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ZHOU LIU FU JEWELRY
Zhou Liu Fu Jewellery Co., Ltd.
周六福珠宝股份有限公司

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

(Stock Code: 6168)

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

INTERIM RESULTS HIGHLIGHTS

The Group's revenue increased by approximately 5.2% from approximately RMB2,993.9 million in the six months ended June 30, 2024 to approximately RMB3,150.4 million in the six months ended June 30, 2025.

The Group's gross profit increased by approximately 8.7% from approximately RMB761.1 million for the six months ended June 30, 2024 to approximately RMB827.2 million for the six months ended June 30, 2025.

The Group's net profit increased by approximately 11.9% from approximately RMB371.2 million for the six months ended June 30, 2024 to approximately RMB415.3 million for the six months ended June 30, 2025.

The board of directors (the “**Board**”) of Zhou Liu Fu Jewellery Co., Ltd. (the “**Company**”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended June 30, 2025 (the “**reporting period**”), together with the unaudited comparative figures for the six months ended June 30, 2024. The contents of this interim results announcement have been prepared in accordance with the applicable disclosure requirements for preliminary announcement of interim results under the Listing Rules and the IFRS Accounting Standards issued by the International Accounting Standards Board. The Board and the Audit Committee have also reviewed and approved the interim results. Unless otherwise stated, the financial data of the Company is presented in Renminbi (“**RMB**”).

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2025

	<i>Notes</i>	Six months ended June 30,	
		2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	RMB'000
REVENUE	4	3,150,422	2,993,916
Cost of sales		<u>(2,323,173)</u>	<u>(2,232,774)</u>
Gross profit		827,249	761,142
Other income and gains	4	20,014	18,734
Selling and distribution expenses		(241,580)	(236,452)
Administrative expenses		(65,124)	(64,807)
Research and development expenses		(6,336)	(5,591)
Other expenses, net		(12,840)	(2,265)
Finance costs	5	<u>(6,703)</u>	<u>(5,916)</u>
PROFIT BEFORE TAX	6	514,680	464,845
Income tax expense	7	<u>(99,386)</u>	<u>(93,598)</u>
PROFIT FOR THE PERIOD		<u>415,294</u>	<u>371,247</u>
Attributable to:			
Owners of the Company		<u>415,294</u>	<u>371,247</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted (<i>RMB</i>)	9	<u>1.09</u>	<u>1.01</u>
PROFIT FOR THE PERIOD		<u>415,294</u>	<u>371,247</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30, 2025

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
PROFIT FOR THE PERIOD	<u>415,294</u>	<u>371,247</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>(1,593)</u>	<u>703</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>(1,593)</u>	<u>703</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>413,701</u>	<u>371,950</u>
Attributable to:		
Owners of the Company	<u>413,701</u>	<u>371,950</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2025

	<i>Notes</i>	June 30, 2025	December 31, 2024
		(Unaudited)	(Audited)
		RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		294,321	136,519
Investment properties		123,897	92,679
Right-of-use assets		142,305	156,329
Other intangible assets		3,796	4,118
Deferred tax assets		11,700	12,859
Debt investments		120,224	98,851
Prepayments, other receivables and other assets		13,082	154,465
		<hr/>	<hr/>
Total non-current assets		709,325	655,820
CURRENT ASSETS			
Inventories	<i>10</i>	2,282,013	2,318,011
Trade receivables	<i>11</i>	224,855	209,867
Prepayments, other receivables and other assets		192,568	178,598
Financial assets at fair value through profit or loss		4,043	33,530
Cash and bank balances		1,674,639	561,745
		<hr/>	<hr/>
Total current assets		4,378,118	3,301,751

	<i>Notes</i>	June 30, 2025 (Unaudited) RMB'000	December 31, 2024 (Audited) RMB'000
CURRENT LIABILITIES			
Trade and bills payables	<i>12</i>	172,698	37,806
Other payables and accruals		197,737	196,523
Interest-bearing bank borrowings	<i>13</i>	352,504	612,754
Contract liabilities		297,135	345,823
Gold loans		–	42,982
Lease liabilities		21,552	24,762
Tax payable		60,329	69,836
		<hr/>	<hr/>
Total current liabilities		1,101,955	1,330,486
		<hr/>	<hr/>
NET CURRENT ASSETS		3,276,163	1,971,265
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,985,488	2,627,085
		<hr/> <hr/>	<hr/> <hr/>
NON-CURRENT LIABILITIES			
Lease liabilities		12,565	20,980
Interest-bearing bank and other borrowings	<i>13</i>	59,069	28,299
Other payables and accruals		200	200
		<hr/>	<hr/>
Total non-current liabilities		71,834	49,479
		<hr/>	<hr/>
NET ASSETS		3,913,654	2,577,606
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to owners of the Company			
Share capital	<i>14</i>	432,542	378,713
Reserves		3,481,112	2,198,893
		<hr/>	<hr/>
Total equity		3,913,654	2,577,606
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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

June 30, 2025

1. CORPORATE AND GROUP INFORMATION

Zhou Liu Fu Jewellery Co., Ltd. (the “**Company**”) is a company established in the People’s Republic of China (“**PRC**”) with limited liability. The address of the registered office of the Company is located at 2301–2409, Zhongguan Business Building, No. 3031 Taibai Road, Dongxiao Street, Dongxiao Community, Luohu District, Shenzhen, Guangdong, PRC. Its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since June 26, 2025.

The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) were the design, manufacture and sale of jewelry and the provision of franchise and related services.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended June 30, 2024 has been prepared in accordance with International Accounting Standards (“**IAS**”) 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s consolidated financial statements for each of the years ended December 31, 2022, 2023 and 2024 as set out in the accountants’ report (the “**Accountants’ Report**”) included in the prospectus of the Company dated on June 18, 2025 (the “**Prospectus**”).

The unaudited interim condensed consolidated financial information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Accountants’ Report, except for the adoption of the following revised IFRS Accounting Standards for the first time for the current period’s financial information.

Amendments to IAS 21

Lack of Exchangeability

The adoption of the above revised IFRS Accounting Standards has no significant financial effect on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their service and products and only has one reportable operating segment.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

Major operating entities are domiciled in the PRC. Most of the revenues of the Group from external customers are generated in the PRC. Besides, most of the assets of the Group are located in the PRC. Thus, no geographic information is presented.

Information about major customers

Revenue of approximately RMB490,878,000 for the six months ended June 30, 2025 (six months ended June 30, 2024: RMB323,434,000) was derived from sales to a single customer, including sales to a group of entities which are known to be under common control with that customer.

4. REVENUE, OTHER INCOME AND GAINS

Revenue

An analysis of the Group's revenue is as follows:

Revenue from contracts with customers

(i) *Disaggregated revenue information*

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Types of goods or services		
Sales of goods		
Gold jewelry	2,533,982	2,319,784
Diamond-set jewelry and others	235,182	244,769
Provision of services	381,258	429,363
	<hr/>	<hr/>
Total revenue from contracts with customers	3,150,422	2,993,916
	<hr/> <hr/>	<hr/> <hr/>
Timing of revenue recognition		
Goods transferred at a point in time	2,769,164	2,564,553
Service transferred at a point in time	61,208	69,499
Services transferred over time	320,050	359,864
	<hr/>	<hr/>
Total revenue from contracts with customers	3,150,422	2,993,916
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(ii) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sales of goods

The performance obligation is satisfied upon taking or delivery of the products in self-operate retail store and E-commerce stores and payments are usually settled in cash, by credit/debit cards, through online payment platforms or through shopping malls. Shopping mall usually settle the payment monthly upon checking the sales records agreed by the Group while online platforms settle on daily basis. The performance obligation of sale of goods to franchisees is satisfied upon delivery to their sites and the payment in advance is generally required. The Group may grant a credit period ranging from 15 to 30 days to certain franchisees and a credit period ranging from 30 to 60 days to certain premium or strategically important franchisees. Credit periods extended to these franchisees are subject to a monetary limit. The performance obligation of sale of goods to e-commerce platforms is satisfied upon delivery of the products and the payment is typically settled within 30 working days after invoice date.

Provision of services

The performance obligation of franchising services and product admission services is satisfied over time as services are rendered and payment in advance is generally required. The performance obligation of supply chain management fee is satisfied when the product is certified and transferred to franchisees and the payment is generally settled after five days of invoice issued to authorised suppliers. The performance obligation of other related services is satisfied upon completion of service.

The amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The Group does not have variable consideration which is constrained at the end of each of the reporting period.

Other income and gains

	Six months ended June 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Other income		
Interest income	5,121	2,964
Government grants*	9,645	12,799
Investment income	465	–
Others	126	268
	<hr/>	<hr/>
Subtotal	15,357	16,031
	<hr/>	<hr/>
Gains		
Compensation for breach of contracts	3,265	1,694
Fair value gains on listed equity investments	764	–
Compensation for civil litigation	278	897
Gain on disposal of items of property, plant and equipment and other assets	217	–
Foreign exchange differences	29	–
Others	104	112
	<hr/>	<hr/>
Subtotal	4,657	2,703
	<hr/>	<hr/>
Total	20,014	18,734
	<hr/> <hr/>	<hr/> <hr/>

* Government grants have been received from local government authorities as subsidies by the Group, which mainly represent the subsidies related to operating activities.

5. FINANCE COSTS

	Six months ended June 30,	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Interest on bank loans	5,546	4,818
Interest on lease liabilities	983	1,098
Interest on gold loans	174	–
	<hr/>	<hr/>
Total	6,703	5,916
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6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	<i>Note</i>	Six months ended June 30,	
		2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	RMB'000
Cost of inventories sold*		2,312,924	2,216,376
Cost of services provided		10,249	16,398
Depreciation of property, plant and equipment**		14,876	10,938
Depreciation of right-of-use assets**		14,852	16,602
Amortisation of intangible assets and other non-current assets**		4,067	4,117
Lease payments not included in the measurement of lease liabilities		13,800	11,159
Gain on disposals of property, plant and equipment and other assets***		(217)	–
Loss on disposals of property, plant and equipment and other assets*****		–	68
Listing expenses****		12,208	17,165
Employee benefit expenses (excluding directors' and supervisors' remunerations):			
Wages and salaries		93,178	94,351
Pension scheme contributions (defined contribution schemes)		8,595	6,874
Equity-settled share-based payments		2,275	4,103
Impairment/(reversal of impairment) of trade receivables*****	<i>11</i>	1,558	(322)
Net impairment of prepayments, other receivables and other assets*****		–	24

* The amounts disclosed for cost of inventories sold included the write-down of inventories to net realisable value.

** The depreciation of property, plant and equipment and right-of-use assets and the amortisation of intangible assets and other assets are included in “Selling and marketing expenses”, “Administrative expenses” and “research and development expenses” in the statement of profit or loss, respectively.

*** The amounts are included in “Other income and gains” in the statement of profit or loss.

**** The amounts are included in “Administrative expenses” in the statement of profit or loss.

***** The amounts are included in “Other expenses” in the statement of profit or loss.

7. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

PRC Corporate Income Tax

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the “CIT Law”), the Company and certain subsidiaries which operate in Chinese Mainland were subject to CIT Law at a rate of 25% on the taxable income during each of the reporting period.

Zhou Liu Fu E-Commerce Co., Ltd., is qualified as a modern service corporation in the Shenzhen-Hong Kong Modern Service Industry Cooperation Zone. Accordingly, the subsidiary was entitled to a preferential corporate income tax rate of 15% during the reporting period.

Zhou Liu Fu Jewellery Sales (Chongqing) Co., Ltd., and Zhou Liu Fu Jewellery (Chongqing) Co., Ltd., are qualified enterprises in Western Development of China by the relevant tax authorities. Accordingly, these subsidiaries were entitled to a preferential corporate income tax rate of 15% during the reporting period.

Shenzhen Xiaoyudi Information Technology Co., Ltd. was qualified as high-tech certified entity by the relevant tax authorities at the end of 2024 and was subject to a preferential income tax rate of 15% during the reporting period.

Certain subsidiaries are qualified as small low-profit entities by the relevant tax authorities. These subsidiaries were subject to a preferential income tax rate of 5% during the reporting period.

Hong Kong Profits Tax

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, while a subsidiary of the Group is a qualifying entity under the two-tiered profits tax rates regime. The first HKD2,000,000 of assessable profits of this subsidiary were taxed at 8.25% and the remaining assessable profits are taxed at 16.5% during the reporting period.

The income tax expenses for the reporting period are as follows:

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current	98,227	92,102
Deferred	1,159	1,496
Total	<u>99,386</u>	<u>93,598</u>

8. DIVIDENDS

The declared dividends which were approved by the Company's shareholders during the reporting period are as follows:

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Dividends declared	<u>196,931</u>	<u>644,466</u>
Total	<u><u>196,931</u></u>	<u><u>644,466</u></u>

During the reporting period, a final dividend for 2024 of RMB0.52 per share based on the number of issued shares as at March 14, 2025, totaling approximately RMB197 million was declared (six months ended June 30, 2024: RMB644,466,000), which was fully paid during the reporting period.

Subsequent to the end of the reporting period, an interim dividend of RMB0.45 per share for the six months ended June 30, 2025 is still subject to the approval of the Company's shareholders at the extraordinary general meeting.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the reporting period attributable to ordinary equity holders of the Company, and the weighted average numbers of ordinary shares of 380,199,522 (six months ended June 30, 2024: 366,866,805) in issue during the reporting period.

No adjustment has been made to the basic earnings per share amounts presented for each of the reporting period for a dilution as the Group had no potentially dilutive ordinary shares in issue during the reporting period.

The calculation of basic and diluted earnings per share is based on:

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Earnings		
Profit attributable to ordinary equity holders of the Company:	<u>415,294</u>	<u>371,247</u>

	Number of shares	
	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period	<u>380,199,522</u>	<u>366,866,805</u>

10. INVENTORIES

	June 30, 2025 (Unaudited) RMB'000	December 31, 2024 (Audited) RMB'000
Finished goods	1,464,522	1,563,074
Raw materials	390,487	198,447
Work in progress	1,638	88,238
Goods in transit	425,366	468,252
	<hr/>	<hr/>
Total	2,282,013	2,318,011
	<hr/> <hr/>	<hr/> <hr/>

The reversal of write-down of inventories to net realisable value amounted to RMB3,660,000 for the six months ended June 30, 2025 (inventories write-downs to net realizable value amounted to RMB1,667,000 for the six months ended June 30, 2024). These were included in “Profit before tax” in the consolidated statement of profit or loss for the reporting period.

11. TRADE RECEIVABLES

	June 30, 2025 (Unaudited) RMB'000	December 31, 2024 (Audited) RMB'000
Trade receivables	241,288	226,802
Impairment	(16,433)	(16,935)
	<hr/>	<hr/>
Total	224,855	209,867
	<hr/> <hr/>	<hr/> <hr/>

The Group’s trade receivables are usually generated from sales through franchisees, e-commerce platforms and customers whose sales proceeds are collected by shopping malls and online platforms. Shopping malls usually settle the payment monthly upon checking the sales records agreed by the Group while online platforms settle on a daily basis. The Group may grant a credit period ranging from 15 to 30 days to certain franchisees and a credit period ranging from 30 to 60 days to certain premium or strategically important franchisees. Credit periods extended to these franchisees are subject to a monetary limit. In addition, the payments of e-commerce platforms are typically settled within 30 days after the invoice date. Trade receivables are non-interest-bearing.

The fair value of trade receivables at the end of each of the reporting period approximated to their corresponding carrying amount due to their relatively short maturity terms.

An ageing analysis of the trade receivables as at the end of reporting period, based on the date of revenue recognition and net of loss allowance for impairment, is as follows:

	June 30, 2025 (Unaudited) RMB'000	December 31, 2024 (Audited) RMB'000
Within 1 year	222,718	201,918
1 to 2 years	2,027	7,627
2 to 3 years	110	322
	<hr/>	<hr/>
Total	224,855	209,867
	<hr/> <hr/>	<hr/> <hr/>

The movements in the loss allowance for impairment/reversal of impairment of trade receivables are as follows:

	June 30, 2025 (Unaudited) RMB'000	December 31, 2024 (Audited) RMB'000
At beginning of the year	16,935	25,137
Impairment losses, net	1,558	(55)
Exchange realignment	(9)	(11)
Amount written-off as uncollectible	(2,051)	(8,136)
	<hr/>	<hr/>
At end of the year/period	16,433	16,935
	<hr/> <hr/>	<hr/> <hr/>

12. TRADE AND BILLS PAYABLES

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

	June 30, 2025 (Unaudited) RMB'000	December 31, 2024 (Audited) RMB'000
Within 1 year	172,565	37,806
1 to 2 years	133	–
	<hr/>	<hr/>
Total	172,698	37,806
	<hr/> <hr/>	<hr/> <hr/>

Trade and bills payables are non-interest-bearing and are normally settled on credit terms of one to six months after the invoice date.

The fair value of trade and bills payables as at the end of the reporting period approximated to their carrying amount due to their relatively short maturity terms.

13. INTEREST-BEARING BANK BORROWINGS

	At June 30, 2025 (Unaudited)			At December 31, 2024 (Audited)		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
	Current					
Bank loans – unsecured	1.8%–2.6%	2025–2026	322,504	2.5%–2.7%	2025	242,754
Bank loans – secured	1.5%	2025	<u>30,000</u>	0.6%–1.4%	2025	<u>370,000</u>
Non-current						
Bank loans – secured	3.2%	2032	<u>59,069</u>	3.2%	2032	<u>28,299</u>
Analysed into:						
Bank loans repayable:						
Within one year			352,504			612,754
Beyond five years			<u>59,069</u>			<u>28,299</u>
Total			<u><u>411,573</u></u>			<u><u>641,053</u></u>

Notes:

- (i) All interest-bearing bank borrowings are denominated in RMB.
- (ii) The Group's available total facilities for bank borrowings amounted to RMB1,880,000,000 (as at December 31, 2024: RMB1,703,980,000) of which RMB411,573,000 had been utilised as at 2025 (as at December 31, 2024: RMB641,053,000).

14. SHARE CAPITAL

	June 30, 2025 (Unaudited) RMB'000	December 31, 2024 (Audited) RMB'000
Authorised and fully paid:		
Ordinary shares with par value of RMB1.00 each	<u>432,542</u>	<u>378,713</u>

A summary of movement in the Company's share capital is as follows:

	Number of shares in issue	Share capital RMB
At January 1, 2024	366,174,073	366,174,073
Issuance of ordinary shares (<i>Note a</i>)	<u>12,538,455</u>	<u>12,538,455</u>
At December 31, 2024 and January 1, 2025	<u>378,712,528</u>	<u>378,712,528</u>
Issuance of ordinary shares (<i>Note b</i>)	<u>53,829,200</u>	<u>53,829,200</u>
At June 30, 2025	<u>432,541,728</u>	<u>432,541,728</u>

Notes:

- a) In connection with the pre-IPO, 12,538,455 ordinary shares of a par value of RMB1.00 each were issued at a price of approximately RMB19.54 per share at a total cash consideration, before deducting the share issue expense, of RMB245,000,000.
- b) In connection with the IPO, 53,829,200 ordinary shares of a par value of RMB1.00 each were issued at a price of HK\$24.00 per share at a total cash consideration, before deducting the underwriting fees and commissions and other estimated listing expenses, of HK\$1,291,900,800.

MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion is based on the financial information and notes thereto contained elsewhere in this interim results announcement and should be read in conjunction with such financial information and notes thereto.

BUSINESS REVIEW

We are a jewelry company in China with nationwide sales network and highly recognized brand. Leveraging our comprehensive offline store network and online sales channels, we provide end-consumers with a variety of jewelry products, including gold jewelry, diamond-set jewelry and others.

Our business model integrates the development and design, procurement and supply, franchising and brand operation of jewelry products, linking the various streams in the industry value chain. During the reporting period, our revenue was primarily derived from (i) franchise model; (ii) self-operated stores; and (iii) online sales channels.

During the reporting period, the Group's revenue was approximately RMB3,150.4 million, an increase of approximately RMB156.5 million compared to approximately RMB2,993.9 million for the same period last year, representing an increase of approximately 5.2%. During the reporting period, the gross profit of the Group was approximately RMB827.2 million, representing an increase of approximately RMB66.1 million, or approximately 8.7%, from RMB761.1 million for the same period last year. The above changes were mainly attributable to the contribution from the growth of the self-operated business model, specifically due to the following factors:

1. Online revenue maintained rapid growth, becoming an increasingly important contributor to the Group's revenue mix

In the first half of 2025, revenue generated from our online sales channels amounted to RMB1,631.9 million, representing a year-on-year increase of approximately 34%. This was primarily attributable to the continuous optimization of operational efficiency and enhancement of online operational capabilities across our online channels, as well as the expansion of online sales scale through deepened cooperation with e-commerce platforms. During the reporting period, the robust online penetration trend in sales of gold and jewelry continued, supported by the Group's integrated offline-to-online retail management, coordinated marketing campaigns and unified product development strategy, while our value-for-money positioning targeting younger consumers further drove online revenue growth.

During the 2025 "6.18" Shopping Festival (from 8:00 PM on May 16 to 20 June, 2025), the Group's self-operated GMV across all online platforms (primarily Tmall Flagship Store, JD.com Self-operated Store, and JD.com Flagship Store) exceeded RMB700 million, representing a year-on-year increase of 36%. This marks the second consecutive year with a growth rate of over 30%. Additionally, in the gold product category rankings on Tmall during the 6.18 campaign, we secured the 4th position.

2. With the shift in consumer attitudes, the proportion of fixed-price products sold under the Group's self-operated model has increased

With the continuous rise in gold prices in recent years, the Company has also begun to explore lighter and more fashionable product designs. Through strategies such as IP co-branding and combinations of gold and other materials in accessories, it hopes to amplify the composite attributes of its products and brand, bringing higher customer loyalty, gross profit margin, and profitability. During the reporting period, the sales volume and sales revenue of fixed-price products in the Group's offline retail business increased by 73.2% and 44.4% respectively compared with the same period last year, and the gross profit margin of the Group's offline retail business increased by 12.2% to 41.7%, providing a strong guide for the Company to further explore the complementary and mutually reinforcing relationship between products, brands, and operations to achieve a virtuous cycle of brand development and upgrading.

3. Offline stores continued structural adjustments, with franchise model performance contributions fluctuating

In the first half of the year, geopolitical risks and uncertainties such as tariffs caused gold prices to surge sharply. The macroeconomic outlook remained unclear, and terminal consumption performance was under pressure. The Company continues to encourage terminal stores to actively optimize and adjust their layout, guiding them to select the best and eliminate the worst sales outlets based on factors such as changes in commercial areas and brand strategic positioning, and focus on improving store operations and efficiency, resulting in some franchisees deciding to close their stores in response to the market conditions. As such, the Group recorded a net closure of 272 stores during the reporting period. As of June 30, 2025, we had a total of 3,760 franchise stores and 97 self-operated stores, including 21 sub-brands. (i) in terms of city tiers, our structure has become more balanced, with the combined number of stores in first- and second-tier cities accounting for nearly 50% of the total; (ii) in terms of location positioning, we have further optimized our structure, with shopping centers and department stores accounting for over 55% of the total number of stores; (iii) in terms of single-store area, our average single-store area further increased to approximately 110 square metres at the end of the period. Additionally, over 63% of the stores closed during the reporting period were street-front stores/specialty stores.

Zhou Liu Fu Group's store network status is as follows:

Pattern	Country/region	December 31, 2024	Net increase or decrease	June 30, 2025
Franchise Stores	Chinese Mainland	4,034	-280	3,754
	Overseas	4	2	6
	Subtotal	<u>4,038</u>	<u>-278</u>	<u>3,760</u>
Self-operated Stores	Chinese Mainland	91	6	97
	Subtotal	<u>91</u>	<u>6</u>	<u>97</u>
Total		<u>4,129</u>	<u>-272</u>	<u>3,857</u>

OPERATING REVENUE

Operating revenue by sales channels

Our sales channels are primarily franchise model and self-operated model (including online and offline retail, etc.). The following table sets forth a breakdown of our revenue by channel for the periods indicated:

	For the six months ended June 30,					
	2025		2024		Year-on-year change	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Franchise Model	1,228,695	39	1,481,487	49	-252,792	-17
Online Sales Channels	1,631,931	52	1,215,410	41	416,521	34
Self-operated Stores	213,091	7	250,948	8	-37,857	-15
Others	76,705	2	46,071	2	30,634	66
Total	<u>3,150,422</u>	<u>100</u>	<u>2,993,916</u>	<u>100</u>	<u>156,506</u>	<u>5</u>

Since the beginning of 2025, driven by the sharp rise in gold prices and the divergence between online and offline consumption, the Group has seen a simultaneous increase in both the volume and price in its online business, which has benefited more compared to its franchise and self-operated stores. During the reporting period, revenue from the franchise model accounted for approximately 39%, while revenue from the self-operated model (including online and offline retail, etc.) accounted for approximately 61%.

During the reporting period, the rapid rise in gold prices dampened consumer enthusiasm for offline purchases in the short term, putting the gold jewelry consumption market under considerable pressure. Franchisees were also cautious about purchasing, but the Group remained committed to its strategy of improving store quality, resulting in revenue from the franchise model of RMB1,228.7 million, a decrease of 17% over the same period.

Revenue from online sales channels continued its strong growth, accounting for 52% of the Group's revenue. Such online revenue is mainly concentrated on platforms such as Tmall and JD.com. It will continue to serve as one of the key drivers of the Company's growth in the future.

Affected by end-market demand, revenue from self-operated stores in the first half of the year was RMB213.1 million, representing a year-on-year decrease of 15%. Since last year, our self-operated stores have consistently implemented channel resource consolidation, market layout optimization, and store quality enhancement initiatives, with preliminary results being observed. Although same-store revenue declined slightly in the first quarter, it recorded a period-to-period growth of 13.5% since the second quarter.

Revenue by products and services:

Our product offering primarily consists of gold jewelry (including pure gold jewelry, K gold jewelry and platinum jewelry) and diamond-set jewelry and others (including diamond-set jewelry, silver jewelry, pearl jewelry and gemstone jewelry). We also receive service fees in terms of franchise fees and product listing fees charged to franchisees. The following table sets forth a breakdown of revenue by product for the periods indicated:

	For the six months ended June 30,					
	2025		2024		Year-on-year change	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Gold Jewelry	2,533,982	81	2,319,784	78	214,198	9
Diamond-set Jewelry and others	235,182	7	244,769	8	-9,587	-4
Service fees	381,258	12	429,363	14	-48,105	-11
Total	<u>3,150,422</u>	<u>100</u>	<u>2,993,916</u>	<u>100</u>	<u>156,506</u>	<u>5</u>

Revenue from gold jewelry for the reporting period was RMB2,534.0 million, representing a year-on-year increase of approximately 9%, which was mainly attributable to the contribution of online revenue. In terms of product structure, the sales of gold products with fixed prices increased significantly, while the rapid rise in gold prices dampened consumer sentiment, affecting the sales of gold products sold by weight.

During the reporting period, revenue from diamond-set jewelry and others amounted to RMB235.2 million, representing a slight year-on-year decrease of approximately 4%. The decline was primarily attributable to a further reduction in sales of diamond-set products.

During the reporting period, revenue from service fees was RMB381.3 million, representing a year-on-year decrease of approximately 11%, which was mainly due to the structural adjustment and closure of terminal stores in the first half of 2025, which resulted in a decrease in royalties from franchisees.

OUTLOOK AND PROSPECTS

Over the past two years, with international gold prices remaining at high levels, coupled with changes in consumption psychology of domestic residents, the gold jewelry industry, especially the offline market, has entered a period of adjustment and consolidation. Overall growth has slowed down, and competition has intensified, with well-known brands continuously seizing the offline market share of other brands. Meanwhile, young consumer groups have become increasingly active, with diverse preferences. They emphasize cost-effectiveness, personalization, and emotional value, and have become a crucial customer base that every brand is vying for. In response, brands have specifically launched numerous products featuring minimalist, fashionable, and Chinese cultural style elements, and have promoted and marketed them through multiple mainstream new media platforms.

Against this backdrop, the Group's franchise segment and self-operated segment, particularly the e-commerce operations, have shown mixed performance with both gains and declines. To seize the initiative during this period of industry adjustment and consolidation, expand the brand matrix, and attract a broader consumer base, the Company plans to take action in multiple areas:

1. Forge powerful alliances and increase collaboration and investment in product research and development (R&D)

The Group will continue to leverage its top-tier channel and brand market share advantages to promptly identify consumer trends, quickly understand market demands, and respond effectively. By partnering with leading high-quality suppliers in the industry, the Group will ramp up investment in product innovation and R&D, covering areas such as trending IP designs and popular manufacturing techniques. The Group will successively launch upgraded versions of branded product series such as "Jiuhua Dayuan" (九華大願) and "ihe Xianjing"(頤和仙境), further highlighting elements of Oriental culture and contemporary Chinese design trends. At the same time, the Group is also preparing for several newly-developed series, featuring techniques that are currently well received in the market, such as diamond inlays and filigree work.

2. Enhance brand marketing targeting young consumers, especially through new media promotions

Currently, new media advertising is one of the most effective ways to engage young consumer demographics. The Group leverages the extensive experience in new media marketing strategies of other well-known consumer brands. Leveraging proceeds from listing, it will increase strategic investments in platforms like Xiaohongshu and Douyin to boost online e-commerce performance and drive foot traffic to offline stores.

3. Expand high-quality domestic and international offline stores through multiple ecosystems to improve quality and efficiency

Franchise stores: This year, the franchise segment of the gold jewelry industry is expected to remain in a phase of adjustment and optimization. The Group will focus on multiple aspects, including product R&D, marketing-driven foot traffic, store location selection, facade upgrades, and operational empowerment, to collectively enhance the competitiveness of franchise stores. By attracting both new and existing franchise partners and optimizing store structures, the Group aims to gain a first-mover advantage in anticipation of a future rebound in consumer demand.

Self-operated stores: The Group positions its self-operated stores as flagship brand showcases in their respective cities, playing a pivotal role in expanding our presence in mid-to-high-end shopping malls and elevating brand prestige. Currently, the Group's self-operated store network remains relatively small compared to industry peers among listed companies. Going forward, the Group will significantly increase investment in self-operated stores, with the goal of expanding to approximately 200 stores within a three-year timeframe.

Cooperative partnership stores: Positioned as a hybrid model between franchise and self-operated stores, cooperative partnership stores enable powerful synergies, resource complementarity, and shared operational risks. In the second half of this year, the Group plans to open multiple new stores in premium domestic and international shopping malls through joint capital contribution with franchise partners. This approach shall elevate store quality while deepening strategic partnerships with key premium clients.

Premium stores: During this year's May Day holiday, the Group celebrated the grand opening of its first premium flagship store, "Zhou Liufu Ji Culture Pavilion", at Beijing's China World Shopping Mall. The store has delivered exceptional performance metrics since its launch three months ago. This flagship represents the official rollout of the brand's new premium positioning strategy, significantly enhancing brand prestige. Moving forward, the "Zhou Liufu Ji Culture Pavilion" will expand to major upscale shopping centers across China, featuring with completely redesigned store concept as well as upgraded and differentiated product collections.

Overseas stores: The Group remains bullish on the growth potential of international markets, with plans to aggressively expand its Southeast Asian retail network this year. Currently, the Group has successfully established six stores across Thailand, Laos, Vietnam, Cambodia, and Malaysia. Our expansion roadmap includes entering Singapore and other strategic markets, targeting a total of 10 overseas stores by the end of this year. In addition, the Group continuously expands its overseas e-commerce business, strengthens cooperation with e-commerce platforms such as Amazon and Lazada, aiming to increase its overseas online revenue.

4. Continue to strengthen competitive advantages in online e-commerce operations

The Group will leverage proceeds from listing to intensify investments in its e-commerce subsidiary across product development, marketing, operations, and logistics, while capitalizing on the distinct operational characteristics of online and offline businesses, maintaining online business operation along with its advantages of agility, adaptability, strong cost-performance ratio, and rapid inventory turnover, thereby further consolidating the Group's leading position on major e-commerce platforms such as Tmall and JD.com.

FINANCIAL REVIEW

Revenue

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
<i>Types of goods or services</i>		
Sales of goods		
Gold Jewelry	2,533,982	2,319,784
Diamond-set Jewelry and Others	235,182	244,769
Provision of services	381,258	429,363
Total	<u>3,150,422</u>	<u>2,993,916</u>

Revenue mainly includes sales of goods and provision of services. During the reporting period, revenue was approximately RMB3,150.4 million, representing an increase of approximately RMB156.5 million compared to approximately RMB2,993.9 million for the same period last year, representing an increase of approximately 5.2%, due to reasons set out in the section headed "Management Discussion and Analysis – Operating Revenue" in this announcement.

Cost of Sales

Cost of sales primarily includes material costs, finished product costs, and outsourced production costs. During the reporting period, cost of sales amounted to RMB2,323.2 million, an increase of RMB90.4 million compared to the same period in 2024, representing a growth of approximately 4.0%. This increase was primarily attributable to higher costs of finished gold and jewelry products resulting from increased sales of gold jewelry.

Gross Profit and Gross Profit Margin

During the reporting period, gross profit was RMB827.2 million, representing a year-on-year increase of RMB66.1 million or 8.7%, which was mainly due to an increase in sales of gold jewelry. The gross profit margin for the reporting period was 26.3%, representing a year-on-year increase of 1 percentage point. The change in gross profit margin was mainly due to the combined effects of the rise in gold prices during the year, changes in channel structure and product mix.

Other Income and Gains

Other income and gains primarily include government grants, bank interest income, compensation income and others. During the reporting period, other income and gains amounted to RMB20.0 million, an increase of RMB1.3 million compared to the same period in 2024, representing a relatively minor change.

Selling and Marketing Expenses

Sales and marketing expenses mainly include staff costs, promotion and advertising expenses, selling and marketing service fees, low-value consumables, e-commerce platform service fees, and leased property expenses. During the reporting period, selling and marketing expenses amounted to RMB241.6 million, an increase of RMB5.1 million compared to the same period in 2024, representing a year-on-year growth of 2.2%, primarily due to costs arising from headcount increase and e-commerce platform expenses.

Administrative Expenses

Administrative expenses mainly include staff costs, professional service fees, depreciation and amortization, and business entertainment expenses. During the reporting period, administrative expenses amounted to RMB65.1 million, an increase of RMB0.3 million compared to the same period in 2024, representing a year-on-year increase of 0.5%, which remained stable.

Research and Development Expenses

Research and development expenses mainly include staff costs. During the reporting period, research and development expenses amounted to RMB6.3 million, an increase of RMB0.7 million compared to the same period in 2024, representing a year-on-year growth of 13.3%, which was primarily due to an increase in staff costs.

Other Expenses, Net

Other expenses, net mainly include impairment losses for trade receivables and other receivables, net lease business, and public welfare donations. During the reporting period, other expenses, net amounted to RMB12.8 million, an increase of RMB10.6 million compared to the same period in 2024, representing a year-on-year growth of 466.9%. This was primarily due to loss arising from gold loan contracts and increase in other expenses, etc.

Finance Costs

Financial costs mainly include interest on lease liabilities and interest on bank loans. During the reporting period, finance costs amounted to RMB6.7 million, an increase of RMB0.8 million compared to the same period in 2024, representing a relatively minor change.

Income Tax Expense

During the reporting period, income tax expense amounted to RMB99.4 million, an increase of RMB5.8 million compared to the same period in 2024, representing a year-on-year growth of 6.2%, primarily attributable to the increase in pre-tax profit.

LIQUIDITY AND CAPITAL RESOURCES

Our use of cash primarily related to the operating activities and capital expenditure. During the reporting period, we primarily financed our operations through cash generated from our operating activities.

As of June 30, 2025, we had available cash and cash equivalents of RMB1,588.3 million (as of December 31, 2024: RMB177.0 million), primarily denominated in HKD and RMB, and including cash and bank balances (net of debt investments). The increase in cash and cash equivalents was primarily due to proceeds received from the Global Offering during the reporting period.

The Group has adopted prudent capital management approach towards its treasury policies, and conducted effective financial management to sustain appropriate and sufficient liquidity and to meet its working capital, funding and development needs during the Reporting Period.

INDEBTEDNESS AND BORROWINGS

As of June 30, 2025, we had recorded interest-bearing bank loans and other borrowings of approximately RMB411.6 million (as of December 31, 2024: RMB641.1 million), all denominated in RMB, of which approximately RMB411.6 million was fixed-rate borrowings. The main reason for the decrease was the repayment of borrowings. For further details, please refer to Note 13 to the interim condensed consolidated financial information contained in this results announcement.

As of June 30, 2025, we have aggregate unpaid contractual lease payments (present value of lease payments for the remainder of relevant lease terms) of approximately RMB34.1 million (as of December 31, 2024: RMB45.7 million) in relation to the corresponding lease liabilities. The decrease was mainly attributable to contract lease payments.

As of June 30, 2025, the Company's gearing ratio was approximately 23.1% (as of December 31, 2024: 34.9%). The gearing ratio is calculated by dividing total liabilities by total assets and multiplying by 100%.

CONTINGENT LIABILITIES

As of June 30, 2025, we did not have any material contingent liabilities.

FOREIGN EXCHANGE RISK

During the reporting period, foreign exchange risk was not significant because most business transactions were conducted in Chinese Mainland, and transactions in Chinese Mainland were mainly denominated in RMB.

CHARGE OR PLEDGE OF ASSETS

As of June 30, 2025, we have pledged leasehold land and time deposits with an aggregate value of approximately RMB139.2 million as collateral for bank borrowings of RMB89.1 million (as of December 31, 2024: RMB398.3 million).

CAPITAL EXPENDITURE

During the reporting period, we incurred capital expenditures of approximately RMB172.7 million, which was primarily related to the purchase, construction, and renovation of property, plant and equipment.

As of June 30, 2025, we had capital commitments of approximately RMB121.4 million (as of December 31, 2024: RMB162.4 million), which was primarily related to the construction of our new headquarters building.

EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2025, we had a total number of 1,737 full-time employees. All of our employees were based in China as of June 30, 2025.

We highly value the potential of our employees and have invested substantial efforts and resources in recruiting and training our employees. In addition to regular recruitment program through specialized recruiting firms and other third-parties, we have also implemented internal referrals policy to attract potential talents to join us.

As required by laws and regulations in PRC, we participate in various government statutory employee benefit plans, including social insurance plans, namely pension, medical, unemployment, work-related injury and maternity insurance plans, and housing provident fund. We also offer a comprehensive compensation and benefits package, including salary, bonuses, maternity leave, and other allowances, to ensure that employees' compensation is commensurate with their performance, experience, and industry practices. We regularly review all compensation policies and benefits.

In addition, in order to improve the remuneration structure and motivate and retain talents, the Company implemented an employee share incentive plan (the “**Pre-IPO ESOP**”) in December 2017, through which eligible participants of the Pre-IPO ESOP (including directors, senior management members and employees of the Group) were granted the rights to and have subscribed for the partnership interests in the relevant employee shareholding platforms, with the Shares underlying such awards. The Pre-IPO ESOP does not involve any grant of awards or issuance of new Shares by the Company after Listing, the terms of which are not subject to Chapter 17 of the Listing Rules. Please refer to Appendix VI to the Prospectus for details of the Pre-IPO ESOP.

We also encourage everyone within the organization to pursue professional development opportunities. In furtherance of this goal, we have been offering training and career development programs to our employees to support their growth and upward mobility. We provide a large variety of professional development training with a wide coverage including business skills and self-improvement.

SIGNIFICANT INVESTMENTS, MAJOR ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As of June 30, 2025, the Company did not hold any significant investments. During the reporting period, the Company had no material acquisitions or disposals of subsidiaries, associates, or joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as the plans disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus, as of June 30, 2025, the Company has no plans for material investments or capital assets. However, the Group will continue to seek new opportunities for strategic investments and/or acquisition to achieve its long-term growth strategies. For further details, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed hereinbelow and as at the date of this announcement, the Company has no material events that need to be disclosed after the reporting period:

1. Exercise of Over-allotment Option

On July 23, 2025, the Over-allotment Option described in the Prospectus has been fully exercised by the Overall Coordinators (for themselves and on behalf of the International Underwriters) in respect of an aggregate of 8,074,300 H Shares (the “**Over-allotment Shares**”), representing approximately 15% of the total number of the Offer Shares available under the Global Offering before any exercise of the Over-allotment Option (taking into account the full exercise of the Offer Size Adjustment Option). The Over-allotment Shares were issued and allotted by the Company at HK\$24.00 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, the Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), being the Offer Price per H Share under the Global Offering. The listing of and dealings in the Over-allotment Shares commenced on the Main Board of the Stock Exchange at 9:00 a.m. on July 28, 2025.

For further details, please refer to the Prospectus and the announcement of the Company dated July 23, 2025 (the “**OAO Announcement**”). Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the OAO Announcement and the Prospectus.

2. Amendment of Articles of Association

Upon full exercise of the Over-allotment Option, the registered capital and total number of the shares of the Company were changed to RMB440,616,028 and 440,616,028 Shares, respectively. To reflect such changes in the registered capital and share capital structure of the Company, corresponding amendments were made to the Articles of Association, which took effect on July 29, 2025. In accordance with the resolutions passed at the general meeting held on June 23, 2024, the general meeting of the Company has authorized the Board and persons authorized by the Board to make corresponding adjustments and amendments to the Articles of Association in accordance with the actual circumstances of the Company in respect of the Company's listing on the Stock Exchange.

For further details, please refer to the announcement of the Company dated July 29, 2025 and full text of the amended Articles of Association published on the same date.

3. Proposed interim dividend

Please refer to the section headed "Interim Dividend" in this announcement for details.

USE OF NET PROCEEDS FROM THE LISTING

The Company's H shares were listed on the Main Board of the Stock Exchange on June 26, 2025. After deducting underwriting fees, commissions and other estimated listing expenses, the net proceeds from the Global Offering and the exercise of the Over-allotment Option, totaling approximately HK\$1,429.48 million (the "Net Proceeds"), are currently and will be allocated for the purposes set out in the Prospectus. The proposed and actual use of the Net Proceeds are set out below:

Use of net proceeds from listing	Percentage of total Net Proceeds	Allocation of Net Proceeds (HK\$ in millions)	Cumulative amount utilized during the reporting period (HK\$ in millions)	Unutilized amount as of June 30, 2025 (HK\$ in millions)	Expected schedule for the unutilized Net Proceeds
(i) To expand and strengthen our sales network	50%	714.74	0	714.74	To be utilized on or before December 31, 2028
(ii) To strengthen our brand building	20%	285.90	0	285.90	To be utilized on or before December 31, 2028

Use of net proceeds from listing	Percentage of total Net Proceeds	Allocation of Net Proceeds (HK\$ in millions)	Cumulative	Unutilized amount as of June 30, 2025 (HK\$ in millions)	Expected schedule for the unutilized Net Proceeds
			amount utilized during the reporting period (HK\$ in millions)		
(iii) To improve our product offering and enhance product design and development capabilities	20%	285.90	0	285.90	To be utilized on or before December 31, 2028
(iv) For our working capital and general corporate purposes	10%	142.95	0	142.95	To be utilized on or before December 31, 2028
Total*	100%	1,429.48	0	1,429.48	To be utilized on or before December 31, 2028

* For the purpose of this disclosure, the total Net Proceeds of approximately HK\$1,429.48 million include the net proceeds of approximately HK\$1,242.21 million raised by the Group in connection with the Global Offering in June 2025 and the net proceeds of approximately HK\$187.27 million raised in connection with the exercise of the Over-allotment Option in July 2025. Details of the exercise of the Over-allotment Option were disclosed in the announcement of the Company dated July 23, 2025.

As of June 30, 2025, the Net Proceeds have not been utilized. As of the date of this announcement, the Board is not aware of any material changes or delays in the plans for the use of the Net Proceeds as previously disclosed in the section headed “Future Plans and Use of proceeds” in the Prospectus. It is expected that all remaining unused Net Proceeds will be fully utilized by December 31, 2028. The estimated timing for the use of the remaining funds is based on the Group’s judgment, which is subject to change depending on the development of current and future market conditions.

INTERIM DIVIDEND

The Board recommends the payment of an interim dividend of RMB0.45 per ordinary share (tax inclusive) for the six months ended June 30, 2025. As of the date of this announcement, the total number of ordinary shares issued by the Company was 440,616,028 Shares, based upon which the total interim dividend proposed for distribution is approximately RMB198,277,212.60 (tax inclusive), subject to the the actual aggregate amount of the cash dividend to be paid in accordance with the total number of Shares (excluding the treasury shares, if any) on the record date for the payment of the interim dividend while maintaining an unchanged distribution amount per Share, which will be announced separately by the Company. For the avoidance of doubt, treasury shares held by the Company, if any, are not entitled to the proposed interim dividend.

The interim dividend will be denominated and declared in RMB and H shareholders will be paid in Hong Kong dollars. The exchange rate for interim dividends payable in Hong Kong dollars shall be the average exchange rate of RMB against Hong Kong dollars as announced by the People's Bank of China for the five business days prior to the date of approval of the interim dividend at the extraordinary general meeting (the “**EGM**”) held for considering and, if thought fit, approving the resolution on such profit distribution plan.

Subject to the approval of the Shareholders at the EGM, the interim dividend is expected to be paid on October 31, 2025 to Shareholders whose names appear on the register of members of the Company on September 30, 2025. For determining the entitlement to the proposed interim dividend, the register of members of the Company will be closed from Thursday, September 25, 2025 to Tuesday, September 30, 2025, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, September 24, 2025, for registration. The notice of the EGM and a circular detailing the proposed resolution on the interim dividend will be provided to the Shareholders in due course.

CORPORATE GOVERNANCE CODE

The Board and the management of the Group are committed to achieving high standards of corporate governance with a view to safeguarding the interests of our shareholders. From the Listing Date up to the date of this announcement, the Company has complied with all applicable code provisions of Part 2 of the Corporate Governance Code (the “**Corporate Governance Code**”) as set out in Appendix C1 to the Listing Rules.

The Group will continue to review and monitor its corporate governance practices to ensure ongoing compliance with the Corporate Governance Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

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 (“**Model Code**”) as the code of conduct for securities transactions by Directors and Supervisors. After making specific enquiries with all Directors and Supervisors, each Director and Supervisor has confirmed that they have complied with the required standards set out in the Model Code from the Listing Date up to the date of this announcement.

PURCHASE, SALE, OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

From the Listing Date up to the date of this announcement, the Company and any of its subsidiaries did not purchase, sell, or redeem any of the Company's listed securities (including the sale of treasury shares), and the Company did not hold any treasury shares.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee comprises three independent non-executive Directors, namely Ms. YANG Lan (chairlady), Mr. LAU Kwok Fan and Mr. GUO Qiuquan, with written terms of reference in compliance with the requirements under the Listing Rules. The Audit Committee has reviewed the accounting principles and practices adopted by the Group, as well as the interim results of the Company for the reporting period, in conjunction with the Company's management. The Audit Committee believes that the interim financial results for the reporting period are in accordance with the relevant accounting standards, rules, and regulations, and that appropriate disclosures have been made in a timely manner.

PUBLICATION OF 2025 INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.zlf.cn. The 2025 interim report containing all information required by the Listing Rules will be provided to shareholders and published on the Stock Exchange and the Company's websites in due course.

DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the meanings as follows:

“Articles of Association”	the articles of association of the Company, as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“CG Code” or “Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“China”, “Chinese Mainland” or “the PRC”	the People’s Republic of China, and for the purposes of this announcement only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Company”, “our Company” or “the Company”	Zhou Liu Fu Jewellery Co., Ltd. (周六福珠寶股份有限公司) (formerly known as Shenzhen Zhou Liu Fu Jewellery Co., Limited (深圳市周六福珠寶有限公司) and Shenzhen Zhou Tian Fu Jewellery Co., Ltd. (深圳市周天福珠寶首飾有限公司)), a limited liability company incorporated under the laws of the PRC on April 28, 2004 and converted into a joint stock company with limited liability on November 7, 2018, the Shares of which are listing on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Global Offering”	the Hong Kong Public Offering and the International Offering, as defined in the Prospectus
“Group”, “Zhou Liu Fu Group”, “our Group”, “our”, “we” or “us”	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)

“H Share(s)”	overseas listed foreign Share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed and traded in HK dollars and listed on the Stock Exchange
“HK\$”, “Hong Kong dollars” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange
“Listing Date”	June 26, 2025, being the date on which the Shares are listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Offer Price”	the final offer price per H Share (exclusive of brokerage, SFC transaction levy, Stock Exchange trading fee and Financial Reporting Council transaction levy), at which Hong Kong Offer Shares are to be subscribed for pursuant to the Hong Kong Public Offering and International Offer Shares are to be offered pursuant to the International Offering
“Over-allotment Option”	the option expected to be granted by the Company to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters), as described and defined in the Prospectus
“Prospectus”	the prospectus being issued by the Company in connection with the Global Offering on June 18, 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC

“Share(s)”	ordinary share(s) in the capital of the Company, with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	supervisor(s) of the Company
“treasury share(s)”	has the meaning ascribed thereto under the Listing Rules
“Unlisted Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are not listed on any stock exchange
“%”	per cent

By order of the Board
Zhou Liu Fu Jewellery Co., Ltd.
Li Weizhu
Chairman and executive Director

Hong Kong, August 22, 2025

As at the date of this announcement, the Board of the Company comprises Mr. LI Weizhu, Mr. LI Weipeng, Mr. XIE Mingyu and Mr. ZHONG Xipeng as executive directors; Ms. ZHONG Yingqin as non-executive director; and Mr. LAU Kwok Fan, Ms. YANG Lan and Mr. GUO Qiuquan as independent non-executive directors.