024 and RMB1,579.8 million in the prior quarter.

Loan facilitation and servicing fees-capital light were RMB326.8 million (US\$45.6 million), compared to RMB524.4 million in the same period of 2024 and RMB373.7 million in the prior quarter. The year-over-year and sequential decreases were primarily due to the decreases in capital-light loan facilitation volume.

Referral services fees were RMB986.4 million (US\$137.7 million), compared to RMB623.5 million in the same period of 2024 and RMB1,004.6 million in the prior quarter. The year-over-year increase was mainly due to the increase in loan facilitation volume through ICE.

Other services fees were RMB337.1 million (US\$47.1 million), compared to RMB100.0 million in the same period of 2024 and RMB201.5 million in the prior quarter. The year-over-year and sequential increases were primarily due to the increase in other value-added services and late payment fees under platform services.

Total operating costs and expenses were RMB3,079.7 million (US\$429.9 million), compared to RMB2,175.1 million in the same period of 2024 and RMB2,716.0 million in the prior quarter.

Facilitation, origination and servicing expenses were RMB781.0 million (US\$109.0 million), compared to RMB722.2 million in the same period of 2024 and RMB714.5 million in the prior quarter. The year-over-year increase was primarily due to higher total facilitation and origination loan volume. The sequential increase was mainly due to higher collection fees.

Funding costs were RMB142.1 million (US\$19.8 million), compared to RMB161.3 million in the same period of 2024 and RMB122.7 million in the prior quarter. The year-over-year decrease was primarily due to lower average costs of ABS issuance, partially offsetting by the increase in fundings from ABS. The sequential increase was mainly due to the increase in fundings from ABS.

Sales and marketing expenses were RMB662.7 million (US\$92.5 million), compared to RMB366.4 million in the same period of 2024 and RMB591.5 million in the prior quarter. The year-over-year increase was primarily due to the increase in the allocation of marketing resources to embedded finance channels and content feed advertisements to generate more effective leads. The sequential increase was primary due to proactive user acquisition effort, partially offset by improved efficiency in acquiring new users.

General and administrative expenses were RMB175.9 million (US\$24.6 million), compared to RMB95.1 million in the same period of 2024 and RMB196.5 million in the prior quarter. The year-over-year and sequential changes mainly reflected the change in share-based compensations.

Provision for loans receivable was RMB773.8 million (US\$108.0 million), compared to RMB849.5 million in the same period of 2024 and RMB823.2 million in the prior quarter. The year-over-year and sequential decreases were mainly due to the reversal of prior quarters' provision in this quarter, offset by the increase in loan origination volume of on-balance-sheet loans. The changes reflected the Company's consistent approach in assessing provisions commensurate with its underlying loan profile.

Provision for financial assets receivable was RMB66.6 million (US\$9.3 million), compared to RMB70.2 million in the same period of 2024 and RMB39.9 million in the prior quarter. The year-over-year decrease was primarily due to the reversal of prior quarters' provision in this quarter, offset by the increase in capital-heavy loan facilitation volume. The sequential increase was mainly due to the increase in capital-heavy loan facilitation volume. The changes reflected the Company's consistent approach in assessing provisions commensurate with its underlying loan profile.

Provision for accounts receivable and contract assets was RMB79.9 million (US\$11.2 million), compared to RMB123.8 million in the same period of 2024 and RMB68.4 million in the prior quarter. The year-over-year and sequential changes reflected the Company's consistent approach in assessing provisions commensurate with its underlying loan profile. The year-over-year decrease was also partly due to the decrease in capital-light loan facilitation volume.

Provision for contingent liability was RMB397.6 million (US\$55.5 million), compared to RMB213.3 million in the same period of 2024 and RMB159.3 million in the prior quarter. The year-over-year and sequential increases were mainly due to the increases in capital-heavy loan facilitation volume and reflected the Company's consistent approach in assessing provisions commensurate with its underlying loan profile.

Income from operations was RMB2,136.2 million (US\$298.2 million), compared to RMB1,985.0 million in the same period of 2024 and RMB1,974.7 million in the prior quarter.

Non-GAAP income from operations was RMB2,254.7 million (US\$314.7 million), compared to RMB2,021.9 million in the same period of 2024 and RMB2,104.3 million in the prior quarter.

Operating margin was 41.0%. **Non-GAAP operating margin** was 43.2%.

Income before income tax expense was RMB2,172.0 million (US\$303.2 million), compared to RMB2,076.6 million in the same period of 2024 and RMB2,220.2 million in the prior quarter.

Income taxes expense was RMB441.5 million (US\$61.6 million), compared to RMB700.1 million in the same period of 2024 and RMB423.6 million in the prior quarter.

Net income was RMB1,730.5 million (US\$241.6 million), compared to RMB1,376.5 million in the same period of 2024 and RMB1,796.6 million in the prior quarter.

Non-GAAP net income was RMB1,849.0 million (US\$258.1 million), compared to RMB1,413.4 million in the same period of 2024 and RMB1,926.2 million in the prior quarter.

Net income margin was 33.2%. **Non-GAAP net income margin** was 35.4%.

Net income attributed to the Company was RMB1,734.0 million (US\$242.1 million), compared to RMB1,380.5 million in the same period of 2024 and RMB1,800.2 million in the prior quarter.

Non-GAAP net income attributed to the Company was RMB1,852.5 million (US\$258.6 million), compared to RMB1,417.4 million in the same period of 2024 and RMB1,929.8 million in the prior quarter.

Net income per fully diluted ADS was RMB12.76 (US\$1.78).

Non-GAAP net income per fully diluted ADS was RMB13.63 (US\$1.90).

Weighted average basic ADS used in calculating GAAP net income per ADS was 132.92 million.

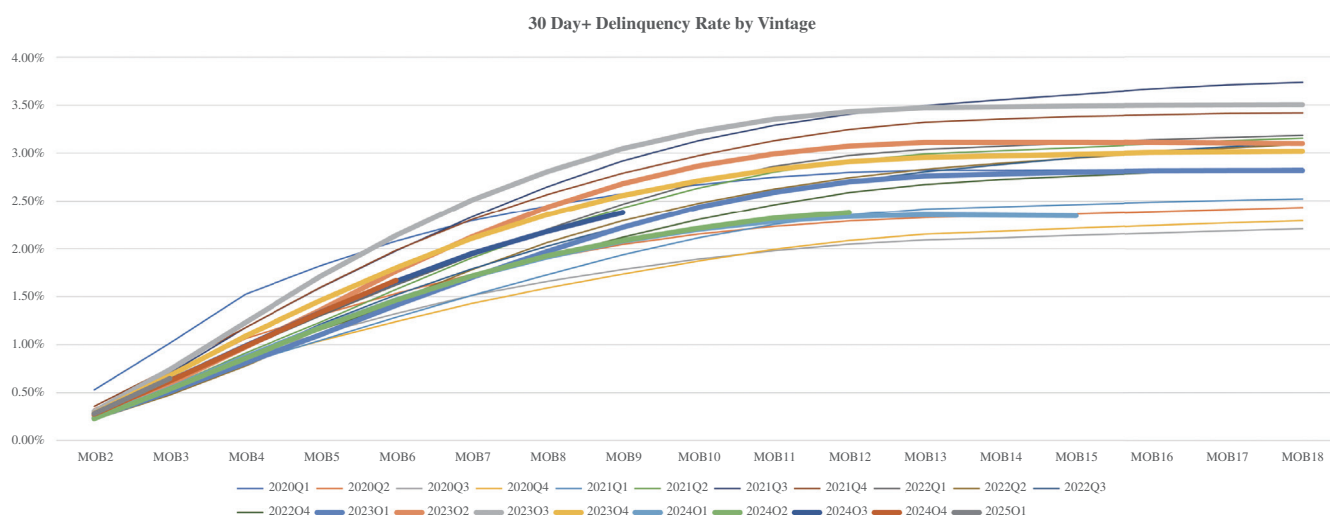
Weighted average diluted ADS used in calculating GAAP and non-GAAP net income per ADS was 135.92 million.

Ordinary shares outstanding as of June 30, 2025 was 264,857,728.

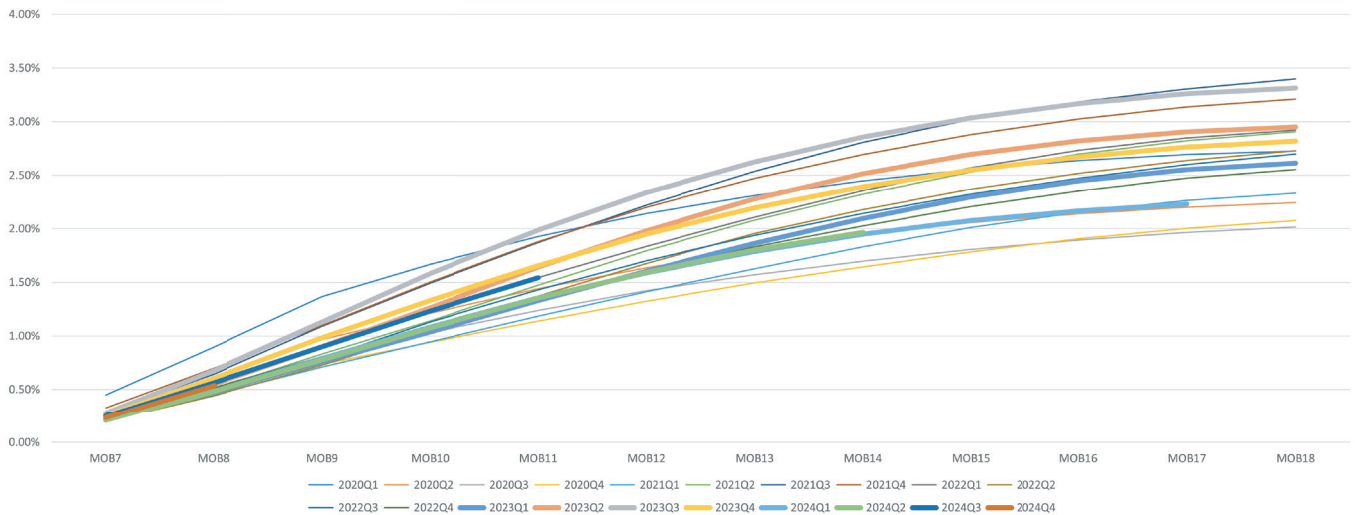
12 “Financing income” is generated from loans facilitated through the Company’s platform funded by the consolidated trusts and Fuzhou Microcredit, which charge fees and interests from borrowers.

30 Day+ Delinquency Rate by Vintage and 180 Day+ Delinquency Rate by Vintage

The following charts and tables display the historical cumulative 30 day+ delinquency rates by loan facilitation and origination vintage and 180 day+ delinquency rates by loan facilitation and origination vintage for all loans facilitated and originated through the Company’s platform. Loans under “ICE” and total technology solutions are not included in the 30 day+ charts and the 180 day+ charts:



180 Day+ Delinquency Rate by Vintage



Semi-Annual Dividend for the First Half of 2025

The board of directors of the Company (the “Board”) has approved a dividend of US\$0.38 per Class A ordinary share, or US\$0.76 per ADS for the first half of 2025 to holders of record of Class A ordinary shares and ADSs as of the close of business on September 8, 2025 Hong Kong Time and New York Time, respectively, in accordance with the Company’s dividend policy. For holder of Class A ordinary shares, in order to qualify for the dividend, all valid documents for the transfers of shares accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on September 8, 2025 (Hong Kong Time). The payment date is expected to be on September 25, 2025 for holders of Class A ordinary shares and around September 30, 2025 for holders of ADSs.

Update on Share Repurchase

On November 19, 2024, the Board approved a share repurchase plan (the “2025 Share Repurchase Plan”) whereby the Company is authorized to repurchase up to US\$450 million worth of its ADSs or Class A ordinary shares over the next 12 months starting from January 1, 2025.

As of August 14, 2025, the Company had in aggregate purchased approximately 7.1 million ADSs on the open market for a total amount of approximately US\$277 million (inclusive of commissions) at an average price of US\$38.9 per ADS pursuant to the 2025 Share Repurchase Plan.

Business Outlook

As macro-economic uncertainties persist, the Company intends to maintain a prudent approach in its business planning for the rest of 2025. Management will continue to focus on enhancing efficiency of the Company's operations. As such, for the third quarter of 2025, the Company expects to generate a net income between RMB1.52 billion and RMB1.72 billion and a non-GAAP net income^{*13} between RMB1.60 billion and RMB1.80 billion, representing a year-on-year decline between 2% and 13%. This outlook reflects the Company's current and preliminary views, which is subject to material changes.

13 Non-GAAP net income represents net income excluding share-based compensation expenses.

Conference Call Preregistration

Qfin Holdings' management team will host an earnings conference call at 8:30 PM U.S. Eastern Time on Thursday, August 14, 2025 (8:30 AM Beijing Time on Friday, August 15, 2025).

All participants wishing to join the conference call must pre-register online using the link provided below.

Registration Link: <https://sl.c-conf.com/diamondpass/10049403-8wh7fww.html>

Upon registration, each participant will receive details for the conference call, including dial-in numbers and a unique access PIN. Please dial in 10 minutes before the call is scheduled to begin.

Additionally, a live and archived webcast of the conference call will be available on the Investor Relations section of the Company's website at <https://ir.qfin.com>.

About Qfin Holdings

Qfin Holdings is a leading AI-empowered Credit-Tech platform in China. By leveraging its sophisticated machine learning models and data analytics capabilities, the Company provides a comprehensive suite of technology services to assist financial institutions and consumers and SMEs in the loan lifecycle, ranging from borrower acquisition, preliminary credit assessment, fund matching and post-facilitation services. The Company is dedicated to making credit services more accessible and personalized to consumers and SMEs through Credit-Tech services to financial institutions.

For more information, please visit: <https://ir.qfin.com>.

Use of Non-GAAP Financial Measures Statement

To supplement our financial results presented in accordance with U.S. GAAP, we use Non-GAAP financial measure, which is adjusted from results based on U.S. GAAP to exclude share-based compensation expenses. Reconciliations of our Non-GAAP financial measures to our U.S. GAAP financial measures are set forth in tables at the end of this earnings release, which provide more details on the Non-GAAP financial measures.

We use Non-GAAP income from operation, Non-GAAP operating margin, Non-GAAP net income, Non-GAAP net income margin, Non-GAAP net income attributed to the Company and Non-GAAP net income per fully diluted ADS in evaluating our operating results and for financial and operational decision-making purposes. Non-GAAP income from operation represents income from operation excluding share-based compensation expenses. Non-GAAP operating margin is equal to Non-GAAP income from operation divided by total net revenue. Non-GAAP net income represents net income excluding share-based compensation expenses. Non-GAAP net income margin is equal to Non-GAAP net income divided by total net revenue. Non-GAAP net income attributed to the Company represents net income attributed to the Company excluding share-based compensation expenses. Non-GAAP net income per fully diluted ADS represents net income excluding share-based compensation expenses per fully diluted ADS. Such adjustments have no impact on income tax. We believe that Non-GAAP income from operation, Non-GAAP operating margin, Non-GAAP net income, Non-GAAP net income margin, Non-GAAP net income attributed to the Company and Non-GAAP net income per fully diluted ADS help identify underlying trends in our business that could otherwise be distorted by the effect of certain expenses that we include in results based on U.S. GAAP. We believe that Non-GAAP income from operation and Non-GAAP net income provide useful information about our operating results, enhance the overall understanding of our past performance and future prospects and allow for greater visibility with respect to key metrics used by our management in its financial and operational decision-making. Our Non-GAAP financial information should be considered in addition to results prepared in accordance with U.S. GAAP, but should not be considered a substitute for or superior to U.S. GAAP results. In addition, our calculation of Non-GAAP financial information may be different from the calculation used by other companies, and therefore comparability may be limited.

Exchange Rate Information

This announcement contains translations of certain RMB amounts into U.S. dollars at specified rates solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7.1636 to US\$1.00, the exchange rate set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System as of June 30, 2025.

Safe Harbor Statement

Any forward-looking statements contained in this announcement are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar statements. Among other things, the business outlook and quotations from management in this announcement, as well as the Company’s strategic and operational plans, contain forward-looking statements. Qfin Holdings may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (“SEC”), in announcements made on the website of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including the Company’s business outlook, beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, which factors include but not limited to the following: the Company’s growth strategies, changes in laws, rules and regulatory environments, the recognition of the Company’s brand, market acceptance of the Company’s products and services, trends and developments in the credit-tech industry, governmental policies relating to the credit-tech industry, general economic conditions in China and around the globe, and assumptions underlying or related to any of the foregoing. Further information regarding these and other risks and uncertainties is included in Qfin Holdings’ filings with the SEC and announcements on the website of the Hong Kong Stock Exchange. All information provided in this press release is as of the date of this press release, and Qfin Holdings does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

For more information, please contact:

Qfin Holdings
E-mail: ir@qfin.com

Unaudited Condensed Consolidated Balance Sheets
(Amounts in thousands of Renminbi (“RMB”) and U.S. dollars (“USD”)
except for number of shares and per share data, or otherwise noted)

	December 31, 2024	June 30, 2025	June 30, 2025
	RMB	RMB	USD
ASSETS			
Current assets:			
Cash and cash equivalents	4,452,416	5,287,926	738,166
Restricted cash	2,353,384	2,924,500	408,244
Short term investments	3,394,073	4,904,581	684,653
Security deposit prepaid to third-party guarantee companies	162,617	223,177	31,154
Funds receivable from third party payment service providers	462,112	353,931	49,407
Accounts receivable and contract assets, net	2,214,530	2,318,783	323,690
Financial assets receivable, net	1,553,912	1,630,038	227,545
Amounts due from related parties	8,510	2,761	385
Loans receivable, net	26,714,428	34,927,339	4,875,669
Prepaid expenses and other assets	1,464,586	1,561,791	218,018
Total current assets	42,780,568	54,134,827	7,556,931
Non-current assets:			
Accounts receivable and contract assets, net-noncurrent	27,132	16,114	2,249
Financial assets receivable, net-noncurrent	170,779	213,939	29,865
Amounts due from related parties	51	28	4
Loans receivable, net-noncurrent	2,537,749	2,507,609	350,049
Property and equipment, net	362,774	496,825	69,354
Land use rights, net	956,738	946,376	132,109
Intangible assets	11,818	11,023	1,539
Goodwill	42,414	42,392	5,918
Deferred tax assets	1,206,325	1,289,151	179,959
Other non-current assets	36,270	96,667	13,494
Total non-current assets	5,352,050	5,620,124	784,540
TOTAL ASSETS	48,132,618	59,754,951	8,341,471
LIABILITIES AND EQUITY			
Current liabilities:			
Payable to investors of the consolidated trusts-current	8,188,454	5,894,433	822,831
Accrued expenses and other current liabilities	2,492,921	2,799,439	390,787
Amounts due to related parties	67,495	92,351	12,892
Short term loans	1,369,939	1,463,522	204,300
Guarantee liabilities-stand ready	2,383,202	2,481,731	346,436
Guarantee liabilities-contingent	1,820,350	1,895,076	264,542
Income tax payable	1,040,687	885,592	123,624
Other tax payable	109,161	56,427	7,877
Total current liabilities	17,472,209	15,568,571	2,173,289
Non-current liabilities:			
Deferred tax liabilities	439,435	588,634	82,170
Payable to investors of the consolidated trusts-noncurrent	5,719,600	14,106,000	1,969,122
Convertible senior notes	–	4,857,243	678,045
Other long-term liabilities	255,155	527,042	73,572
Total non-current liabilities	6,414,190	20,078,919	2,802,909
TOTAL LIABILITIES	23,886,399	35,647,490	4,976,198
TOTAL QFIN HOLDINGS INC EQUITY	24,190,043	24,058,376	3,358,421
Noncontrolling interests	56,176	49,085	6,852
TOTAL EQUITY	24,246,219	24,107,461	3,365,273
TOTAL LIABILITIES AND EQUITY	48,132,618	59,754,951	8,341,471

Unaudited Condensed Consolidated Statements of Operations
(Amounts in thousands of Renminbi (“RMB”) and U.S. dollars (“USD”))
except for number of shares and per share data, or otherwise noted)

	Three months ended June 30,			Six months ended June 30,		
	2024	2025	2025	2024	2025	2025
	RMB	RMB	USD	RMB	RMB	USD
Credit driven services	2,912,205	3,565,549	497,732	5,928,487	6,676,415	931,992
Loan facilitation and servicing fees-capital heavy	151,073	460,858	64,333	394,839	890,633	124,328
Financing income	1,690,110	2,204,963	307,801	3,225,096	4,022,184	561,475
Revenue from releasing of guarantee liabilities	972,586	805,272	112,412	2,138,604	1,583,494	221,047
Other services fees	98,436	94,456	13,186	169,948	180,104	25,142
Platform services	1,247,858	1,650,346	230,380	2,384,759	3,230,177	450,915
Loan facilitation and servicing fees-capital light	524,405	326,829	45,624	1,027,120	700,538	97,791
Referral services fees	623,491	986,396	137,696	1,172,315	1,991,018	277,935
Other services fees	99,962	337,121	47,060	185,324	538,621	75,189
Total net revenue	4,160,063	5,215,895	728,112	8,313,246	9,906,592	1,382,907
Facilitation, origination and servicing	722,160	781,029	109,027	1,458,186	1,495,521	208,767
Funding costs	161,302	142,118	19,839	317,265	264,775	36,961
Sales and marketing	366,388	662,685	92,507	782,005	1,254,180	175,077
General and administrative	95,054	175,879	24,552	201,469	372,361	51,980
Provision for loans receivable	849,508	773,849	108,025	1,697,429	1,597,036	222,938
Provision for financial assets receivable	70,166	66,631	9,301	169,169	106,494	14,866
Provision for accounts receivable and contract assets	123,766	79,905	11,154	235,239	148,350	20,709
Provision for contingent liabilities	(213,267)	397,614	55,505	103,397	556,957	77,748
Total operating costs and expenses	2,175,077	3,079,710	429,910	4,964,159	5,795,674	809,046
Income from operations	1,984,986	2,136,185	298,202	3,349,087	4,110,918	573,861
Interest income, net	45,987	73,265	10,227	96,045	141,039	19,688
Foreign exchange gain	160	108,449	15,139	242	110,572	15,435
Fair value change of derivatives	–	(170,407)	(23,788)	–	(170,407)	(23,788)
Other income, net	45,430	24,509	3,421	157,398	200,109	27,934
Income before income tax expense	2,076,563	2,172,001	303,201	3,602,772	4,392,231	613,130
Income taxes expense	(700,055)	(441,521)	(61,634)	(1,066,120)	(865,152)	(120,771)
Net income	1,376,508	1,730,480	241,567	2,536,652	3,527,079	492,359
Net loss attributable to noncontrolling interests	4,020	3,514	491	8,163	7,090	990
Net income attributable to ordinary shareholders of the Company	1,380,528	1,733,994	242,058	2,544,815	3,534,169	493,349
Net income per ordinary share attributable to ordinary shareholders of Qfin Holdings, Inc.						
Basic	4.54	6.52	0.91	8.27	12.93	1.80
Diluted	4.46	6.38	0.89	8.10	12.59	1.76
Net income per ADS attributable to ordinary shareholders of Qfin Holdings, Inc.						
Basic	9.08	13.04	1.82	16.54	25.86	3.60
Diluted	8.92	12.76	1.78	16.20	25.18	3.52
Weighted average shares used in calculating net income per ordinary share						
Basic	303,761,387	265,842,311	265,842,311	307,894,289	273,358,655	273,358,655
Diluted	309,495,756	271,838,718	271,838,718	314,244,423	280,821,385	280,821,385

Unaudited Condensed Consolidated Statements of Cash Flows
(Amounts in thousands of Renminbi (“RMB”) and U.S. dollars (“USD”)
except for number of shares and per share data, or otherwise noted)

	Three months ended June 30,			Six months ended June 30,		
	2024	2025	2025	2024	2025	2025
	RMB	RMB	USD	RMB	RMB	USD
Net cash provided by operating activities	1,961,616	2,622,004	366,018	3,919,883	5,427,689	757,676
Net cash used in investing activities	(980,403)	(8,191,142)	(1,143,439)	(4,118,578)	(11,431,328)	(1,595,752)
Net cash (used in) provided by financing activities	(767,607)	1,995,605	278,576	1,007,802	7,444,676	1,039,237
Effect of foreign exchange rate changes	2,115	(29,290)	(4,090)	4,210	(34,411)	(4,804)
Net increase (decrease) in cash and cash equivalents	215,721	(3,602,823)	(502,935)	813,317	1,406,626	196,357
Cash, cash equivalents, and restricted cash, beginning of period	8,156,593	11,815,249	1,649,345	7,558,997	6,805,800	950,053
Cash, cash equivalents, and restricted cash, end of period	8,372,314	8,212,426	1,146,410	8,372,314	8,212,426	1,146,410

Unaudited Condensed Consolidated Statements of Comprehensive Income/(Loss)

(Amounts in thousands of Renminbi (“RMB”) and U.S. dollars (“USD”))

except for number of shares and per share data, or otherwise noted)

	Three months ended June 30,		
	2024	2025	2025
	RMB	RMB	USD
Net income	1,376,508	1,730,480	241,567
Other comprehensive income, net of tax of nil:			
Foreign currency translation adjustment	1,890	(119,202)	(16,640)
Other comprehensive income (loss)	1,890	(119,202)	(16,640)
Total comprehensive income	1,378,398	1,611,278	224,927
Comprehensive loss attributable to noncontrolling interests	4,020	3,514	491
Comprehensive income attributable to ordinary shareholders	1,382,418	1,614,792	225,418
	Six months ended June 30,		
	2024	2025	2025
	RMB	RMB	USD
Net income	2,536,652	3,527,079	492,359
Other comprehensive income, net of tax of nil:			
Foreign currency translation adjustment	3,900	(134,565)	(18,785)
Other comprehensive income (loss)	3,900	(134,565)	(18,785)
Total comprehensive income	2,540,552	3,392,514	473,574
Comprehensive loss attributable to noncontrolling interests	8,163	7,090	990
Comprehensive income attributable to ordinary shareholders	2,548,715	3,399,604	474,564

Unaudited Reconciliations of GAAP and Non-GAAP Results
(Amounts in thousands of Renminbi (“RMB”) and U.S. dollars (“USD”))
except for number of shares and per share data, or otherwise noted)

	Three months ended June 30,		
	2024	2025	2025
	RMB	RMB	USD
Reconciliation of Non-GAAP Net Income to Net Income			
Net income	1,376,508	1,730,480	241,567
Add: Share-based compensation expenses	36,909	118,484	16,540
Non-GAAP net income	1,413,417	1,848,964	258,107
GAAP net income margin	33.1%	33.2%	
Non-GAAP net income margin	34.0%	35.4%	
Net income attributable to shareholders of Qfin Holdings, Inc.	1,380,528	1,733,994	242,058
Add: Share-based compensation expenses	36,909	118,484	16,540
Non-GAAP net income attributable to shareholders of Qfin Holdings, Inc.	1,417,437	1,852,478	258,598
Weighted average ADS used in calculating net income per ordinary share for both GAAP and non-GAAP EPS – diluted	154,747,878	135,919,359	135,919,359
Net income per ADS attributable to ordinary shareholders of Qfin Holdings, Inc. – diluted	8.92	12.76	1.78
Non-GAAP net income per ADS attributable to ordinary shareholders of Qfin Holdings, Inc. – diluted	9.16	13.63	1.90
Reconciliation of Non-GAAP Income from operations to Income from operations			
Income from operations	1,984,986	2,136,185	298,202
Add: Share-based compensation expenses	36,909	118,484	16,540
Non-GAAP Income from operations	2,021,895	2,254,669	314,742
GAAP operating margin	47.7%	41.0%	
Non-GAAP operating margin	48.6%	43.2%	

	Six months ended June 30,		
	2024	2025	2025
	RMB	RMB	USD
Reconciliation of Non-GAAP Net Income to Net Income			
Net income	2,536,652	3,527,079	492,359
Add: Share-based compensation expenses	81,554	248,098	34,633
Non-GAAP net income	2,618,206	3,775,177	526,992
GAAP net income margin	30.5%	35.6%	
Non-GAAP net income margin	31.5%	38.1%	
Net income attributable to shareholders of Qfin Holdings, Inc.			
Add: Share-based compensation expenses	81,554	248,098	34,633
Non-GAAP net income attributable to shareholders of Qfin Holdings, Inc.	2,626,369	3,782,267	527,982
Weighted average ADS used in calculating net income per ordinary share for both GAAP and non-GAAP EPS – diluted	157,122,212	140,410,693	140,410,693
Net income per ADS attributable to ordinary shareholders of Qfin Holdings, Inc. – diluted	16.20	25.18	3.52
Non-GAAP net income per ADS attributable to ordinary shareholders of Qfin Holdings, Inc. – diluted	16.72	26.94	3.76
Reconciliation of Non-GAAP Income from operations to Income from operations			
Income from operations	3,349,087	4,110,918	573,861
Add: Share-based compensation expenses	81,554	248,098	34,633
Non-GAAP Income from operations	3,430,641	4,359,016	608,494
GAAP operating margin	40.3%	41.5%	
Non-GAAP operating margin	41.3%	44.0%	

DIFFERENCES BETWEEN U.S. GAAP AND IFRS Accounting Standards

The interim financial statements for the six months ended June 30, 2025 is prepared by Directors of the Company under the accounting principles generally accepted in the United States of America (the “**U.S. GAAP**”), and the differences between U.S. GAAP and the International Financial Reporting Standards issued by the International Accounting Standards Board (the “**IFRS Accounting Standards**”) (together, the “**Reconciliation**”) have been disclosed in the Appendix – Reconciliation Statement attached herein.

Basis of Preparation

The directors of the Company are responsible for the preparation of the Reconciliation based on the notes to Reconciliation as set out in the Appendix, in accordance with paragraph 19.25A of the Hong Kong Listing Rules and the guidance letter HKEX-GL111-22 updated by The Stock Exchange of Hong Kong Limited in August 2022. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the Reconciliation to enable the preparation of such information that is free from material misstatement, whether due to fraud or error.

Reconciliation Process

The Reconciliation has been prepared by the Directors by comparing the differences between the “Amounts as reported under U.S. GAAP” for each of the six months ended June 30, 2025 and 2024 on the one hand, and the “Amounts as reported under IFRS Accounting Standards” on the other hand in respect of each of the six months ended June 30, 2025 and 2024, as appropriate, and quantifying the relevant financial effects of such differences, if any. Attention is drawn to the fact that as the GAAP Difference Reconciliation has not been subject to an independent audit and accordingly, no opinion is expressed by an auditor on whether the financial information in the GAAP Difference Reconciliation presents a true and fair view or not.

Limited Assurance Engagement and Results

Deloitte Touche Tohmatsu was engaged by the Company to conduct limited assurance engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” (“**HKSAE 3000 (Revised)**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) on the Reconciliation. The limited assurance engagement consisted primarily of:

- (i) Comparing the “Amounts as reported under U.S. GAAP” for the six months ended June 30, 2025 in the Reconciliation as set out in the Appendix with the published unaudited condensed consolidated financial information of the Group for the six months ended June 30, 2025 prepared in accordance with the U.S. GAAP;
- (ii) Evaluating the assessment made by the Directors in identifying the differences between the accounting policies in accordance with the U.S. GAAP and the IFRS Accounting Standards, and the evidence supporting the adjustments and reclassifications made in the Reconciliation in arriving at the “Amounts as reported under IFRS Accounting Standards” in the Reconciliation as set out in the Appendix; and
- (iii) Checking the arithmetic accuracy of the computation of the Reconciliation as set out in the Appendix.

The procedures performed by Deloitte Touche Tohmatsu in this limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, Deloitte Touche Tohmatsu do not express a reasonable assurance opinion.

Based on the procedures performed and evidence obtained, Deloitte Touche Tohmatsu have concluded that nothing has come to their attention that causes them to believe that:

- (i) The “Amounts as reported under U.S. GAAP” for the six months ended June 30, 2025 in the Reconciliation as set out in the Appendix is not in agreement with the published unaudited condensed consolidated financial information of the Group for the six months ended June 30, 2025 prepared in accordance with the U.S. GAAP;
- (ii) The adjustments and reclassifications made in the Reconciliation in arriving at the “Amounts as reported under IFRS Accounting Standards” in the Reconciliation as set out in the Appendix, do not reflect, in all material respects, the different accounting treatments according to the Group’s accounting policies in accordance with the U.S. GAAP and the IFRS Accounting Standards of the relevant period; and
- (iii) The computation of the Reconciliation as set out in the Appendix is not arithmetically accurate.

Appendix – Reconciliation prepared by the directors of the Company

The unaudited condensed consolidated financial statements are prepared in accordance with U.S. GAAP, which differ in certain respects from IFRS Accounting Standards issued by the International Accounting Standards Board. The effects of material differences between the financial statements of the Group prepared under U.S. GAAP and IFRS Accounting Standards are as follows:

	Six months ended June 30, 2024					
		IFRS adjustments				
	Amounts as reported under U.S. GAAP	Expected credit losses, net of tax	Effective interest rate on loans receivable, net of tax	Share-based compensation	Financial guarantee, net of tax	Amounts as reported under IFRS Accounting Standards
Condensed Consolidated Statement of Operations						
		(In thousands of Renminbi (“RMB”))				
		(Note i)	(Note ii)	(Note iii)	(Note iv)	
	RMB	RMB	RMB	RMB	RMB	RMB
Revenue, net of value-added tax and related surcharges:						
Credit driven services	5,928,487	–	(50,622)	–	–	5,877,865
Financing income	3,225,096	–	(50,622)	–	–	3,174,474
Total net revenue	8,313,246	–	(50,622)	–	–	8,262,624
Operating costs and expenses:						
Facilitation, origination and servicing	1,458,186	–	–	(8,190)	–	1,449,996
Sales and marketing	782,005	–	–	(1,368)	–	780,637
General and administrative	201,469	–	–	(2,413)	–	199,056
Provision for loans receivable	1,697,429	22,939	–	–	–	1,720,368
Provision for financial assets receivable	169,169	–	–	–	86,950	256,119
Provision for contingent liabilities	103,397	467,263	–	–	–	570,660
Total operating costs and expenses	4,964,159	490,202	–	(11,971)	86,950	5,529,340
Income from operations	3,349,087	(490,202)	(50,622)	11,971	(86,950)	2,733,284
Income before income tax expense	3,602,772	(490,202)	(50,622)	11,971	(86,950)	2,986,969
Income tax expense	(1,066,120)	73,514	7,591	–	13,040	(971,975)
Net income	2,536,652	(416,688)	(43,031)	11,971	(73,910)	2,014,994
Net income attributable to ordinary shareholders of the Company	2,544,815	(416,688)	(43,031)	11,971	(73,910)	2,023,157

Six months ended June 30, 2025

Condensed Consolidated Statement of Operations	IFRS adjustments						Amounts as reported under IFRS Accounting Standards
	Amounts as reported under U.S. GAAP	Expected credit losses, net of tax	Effective interest rate on loans receivable, net of tax	Share-based compensation	Financial guarantee, net of tax	Convertible senior notes	
			(In thousands of Renminbi (“RMB”))				
		(Note i)	(Note ii)	(Note iii)	(Note iv)	(Note v)	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB
Revenue, net of value-added tax and related surcharges:							
Credit driven services	6,676,415	-	(621)	-	-	-	6,675,794
Financing income	4,022,184	-	(621)	-	-	-	4,021,563
Total net revenue	9,906,592	-	(621)	-	-	-	9,905,971
Operating costs and expenses:							
Facilitation, origination and servicing	1,495,521	-	-	712	-	-	1,496,233
Sales and marketing	1,254,180	-	-	(166)	-	-	1,254,014
General and administrative	372,361	-	-	(10,857)	-	-	361,504
Provision for loans receivable	1,597,036	(1,690)	-	-	-	-	1,595,346
Provision for financial assets receivable	106,494	-	-	-	35,247	-	141,741
Provision for contingent liabilities	556,957	(96,642)	-	-	-	-	460,315
Total operating costs and expenses	5,795,674	(98,332)	-	(10,311)	35,247	-	5,722,278
Income from operations	4,110,918	98,332	(621)	10,311	(35,247)	-	4,183,693
Interest income, net	141,039	-	-	-	-	14,590	155,629
Fair value changes of convertible senior notes	-	-	-	-	-	(86,312)	(86,312)
Income before income tax expense	4,392,231	98,332	(621)	10,311	(35,247)	(71,722)	4,393,284
Income tax expense	(865,152)	(14,747)	92	-	5,286	-	(874,521)
Net income	3,527,079	83,585	(529)	10,311	(29,961)	(71,722)	3,518,763
Net income attributable to ordinary shareholders of the Company	3,534,169	83,585	(529)	10,311	(29,961)	(71,722)	3,525,853

As of December 31, 2024

Condensed Consolidated Balance Sheet	Amounts as reported under U.S. GAAP	IFRS adjustments				Amounts as reported under IFRS Accounting Standards
		Expected credit losses, net of tax	Effective interest rate on loans receivable, net of tax	Share-based compensation	Financial guarantee, net of tax	
(In thousands of Renminbi (“RMB”))						
	RMB	(Note i) RMB	(Note ii) RMB	(Note iii) RMB	(Note iv) RMB	RMB
ASSETS						
Current assets:						
Financial assets receivable, net	1,553,912	–	–	–	(1,545,875)	8,037
Amounts due from related parties	8,510	–	–	–	168	8,678
Loans receivable, net	26,714,428	–	(140,502)	–	–	26,573,926
Total current assets	42,780,568	–	(140,502)	–	(1,545,707)	41,094,359
Non-current assets:						
Financial assets receivable, net-non current	170,779	–	–	–	(170,779)	–
Amounts due from related parties	51	–	–	–	–	51
Loans receivable, net-noncurrent	2,537,749	224,446	(17,023)	–	–	2,745,172
Deferred tax assets	1,206,325	135,222	–	–	(124,964)	1,216,583
Total non-current assets	5,352,050	359,668	(17,023)	–	(295,743)	5,398,952
TOTAL ASSETS	48,132,618	359,668	(157,525)	–	(1,841,450)	46,493,311
LIABILITIES AND EQUITY						
LIABILITIES						
Current liabilities:						
Contract liabilities	–	–	–	–	295,578	295,578
Guarantee liabilities-stand ready	2,383,202	–	–	–	(2,383,202)	–
Guarantee liabilities-contingent	1,820,350	(284,558)	–	–	–	1,535,792
Other tax payable	109,161	–	(8,917)	–	–	100,244
Total current liabilities	17,472,209	(284,558)	(8,917)	–	(2,087,624)	15,091,110

As of December 31, 2024

Condensed Consolidated Balance Sheet	IFRS adjustments					Amounts as reported under IFRS Accounting Standards
	Amounts as reported under U.S. GAAP	Expected credit losses, net of tax	Effective interest rate on loans receivable, net of tax	Share-based compensation	Financial guarantee, net of tax	
		<i>(In thousands of Renminbi ("RMB"))</i>				
	<i>RMB</i>	<i>(Note i) RMB</i>	<i>(Note ii) RMB</i>	<i>(Note iii) RMB</i>	<i>(Note iv) RMB</i>	<i>RMB</i>
Non-current liabilities:						
Deferred tax liabilities	439,435	–	(23,202)	–	–	416,233
Total non-current liabilities	<u>6,414,190</u>	<u>–</u>	<u>(23,202)</u>	<u>–</u>	<u>–</u>	<u>6,390,988</u>
TOTAL LIABILITIES	<u>23,886,399</u>	<u>(284,558)</u>	<u>(32,119)</u>	<u>–</u>	<u>(2,087,624)</u>	<u>21,482,098</u>
SHAREHOLDERS' EQUITY						
Additional paid-in capital	4,339,413	–	–	(17,867)	–	4,321,546
Retained earnings	20,952,340	644,226	(125,406)	17,867	246,174	21,735,201
TOTAL QFIN HOLDINGS, INC. EQUITY	<u>24,190,043</u>	<u>644,226</u>	<u>(125,406)</u>	<u>–</u>	<u>246,174</u>	<u>24,955,037</u>
TOTAL EQUITY	<u>24,246,219</u>	<u>644,226</u>	<u>(125,406)</u>	<u>–</u>	<u>246,174</u>	<u>25,011,213</u>
TOTAL LIABILITIES AND EQUITY	<u>48,132,618</u>	<u>359,668</u>	<u>(157,525)</u>	<u>–</u>	<u>(1,841,450)</u>	<u>46,493,311</u>

As of June 30, 2025

Condensed Consolidated Balance Sheet	IFRS adjustments						Amounts as reported under IFRS Accounting Standards
	Amounts as reported under U.S. GAAP	Expected credit losses, net of tax	Effective interest rate on loans receivable, net of tax	Share-based compensation	Financial guarantee, net of tax	Convertible senior notes	
			(In thousands of Renminbi (“RMB”))				
		(Note i)	(Note ii)	(Note iii)	(Note iv)	(Note v)	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB
ASSETS							
Current assets:							
Financial assets receivable, net	1,630,038	-	-	-	(1,616,638)	-	13,400
Amounts due from related parties	2,761	-	-	-	219	-	2,980
Loans receivable, net	34,927,339	-	(134,564)	-	-	-	34,792,775
Total current assets	54,134,827	-	(134,564)	-	(1,616,419)	-	52,383,844
Non-current assets:							
Financial assets receivable, net-non current	213,939	-	-	-	(213,939)	-	-
Amounts due from related parties	28	-	-	-	-	-	28
Loans receivable, net-noncurrent	2,507,609	226,136	(23,619)	-	-	-	2,710,126
Deferred tax assets	1,289,151	120,475	-	-	(119,677)	-	1,289,949
Total non-current assets	5,620,124	346,611	(23,619)	-	(333,616)	-	5,609,500
TOTAL ASSETS	59,754,951	346,611	(158,183)	-	(1,950,035)	-	57,993,344
LIABILITIES AND EQUITY							
LIABILITIES							
Current liabilities:							
Accrued expenses and other current liabilities	2,799,439	-	-	-	-	(6,453)	2,792,986
Contract liabilities	-	-	-	-	315,483	-	315,483
Guarantee liabilities-stand ready	2,481,731	-	-	-	(2,481,731)	-	-
Guarantee liabilities-contingent	1,895,076	(381,200)	-	-	-	-	1,513,876
Other tax payable	56,427	-	(8,954)	-	-	-	47,473
Total current liabilities	15,568,571	(381,200)	(8,954)	-	(2,166,248)	(6,453)	13,005,716

As of June 30, 2025

Condensed Consolidated Balance Sheet	IFRS adjustments						Amounts as reported under IFRS Accounting Standards
	Amounts as reported under U.S. GAAP	Expected credit losses, net of tax	Effective interest rate on loans receivable, net of tax	Share-based compensation	Financial guarantee, net of tax	Convertible senior notes	
			(In thousands of Renminbi ("RMB"))				
		(Note i)	(Note ii)	(Note iii)	(Note iv)	(Note v)	
	RMB	RMB	RMB	RMB	RMB	RMB	RMB
Non-current liabilities:							
Deferred tax liabilities	588,634	-	(23,294)	-	-	-	565,340
Convertible Senior Notes	4,857,243	-	-	-	-	78,193	4,935,436
Total non-current liabilities	20,078,919	-	(23,294)	-	-	78,193	20,133,818
TOTAL LIABILITIES	35,647,490	(381,200)	(32,248)	-	(2,166,248)	71,740	33,139,534
SHAREHOLDERS' EQUITY							
Additional paid-in capital	3,744,541	-	-	(28,178)	-	-	3,716,363
Retained earnings	22,752,781	727,811	(125,935)	28,178	216,213	(71,722)	23,527,326
Other comprehensive loss	(122,689)	-	-	-	-	(18)	(122,707)
TOTAL QFIN HOLDINGS, INC. EQUITY	24,058,376	727,811	(125,935)	-	216,213	(71,740)	24,804,725
TOTAL EQUITY	24,107,461	727,811	(125,935)	-	216,213	(71,740)	24,853,810
TOTAL LIABILITIES AND EQUITY	59,754,951	346,611	(158,183)	-	(1,950,035)	-	57,993,344

Notes:

- (i) Expected credit losses, net of tax

Under U.S. GAAP, ASC 326 requires recognition of allowances upon origination or acquisition of financial assets at an estimate to reflect expected credit losses over the contractual term of the financial assets (the current expected credit loss or the "CECL" model) and adjusted as of each subsequent reporting period. Under IFRS Accounting Standards, in accordance with IFRS 9, only the portion of lifetime expected credit loss ("ECL") that results from default events that are possible within 12 months after the reporting date is recorded ("stage 1") upon initial recognition. Lifetime expected credit losses are subsequently recorded only if there is a significant increase in the credit risk of the asset ("stage 2"). Once there is objective evidence of impairment ("stage 3"), lifetime ECL continues to be recognized, but interest revenue is calculated on the net carrying amount (that is, amortized cost net of the credit allowance). Accordingly, the reconciliation includes a difference in the credit losses for loans receivable and guarantee liabilities to reflect the difference between IFRS 9 and ASC 326.

(ii) Effective interest rate on loans receivable, net of tax

The Group recognizes revenue fees and interests charged to the borrowers over the lifetime of the loans using the effective interest method under “financing income” in the condensed consolidated statement of operations. Under U.S. GAAP, the effective interest rate is computed on the basis of the contractual cash flows over the contractual term of the loan. Under IFRS Accounting Standards, the effective interest rate is computed on the basis of the estimated cash flows that are expected to be received over the expected life of a loan by considering all of the loan’s contractual terms (e.g., prepayment and similar options). Accordingly, the reconciliation includes a difference in financing income and loans receivable as a result.

(iii) Share-based compensation

The Group granted options and restricted shares with service condition only to employees and the share-based compensation expenses were recognized over the vesting period using straight-line method under U.S. GAAP. The Group is allowed to make an accounting policy election to account for awards forfeitures as they occur or by estimating expected forfeitures as compensation cost is recognized. The Group elects to account for forfeitures of all the rewards in the period they occur as a deduction to expense. While under IFRS Accounting Standards, the graded vesting method must be applied and in regard of forfeitures of the awards, the Group is required to estimate the forfeitures. Accordingly, the reconciliation includes an income of RMB11,971 and RMB10,311 in the condensed consolidated statements of operations for each of the six months ended June 30, 2024 and 2025, respectively.

(iv) Financial guarantee, net of tax

Under U.S. GAAP, the Group adopted ASC 326, Financial Instruments – Credit Losses, which requires gross accounting for guarantee liability. As a result, at inception of the guarantee, the Group will recognize both a stand-ready guarantee liability under ASC 460 with an associated financial assets receivable, and a contingent guarantee liability with an allowance under CECL model. Subsequent to the initial recognition, the ASC 460 stand-ready guarantee liability is released into guarantee revenue on a straight-line basis over the term of the guarantee, while the contingent guarantee is reduced by the payouts made by the Group to compensate the investors upon borrowers’ default. Under IFRS Accounting Standards, according to IFRS 9 and IFRS 15, the Group chose to apply the accounting policy that guarantee premium receivable is accrued and the corresponding revenue recognized on a monthly basis as the service fees are due and collected by installment rather than upfront. After initial recognition, the Group subsequently measure the financial guarantees at the higher of (1) the amount of the loss allowance and (2) the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of IFRS 15. Accordingly, the reconciliation includes a difference in financial guarantee to reduce the liabilities recorded.

(v) Convertible Senior Notes

Under U.S. GAAP, the convertible senior notes were measured as a liability. Issuance costs related to the convertible senior notes were recorded as a direct deduction from the principal amount of the convertible senior notes, and the discount caused by issuance cost is amortized over the period from the date of issuance to the maturity date of the convertible senior notes, using the effective interest method. Under IFRS Accounting Standards, the convertible senior notes are designated as at fair value through profit or loss such that the convertible senior notes are initially recognized at fair value. Subsequent to initial recognition, the Group considered that the amounts of changes in fair value of the convertible senior notes that are attributed to changes in own credit risk of the convertible senior notes recognized in other comprehensive income were insignificant. Therefore, the amounts of changes in fair value of the convertible senior notes are recognized in the profit or loss.

Tax impacts for each difference have been reflected in respective columns.