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coolpad 酷派

# COOLPAD GROUP LIMITED
# 酷 派 集 團 有 限 公 司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2369)**

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

**FINANCIAL HIGHLIGHTS**

| | Six months ended 30 June | | |
|---|---|---|---|
| | **2025** | 2024 | **Variance** |
| | ***HK$'000*** | *HK$'000* | *(%)* |
| | **(Unaudited)** | (Unaudited) | |
| Revenue | **174,636** | 252,328 | –30.8 |
| Loss before tax | **(79,586)** | (90,579) | –12.1 |
| Net loss attributable to owners of the Company | **(80,298)** | (90,221) (Restated) | –11.0 |
| Basic and diluted loss per share | **(HK19.63 cents)** | (HK22.03 cents) | –10.9 |

The board (the "**Board**") of directors (the "**Directors**") of Coolpad Group Limited (the "**Company**") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2025 (the "**Reporting Period**") together with comparative figures for the corresponding period of 2024 as follows:

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
*FOR THE SIX MONTHS ENDED 30 JUNE 2025*

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2025** | 2024 |
| | *Notes* | ***HK$'000*** | *HK$'000* |
| | | **(Unaudited)** | (Unaudited) |
| **REVENUE** | 4 | **174,636** | 252,328 |
| Cost of sales | | **(147,576)** | (198,807) |
| Gross profit | | **27,060** | 53,521 |
| Other income and gains | 4 | **57,087** | 38,851 |
| Selling and distribution expenses | | **(6,518)** | (14,696) |
| Administrative and other expenses | | **(133,926)** | (149,213) |
| Finance costs | | **(23,660)** | (16,428) |
| Share of profits/(losses) of associates | | **371** | (2,614) |
| **LOSS BEFORE TAX** | 5 | **(79,586)** | (90,579) |
| Income tax (expense)/credit | 6 | **(712)** | 358 |
| **LOSS FOR THE PERIOD** | | **(80,298)** | (90,221) |
| **OTHER COMPREHENSIVE INCOME/ (LOSS)** | | | |
| Other comprehensive income that may be reclassified to profit or loss in subsequent periods: | | | |
| Exchange differences on translation of foreign operations | | **51,810** | (41,194) |
| Cumulative exchange (loss)/gain reclassified to profit or loss on disposal and deregistration of subsidiaries | | **(1,780)** | 862 |
| Share of other comprehensive gain/(loss) of associates | | **3,402** | (3,435) |
| | | **53,432** | (43,767) |
| **TOTAL COMPREHENSIVE LOSS FOR THE PERIOD** | | **(26,866)** | (133,988) |

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

*FOR THE SIX MONTHS ENDED 30 JUNE 2025*

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2025** | 2024 |
| | *Notes* | ***HK$'000*** | *HK$'000* |
| | | **(Unaudited)** | (Unaudited) |
| Loss for the period attributable to owners of the Company | | **(80,298)** | (90,221) |
| Total comprehensive loss attributable to Owners of the Company | | **(26,866)** | (133,988) |
| | | | (Restated) |
| Loss per share | 8 | | |
| – Basic *(HK cent)* | | **(19.63)** | (22.03) |
| – Diluted *(HK cent)* | | **(19.63)** | (22.03) |

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*AS AT 30 JUNE 2025*

| | Notes | **30 June 2025 HK$'000 (Unaudited)** | 31 December 2024 HK$'000 (Audited) |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | | **478,432** | 493,611 |
| Investment properties | | **3,239,396** | 3,151,325 |
| Right-of-use assets | | **50,095** | 49,536 |
| Investments in associates | | **165,949** | 161,020 |
| Financial assets at fair value through profit or loss | | **20,141** | 16,655 |
| Other non-current assets | | **49,273** | 97,728 |
| Total non-current assets | | **4,003,286** | 3,969,875 |
| **Current assets** | | | |
| Inventories | | **21,557** | 58,676 |
| Cryptocurrencies | | **–** | 10,618 |
| Trade receivables | 9 | **55,094** | 85,219 |
| Prepayments, deposits and other receivables | | **53,625** | 56,742 |
| Financial assets at fair value through profit or loss | | **140,486** | 116,260 |
| Pledged deposits | | **55,848** | 53,211 |
| Bank balances and cash | | **82,339** | 65,145 |
| Total current assets | | **408,949** | 445,871 |
| **Current liabilities** | | | |
| Trade payables | 10 | **118,562** | 140,554 |
| Other payables and accruals | | **782,595** | 796,865 |
| Interest-bearing bank and other borrowings | | **40,496** | 21,284 |
| Amounts due to associates | | **30,266** | 29,429 |
| Amounts due to related parties | | **27,417** | 15,125 |
| Tax payable | | **102,145** | 100,110 |
| Total current liabilities | | **1,101,481** | 1,103,367 |

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (continued)
*AS AT 30 JUNE 2025*

| | **30 June 2025** | 31 December 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| | **(Unaudited)** | (Audited) |
| **Net current liabilities** | **(692,532)** | (657,496) |
| **Total assets less current liabilities** | **3,310,754** | 3,312,379 |
| **Non-current liabilities** | | |
| Interest-bearing bank and other borrowings | **1,192,993** | 1,175,953 |
| Deferred tax liabilities | **329,641** | 319,817 |
| Other non-current liabilities | **17,149** | 16,676 |
| Total non-current liabilities | **1,539,783** | 1,512,446 |
| **Net assets** | **1,770,971** | 1,799,933 |
| **EQUITY** | | |
| Share capital | **161,788** | 163,810 |
| Reserves | **1,609,183** | 1,636,123 |
| Total equity | **1,770,971** | 1,799,933 |

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 1 CORPORATE AND GROUP INFORMATION

Coolpad Group Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands. The registered address of the Company is Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

During the period, the Company and its subsidiaries (collectively referred to as the "**Group**") was involved in the following principal activities:

– production and sale of smart phones and devices, provision of wireless application services;

– leases of properties; and

– cryptocurrencies business.

### 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

#### 2.1 Basis of Preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 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 annual consolidated financial statements for the year ended 31 December 2024.

***Going concern basis***

For the six months ended 30 June 2025, the Group incurred a net loss of approximately HK$80 million and the Group recorded net current liabilities of approximately HK$693 million as at 30 June 2025. The unrestricted cash and cash equivalent balance amounted to approximately HK$82 million as at 30 June 2025. These circumstances may cast significant doubt on the Group's ability to continue as a going concern.

During the period, the directors have taken various measures with the aim of improving the Group's liquidity position, including but not limited to (i) the implementation of cost saving measures to control the daily operation costs; (ii) existing bank loan facilities of approximately RMB1.13 billion (equivalent to HK$1.24 billion) being utilized and the bank borrowings are drawn down as long term borrowings as existing of 30 June 2025; and (iii) there were expanded stable cash inflow generated from the Group's operation of its investment properties contributing to the Group's working capital. During the period ended 30 June 2025, the Group recorded a rental income of approximately HK$34.4 million (period ended 30 June 2024: HK$43.4 million).

The directors have prepared a cash flow forecast of the Group for the next twelve months based on the existing situation, future events and commitments of the Group. The directors considered that the Group will have adequate working capital to meet its obligations, and therefore the financial statements of the Group have been prepared on a going concern basis.

Measures and estimations have been taken into consideration by the directors, including and not limited to:

(i) Existing unutilised loan facility of RMB480 million (equivalent to HK$525 million) from Kingkey Group Company Limited, a related party of the Group, with an expiry date of 31 December 2025 and mutual intention for both parties to reach an agreement on further extending the loan facility for an additional 1 to 3 years, subject to finalisation.

(ii) The Group is in progress on obtaining an additional facility amounting to RMB200 million (equivalent to HK$219 million) from a bank subject to the final authorization from the bank.

(iii) The Group is revisiting its operating strategies taking into account the potential business opportunities expected to arise from the 5th generation wireless system market, and would continue to expand the cooperation with its business partners from various channels. Further measures would be considered by the Group to tighten cost controls over various production costs and expenses with the aim to attain profitable and positive cash flow operations, including scaling down the operation, human resources optimisation and containment of capital expenditures.

(iv) The Group is evaluating the liquidity and market value of its current financial investment portfolio on hand. In the view of the directors, redemption or sale of certain financial investments would be one of their contemplations favoring improvement of the Group's liquidity position and supplement of working capital.

Notwithstanding the above, in consideration of uncertainty and vulnerability of mobile phone industry and the increasingly intense competition in the market, material uncertainties exist as to whether the Group will be able to achieve the targeted growth in business and revive its market presence.

Should the Group fail to realise its plans to grow its business, by adjusting the progress of the construction projects and deferring its capital expenditure, and securing sufficient financial resources to improve its financial position, adjustments may have to be made to reflect the situation that assets may need to be realised at amounts other than those currently recorded in the condensed consolidated statement of financial position as at 30 June 2025. In addition, the Group may have to provide for further liabilities that might arise, and to reclassify noncurrent assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in these condensed consolidated financial statements.

### 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 Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following new and revised HKFRS Accounting Standards for the first time for the current period's financial information.

| | |
|---|---|
| Amendments to HKAS 21 | *Amendments in relation to Lack of Exchangeability* |

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

## 3 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services and has three (six months ended 30 June 2024: three) reportable operating segments as follows:

(a) the mobile phone segment engages in the research, development, production and sale of smart phones and devices and the provision of wireless application service;

(b) the property investment segment invests in properties for their rental income potential and/or for capital appreciation; and

(c) the cryptocurrencies business segment.

**Six months ended 30 June 2025**

| | Cryptocurrencies business *HK$'000* (Unaudited) | Mobile phone *HK$'000* (Unaudited) | Property investment *HK$'000* (Unaudited) | Total *HK$'000* (Unaudited) |
|---|---|---|---|---|
| **Segment revenue** *(note 4)* | | | | |
| Revenue from external sources | **52,020** | **88,224** | **34,392** | **174,636** |
| Other income and gains | **81** | **35,323** | **–** | **35,404** |
| Total | **52,101** | **123,547** | **34,392** | **210,040** |
| **Segment results** | **4,752** | **(86,090)** | **14,941** | **(66,397)** |
| *Reconciliation:* | | | | |
| Interest income | | | | **29** |
| Finance costs (other than interest on lease liabilities) | | | | **(23,660)** |
| Share of profits of associates | | | | **371** |
| Loss on disposal of subsidiaries | | | | **(11,583)** |
| Fair value gains on financial assets at fair value through profit or loss, net | | | | **21,654** |
| Loss before tax | | | | **(79,586)** |

Six months ended 30 June 2024

| | Cryptocurrencies business<br>*HK$'000*<br>(Unaudited) | Mobile phone<br>*HK$'000*<br>(Unaudited) | Property investment<br>*HK$'000*<br>(Unaudited) | Total<br>*HK$'000*<br>(Unaudited) |
|---|---|---|---|---|
| **Segment revenue** *(note 4)* | | | | |
| Revenue from external sources | 41,244 | 167,637 | 43,447 | 252,328 |
| Other income and gains | 8,212 | 28,825 | – | 37,037 |
| Total | 49,456 | 196,462 | 43,447 | 289,365 |
| **Segment results** | 18,057 | (116,645) | 22,675 | (75,913) |
| *Reconciliation:* | | | | |
| Interest income | | | | 1,814 |
| Finance costs (other than interest on lease liabilities) | | | | (16,370) |
| Share of losses of associates | | | | (2,614) |
| Fair value losses on financial assets at fair value through profit or loss, net | | | | 2,504 |
| Loss before tax | | | | (90,579) |

The following table presents the assets and liabilities information of the Group's operating segments as at 30 June 2025 and 31 December 2024, respectively.

| | **Cryptocurrencies business**<br>*HK$'000* | **Mobile phone**<br>*HK$'000* | **Property investment**<br>*HK$'000* | **Total**<br>*HK$'000* |
|---|---|---|---|---|
| **Segment assets** | | | | |
| At 30 June 2025 (unaudited) | **186,884** | **412,158** | **3,239,396** | **3,838,438** |
| At 31 December 2024 (audited) | 246,657 | 496,831 | 3,151,325 | 3,894,813 |
| **Segment liabilities** | | | | |
| At 30 June 2025 (unaudited) | **192** | **900,965** | **17,149** | **918,306** |
| At 31 December 2024 (audited) | 2,056 | 935,363 | 16,676 | 954,095 |

**Geographical information**

***Non-current assets***

| | **30 June 2025** *HK$'000* **(Unaudited)** | 31 December 2024 *HK$'000* (Audited) |
|---|---|---|
| The People's Republic of China ("**PRC**") | **3,630,215** | 3,555,722 |
| Overseas | **186,884** | 201,170 |
| | **3,817,099** | 3,756,892 |

The non-current asset information above is based on the locations of the assets and excludes financial instruments and investments in associates.

## 4 REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

| | **Six months ended 30 June** | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| | **(Unaudited)** | (Unaudited) |
| **Revenue from contracts with customers** | | |
| Sale of smart phones and devices | **82,200** | 155,086 |
| Wireless application service income | **6,024** | 12,551 |
| | **88,224** | 167,637 |
| **Revenue from other sources** | | |
| Revenue from cryptocurrencies business | **52,020** | 41,244 |
| Rental income from investment properties operating leases | **34,392** | 43,447 |
| | **86,412** | 84,691 |
| | **174,636** | 252,328 |

Disaggregated revenue information for revenue from contracts with customer:

**For the six months ended 30 June 2025**

| | **Total** |
|---|---|
| | ***HK$'000*** |
| | **(Unaudited)** |
| **Geographical markets** | |
| The PRC (Mobile phone segment) | **88,174** |
| Overseas (Mobile phone segment) | **50** |
| Total revenue from contracts with customers | **88,224** |
| **Timing of revenue recognition:** | |
| Goods transferred at a point of time | **88,224** |
| Total revenue from contracts with customers | **88,224** |

For the six months ended 30 June 2024

| | Total |
|---|---|
| | *HK$'000* |
| | (Unaudited) |
| **Geographical markets** | |
| The PRC (Mobile phone segment) | 119,501 |
| Overseas (Mobile phone segment) | 48,136 |
| Total revenue from contracts with customers | 167,637 |
| **Timing of revenue recognition** | |
| Goods transferred at a point of time | 167,637 |
| Total revenue from contracts with customers | 167,637 |

| | **Six months ended 30 June** | |
|---|---|---|
| **Other income and gains** | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| | **(Unaudited)** | (Unaudited) |
| Bank interest income | **29** | 1,814 |
| Fair value gains on financial assets at fair value through profit or loss, net | **21,654** | – |
| Gain on termination of lease | **–** | 2,405 |
| Gain on disposal of cryptocurrencies | **81** | 8,212 |
| Gain on deregistration of subsidiaries | **382** | 787 |
| Government grants and subsidies* | **19,606** | 19,691 |
| Others | **15,335** | 5,942 |
| | **57,087** | 38,851 |

* Government grants and subsidies represented refunds of VAT received from a tax bureau and grants received from certain finance bureaus to support certain of the Group's research and development activities. There are no unfulfilled conditions or contingencies relating to these grants and subsidies.

## 5 LOSS BEFORE TAX

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

| | Six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| | **(Unaudited)** | (Unaudited) |
| Cost of inventories sold | **98,162** | 161,438 |
| Depreciation of property, plant and equipment | **26,986** | 14,013 |
| Depreciation of right-of-use assets | **897** | 1,575 |
| Research and development costs: | | |
| Expenditure for the period* | **12,203** | 23,665 |
| Minimum lease rental expense in respect of short-term leases* | **1,462** | 1,823 |
| Interest expense recognised related to lease liabilities | **–** | 58 |
| Write-down of inventories to net realisable value, net& | **6,069** | 4,622 |
| Direct operating expenses arising on rental-earning investment properties& | **17,892** | 15,283 |
| Recognition of equity-settled share option expense | **1,949** | 4,843 |
| Gain on disposal of items of property, plant and equipment# | **(2,547)** | (542) |
| Gain on disposal of cryptocurrencies# | **(81)** | (8,212) |
| Gain on deregistration of subsidiaries# | **(382)** | (787) |
| Impairment of trade receivables, net* | **13,673** | (2,912) |
| Loss on disposal of subsidiaries* | **11,583** | – |
| Loss on termination of leases* | **18,588** | – |
| Fair value gains on financial assets at fair value through profit or loss, net# | **(21,654)** | – |
| Fair value losses on financial assets at fair value through profit or loss, net* | **–** | 2,504 |
| Fair value losses on investment properties* | **1,559** | 5,960 |

* Included in "Administrative and other expenses" in profit or loss

& Included in "Cost of sales" in profit or loss

# Included in "Other income and gains" in profit or loss

## 6 INCOME TAX

The Company is a tax exempted company registered in the Cayman Islands and conducts substantially all of its businesses through its subsidiaries established in the PRC.

No provision for Hong Kong profits tax has been made (six months ended 30 June 2024: Nil) as the Group did not generate any assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group's subsidiaries operates, based on existing legislation, interpretations and practices in respect thereof.

| | Six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| | **(Unaudited)** | (Unaudited) |
| Current tax | | |
| Corporate income tax | **–** | – |
| Deferred tax | **712** | (358) |
| | **712** | (358) |

## 7 DIVIDEND

The Directors did not recommend the payment of any interim dividends for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

## 8 LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the period attributable to ordinary equity holders of the Company of HK$80,298,000 (six months ended 30 June 2024: a loss of HK$90,221,000), and the weighted average number of ordinary shares of 409,015,774 in issue during the six months ended 30 June 2025 (six months ended 30 June 2024: 409,525,199 (restated)).

The weighted average number of ordinary shares for the purpose of basic and diluted loss per share for the six months ended 30 June 2025 have been adjusted for the Share Consolidation and Share Repurchase (as defined in this announcement). The weighted average number of ordinary shares for the purpose of basic and diluted loss per share for the six months ended 30 June 2024 have been adjusted for the Share Consolidation.

No adjustment has been made to the basic loss per share amount presented for the six months ended 30 June 2025 in respect of a dilution as the impact of the share option outstanding had no dilution effect on the basic loss per share amount presented.

## 9 TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the transaction date, is as follows:

| | **30 June** | 31 December |
|---|---|---|
| | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* |
| | **(Unaudited)** | (Audited) |
| Within 3 months | **11,361** | 67,288 |
| 4 to 6 months | **7,579** | 17,978 |
| 7 to 12 months | **51,109** | 799 |
| Over 1 year | **11,302** | 11,144 |
| | **81,351** | 97,209 |
| Less: Impairment | **(26,257)** | (11,990) |
| | **55,094** | 85,219 |

## 10 TRADE PAYABLES

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

| | **30 June 2025** | 31 December 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| | **(Unaudited)** | (Audited) |
| Within 3 months | **8,558** | 82,640 |
| 4 to 6 months | **22,076** | 7,035 |
| 7 to 12 months | **34,847** | 5,671 |
| Over 1 year | **53,081** | 45,208 |
| | **118,562** | 140,554 |

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 60 days.

## MANAGEMENT DISCUSSION AND ANALYSIS

### REVENUE ANALYSED BY PRODUCT TYPE

A breakdown of the consolidated revenue streams are set forth in the following table for the periods indicated:

| | Six months ended 30 June | | | |
|---|---|---|---|---|
| | **2025** | | 2024 | |
| | **Revenue** | **% of total revenue** | Revenue | % of total revenue |
| | ***HK$ million*** | | *HK$ million* | |
| | **(Unaudited)** | | (Unaudited) | |
| Sale of smart phones and devices | **82.2** | **47.1** | 155.1 | 61.5 |
| Wireless application service income | **6.0** | **3.4** | 12.6 | 5.0 |
| Revenue from cryptocurrencies business | **52.0** | **29.8** | 41.2 | 16.3 |
| Revenue from other sources | | | | |
| Gross rental income | **34.4** | **19.7** | 43.4 | 17.2 |
| Total | **174.6** | **100.0** | 252.3 | 100.0 |

The Group's unaudited revenue for the Reporting Period amounted to HK$174.6 million, representing an decrease of 30.8% as compared with HK$252.3 million for the six months ended 30 June 2024. This is primarily attributable to the fact that being subject to the intense competition in the smartphone market, to enhance business efficiency, the Company implemented strategic adjustments and voluntarily ceased the operation of certain loss-making and negative gross profit products.

### GROSS PROFIT

| | Six months ended 30 June | | | |
|---|---|---|---|---|
| | **2025** | | 2024 | |
| | **Gross profit** | **Gross profit margin** | Gross profit | Gross profit margin |
| | ***HK$ million*** | | *HK$ million* | |
| | **(Unaudited)** | | (Unaudited) | |
| Total | **27.1** | **15.5%** | 53.5 | 21.2% |

The Group's overall gross profit for the Reporting Period was HK$27.1 million, as compared with a gross profit of HK$53.5 million for the corresponding period in 2024. The overall gross profit of the Group's business decreased mainly due to the fact that by upholding the concept of sustainable development and strengthening relationships with tenants, the Group implemented rental concession measures for certain tenants of properties situated in Shenzhen to enhance cooperation stickiness.

## SELLING AND DISTRIBUTION EXPENSES

| | Six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| Selling and distribution expenses *(HK$ million)* | **6.5** | 14.7 |
| As a percentage of total revenue | **3.7%** | 5.8% |

Selling and distribution expenses of the Group decreased by HK$8.2 million from HK$14.7 million for the six months ended 30 June 2024 to HK$6.5 million for the Reporting Period. The selling and distribution expenses as percentage of revenue for the Reporting Period was 3.7%, decreasing by 2.1% compared with 5.8% for the corresponding period in 2024. The decrease of selling and distribution expenses was primarily due to the fact that the company voluntarily terminated the sales of certain loss-making and negative gross profit products in the smartphone business, resulting in a decrease in selling and distribution expenses.

## ADMINISTRATIVE AND OTHER OPERATING EXPENSES

| | Six months ended 30 June | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| Administrative and other operating expenses *(HK$ million)* | **133.9** | 149.2 |
| As a percentage of total revenue | **76.7%** | 59.1% |

Administrative and other operating expenses decreased by HK$15.3 million to HK$133.9 million for the Reporting Period from HK$149.2 million for the corresponding period in 2024. The administrative and other operating expenses as percentage of revenue for the Reporting Period was 76.7%, increasing by 17.6% compared with 59.1% for the corresponding period in 2024. The decrease of administrative and other operating expenses was primarily due to the implementation of strategic cost control measures, optimisation of resource allocation, and strengthening of budgetary control mechanisms by the Group.

## INCOME TAX CREDIT

For the Reporting Period, the Group's income tax expense was HK$0.7 million as compared with an income tax credit of HK$0.4 million for the corresponding period in 2024, which was primarily due to the deferred tax impact resulting from fair value change on investment properties.

## NET LOSS BEFORE TAX

For the Reporting Period, the Group recorded a net loss before tax of HK$80.3 million, compared with the net loss before tax of HK$90.6 million for the six months ended 30 June 2024.

## LIQUIDITY, FINANCIAL RESOURCE AND CAPITAL STRUCTURE

For the Reporting Period, operating capital was mainly generated from cash from its daily operation, interest-bearing loan and capital supports. The Group's cash requirements related primarily to production and operating activities, repayment of due liabilities, capital expenditure, interest and other unforeseeable cash requirements. The Group had a gearing ratio of 55% as at 30 June 2025 (31 December 2024: 54%).

Cash and cash equivalents of the Group as at 30 June 2025 amounted to HK$82.34 million, while it was HK$65.15 million as at 31 December 2024.

As at 30 June 2025, the Group had total debts (i.e. total borrowings) of approximately HK$1,233.49 million, which were all denominated in Renminbi ("**RMB**"). HK$40.50 million of the Group's borrowings are due in 2026 with a rate of 2.7% to 6.0% per annum and HK$1,192.99 million of the Group's borrowings are due in 2038 to 2039 with a rate of 2.7% to 5.15% per annum.

On 23 April 2025, the Company proposed a capital reorganisation ("**Capital Reorganisation**") to be implemented in the following manner:

(i) the share consolidation whereby every forty (40) issued and unissued existing shares of par value of HK$0.01 each will be consolidated into one (1) consolidated share (the "**Consolidated Shares**") of par value of HK$0.4 each ("**Share Consolidation**");

(ii) immediately following the Share Consolidation becoming effective, the capital reduction whereby the par value of each issued consolidated share would be reduced from HK$0.4 to HK$0.1 by cancelling the paid-up capital to the extent of HK$0.3 on each issued consolidated share, and cancelling any fractional consolidated share in the issued share capital of the Company arising from the Share Consolidation ("**Capital Reduction**");

(iii) immediately following the Share Consolidation and Capital Reduction becoming effective, the sub-division, whereby each authorised but unissued consolidated shares be subdivided into four (4) new shares of par value of HK$0.1 each ("**Sub-division**"); and

(iv) the credit arising from the Capital Reduction would be applied towards offsetting the accumulated losses. The balance of the credit (if any) after offsetting the accumulated losses would be transferred to a distributable reserve account of the Company which may be applied by the Company.

The proposed Share Consolidation was passed and approved as an ordinary resolution and the proposed Capital Reduction and Share Sub-division was passed and approved as a special resolution by the shareholders of the Company (the "**Shareholders**") at the annual general meeting held on 6 June 2025. Accordingly, the Share Consolidation has become effective on 10 June 2025. Details are set out in the announcement of the Company dated 23 April 2025, the circular of the Company dated 14 May 2025 (the "**Circular**") and the poll results announcement of the Company dated 6 June 2025.

As at the date of this announcement, the Capital Reduction and Share Sub-division are still conditional upon the satisfaction of certain conditions as set out in the Circular. As the hearing of the petition for confirmation of the Capital Reduction has been scheduled on Friday, 19 September 2025 (Cayman Islands time) at the Grand Court of the Cayman Islands, the expected effective date of the Capital Reduction and the Share Sub-Division has been updated to 9:00 a.m. on Wednesday, 24 September 2025. For the revised expected timetable, please refer to announcement of the Company dated 21 August 2025.

As at 30 June 2025, the Company had 404,470,198 ordinary shares of par value HK$0.4 each in issue ("**Shares**").

## CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant contingent liabilities.

## INVENTORY

For the Reporting Period, the Group's inventory turnover days were 26.66 days (year ended 31 December 2024: 50.15 days).

## TRADE RECEIVABLES

The trade receivables turnover days were 57.57 days for the Reporting Period (year ended 31 December 2024: 62.29 days).

## TRADE PAYABLES

The trade payables turnover days were 146.62 days for the Reporting Period (year ended 31 December 2024: 120.14 days).

## PLEDGE OF ASSETS

As at 30 June 2025, the Group's time deposits of approximately HK$54.72 million were used as a performance guarantee and a letter of credit (31 December 2024: HK$53.21 million).

As at 30 June 2025, the Group's bank borrowings are:

(i) secured by certain property, plant and equipment, investment properties and right-of-use assets of the Group with a carrying value of HK$152,836,000 (31 December 2024: HK$155,170,000), HK$3,239,396,000 (31 December 2024: HK$3,151,325,000) and HK$9,279,000 (31 December 2024:HK$9,194,000);

(ii) secured by 75% shareholding interests of Dongguan Yulong Telecommunication Tech Co., Ltd (31 December 2024: 75%);

(iii) secured by the rights to receive the rental income of Yulong Computer Telecommunication Scientific (Shenzhen) Co., Ltd. ("**Yulong Shenzhen**"). The amount of the secured receivable as at 30 June 2025 is HK$1,799,000 (31 December 2024: HK$7,587,000); and

(iv) guaranteed by Mr. CHEN Jiajun and Yulong Shenzhen jointly and severally.

## FINANCIAL REVIEW

The Group's unaudited revenue for the Reporting Period amounted to HK$174.6 million, representing an decrease of 30.8% as compared with HK$252.3 million for the six months ended 30 June 2024. This is primarily attributable to the fact that being subject to the intense competition in the smartphone market, to enhance business efficiency, the Company implemented strategic adjustments and voluntarily ceased the operation of certain loss-making and negative gross profit products. The Group's overall gross profit for the Reporting Period was HK$27.1 million, as compared with a gross profit of HK$53.5 million for the corresponding period in 2024. The overall gross profit of the Group's business decreased mainly due to the fact that by upholding the concept of sustainable development and strengthening relationships with tenants, the Group implemented rental concession measures for certain tenants of properties situated in Shenzhen to enhance cooperation stickiness.

Selling and distribution expenses of the Group decreased by HK$8.2 million from HK$14.7 million for the six months ended 30 June 2024 to HK$6.5 million for the Reporting Period. The decrease of selling and distribution expenses was primarily due to the fact that the company voluntarily terminated the sales of certain loss-making and negative gross profit products in the smartphone business, resulting in a decrease in selling and distribution expenses. Administrative and other operating expenses decreased by HK$15.3 million to HK$133.9 million for the Reporting Period from HK$149.2 million for the corresponding period in 2024. The decrease of administrative and other operating expenses was primarily due to the implementation of strategic cost control measures, optimisation of resource allocation, and strengthening of budgetary control mechanisms by the Group.

For the Reporting Period, the Group recorded a net loss before tax of HK$80.3 million, compared with the net loss before tax of HK$90.6 million for the six months ended 30 June 2024.

**BUSINESS REVIEW**

According to data of International Data Corporation, the global smartphone market showed a tendency of "slow but steady growth" in the first half of 2025, with shipments slightly rising with inadequate growth momentum and obvious regional differentiation.

In the first half of 2025, the Group carried out strategic adjustments in the domestic market, terminating the operation of several loss-making and negative-gross-profit products, and focusing on the presence of the operator channels. Meanwhile, in the feature phone segment, the Group continued to maintain its industry-leading position with its technologies and market experience accumulated over the years, enabling it to provide consumers with products with high cost performance and excellent experience.

In the first half of 2025, the Group continued to expand the diversification of its ecological products, and introduced new products such as Bluetooth glasses and wireless portable WiFi, further enriching the smart ecological system. Currently, it has developed over ten kinds of products covering a wide variety of areas, such as cloud tablets, mobile phone accessories, smart wearable devices (e.g., smart watches and kid watches), smart healthcare products (e.g., smart blood pressure monitor), smart security (e.g., CCTV), smart earphones (e.g., TWS earphones), in-vehicle equipment, smart dictionary pens, intercoms and network terminal equipment (e.g., mobile WiFi, 5G CPE and wireless portable WiFi) and Bluetooth glasses. The Group has been actively deepening the development and innovation of the ecological chain and industry products to provide consumers with a more diverse smart product matrix.

In February 2025, the Group continued to promote the in-depth integration of COOLOS ecosystem and AI. The system was originally equipped with DeepSeek. This deep integration not only enhanced the intelligence level and user experience of the products, but also strengthened the Group's technological advancement and market competitiveness. Through the technological integration, the Group can accelerate the popularization of AI scenario-based applications, lower the technical threshold, promote the rapid development of AI mobile phones and the AIoT ecosystem, and provide users with access to more efficient and intelligent technological life. In June 2025, the Group reached a strategic cooperation agreement with the domestic top AI/AR glasses manufacturers, aiming to conduct in-depth cooperation in areas such as in-depth joint technical research, joint expansion of sales channels, and brand strategic linkage, in order to jointly create the new-generation smart terminal products and collaborative ecosystem.

In overseas markets, the Group maintained a stable development trend in the first half of 2025. It focused on high-growth global markets, with products covering mid-to-low price segments, and further explored customized demand markets based on its own brands. In terms of the channel strategy, we accelerated the presence of cross-border e-commerce distribution business, and realized online and offline integrated development with offline agents as the core channels. As of 30 June 2025, the Group successfully accessed more than 20 countries and regions such as the Middle East, Africa, Eastern Europe, Asia and Latin America. The Group also established stable cooperation in its distribution with top cross-border e-commerce platforms such as SHEIN, TikTok Shop and AliExpress, maintaining a stable market expansion trend.

Currently, the Group's R&D strategy focuses on two core directions: firstly, it is committed to the comprehensive promotion of deep adaptation and optimization of the COOLOS UI system for overseas models. Through localized interface design, multilingual support, and regional feature optimization, it ensures a smooth user experience and brand consistency in the international market. Secondly, it accelerates the pre-research and development of the smart Bluetooth audio glasses, and conducts hardware architecture design, audio performance debugging, and scenario-based functional verification based on the team's technical accumulation in low-power Bluetooth protocols, audio algorithms, and intelligent interaction fields, which deeply optimizes the integration of AI engines, and lays the foundation for innovative technologies for the next-generation wearable devices. These two plans are carried out simultaneously, aiming to strengthen the Group's global technology ecosystem and differentiated product competitiveness.

In terms of real estate property, as of 30 June 2025, the major properties owned by the Group included Coolpad Information Harbor in Shenzhen and Coolpad Technology Ecological Park in Dongguan Songshan Lake. The main structures of Coolpad Information Harbor Phases II and III Projects were topped out, with the internal installation and curtain wall engineering under construction. As for the leasing business, Shenzhen Coolpad Information Harbor Phase I (Coolpad Building) and Coolpad Technology Ecological Park in Dongguan Songshan Lake have been put into operation, generating stable income. Despite the current pressure on the leasing market, the Group's occupancy rate of the properties remains stable.

For the digital currency sector, since the second half of 2023, the Group has been actively pursuing business opportunities in Web 3.0 with smartphones and mobile internet in overseas markets to enter into the digital currency sector. In 2024, in light of the atmosphere, market trend and prospects of blockchain technology and cryptocurrency, the Group continued to increase its investment in the digital currency sector. Furthermore, the Group invested in and held securities that were listed in the United States and related to the crypto asset industry.

To strengthen its presence in the digital currency sector and achieve vertical integration, the Group planned to conduct an upstream acquisition at the beginning of 2025. Mainly engaged in cryptocurrency mining and depository services, the target company offers high-efficiency power supply, security optimization facilities, and data center services, with competitive advantages in energy efficiency, security, reliability, and scalability. Due to some uncertainties in the project due diligence and other reasons, this upstream acquisition was ultimately not carried out. The Group is actively communicating with potential partners to discuss possible subsequent cooperation plans for this project and explore cooperation opportunities for other projects.

## BUSINESS OUTLOOK

In the domestic market, the Group will comprehensively implement multi-dimensional business expansion plans according to the "AI + 5G" technology integration development strategy. On one hand, it will deepen strategic cooperation with communication operators, and promote the deep integration of smart terminal products and communication services based on the channel resources and user bases. On the other hand, it will actively expand e-commerce channel resources, build a comprehensive marketing network covering all the online and offline channels, and enhance brand exposure and market penetration.

Meanwhile, the Group will systematically optimize and upgrade the existing product matrix, in order to continuously enrich product functions and user experience. By introducing more eco-partners, the Group will expand the boundary of product categories, and build a complete smart terminal ecosystem. Based on the rapid growth of the smart glasses market in recent years, the Group plans to create smart wearable products with high cost performance and excellent user experience by fully leveraging its technological accumulation in low-power Bluetooth connection technology, self-adjusting audio algorithms, and scenario-based intelligent interaction functions, combining its rich local operation experience in the mobile phone market, and deeply integrating AI large models. By continuously optimizing the hardware performance and software services, it aims to meet the demands of customers in different markets for convenience, intelligence and practicality. In addition, the Group will also simultaneously promote the strategic development of the brand licensing business, leverage the brand influence to achieve coordinated development in multiple fields and comprehensively enhance market competitiveness and brand value.

In respect of overseas business, the Group will seize the development opportunities in emerging markets, and continuously expand in potential regions such as Southeast Asia, India, the Middle East and Latin America centered on localized strategies and driven by technological innovation. The Group will continue to optimize the presence of overseas business, accelerate the product iteration and diversified development, and gradually expand its business focus from smartphone business to smart tablets, smart watches and other smart device businesses, in order to build a more complete smart ecosystem. In terms of overseas market development, the Group focuses on the in-depth presence of e-commerce platforms and local channel partners following the market strategy integrating diversification and flexibility, and actively seeks collaborative promotion models with regional operators, in order to achieve rapid enhancement of brand influence. Through the dual-drive mechanism of technological innovation and market application, it aims to accelerate the effective transformation of technological achievements into market competitiveness, thereby injecting new growth momentum into the Group's global strategy expansion. At the same time, the Group will implement a "Brand + ODM" dual-track operation model, continuously strengthen the development of its own brands, and further expand the width and depth of the emerging markets on the above basis in an accurate response to the personalized demands of international customers. For the core target market, the Group will increase investment in brand marketing resources, realize a virtuous cycle with mutual promotion between brand dissemination and market transformation based on accurate traffic operation and an integrated marketing system, comprehensively enhance the global brand influence and market share, and contribute to the achievement of high-quality and sustainable development goals.

In terms of real estate property leasing, the Group will attract new customers through innovative development strategies and diversified channels. The Group will continuously enhance the quality of our existing properties, strengthen asset operation capabilities, and ensure the sustainability and stability of rental income. Meanwhile, the Group will establish a dynamic rental pricing mechanism, and flexibly adjust rental strategies in response to market changes to enhance the market competitiveness of the properties, maximize the asset value, and maintain our leading position in the industry.

The Group will actively explore the possibility of real-world asset tokenization (RWA). As at the date of this announcement, the Company has established the "Real World Asset Tokenization Division", aiming to more systematically adapt to the technological reform of Web3.0, actively respond to the innovative directions advocated in the Hong Kong Special Administrative Region Government's "Digital Assets Development Policy Declaration 2.0", and coordinate and promote key works such as RWA. For further details, please refer to the Company's announcements on 21 July and 14 August 2025.

In terms of digital currency, the Group will continue to monitor changes in various factors such as global energy, policy, and legal environment to assess risks related to market trend changes in investment regions. At the same time, the Group will also continue to seek potential upstream and downstream investment opportunities, expand its business scope, and enhance its competitiveness in the cryptocurrency industry.

Looking forward, the Group will adopt more practical and precise strategies to address current challenges, and seize transformation opportunities while controlling operational risks. The Group will focus on the commercialization of technological innovations and gradually improve profitability by optimizing resource allocation and enhancing operational efficiency. In the process of pursuing sustainable business development, the Group will not only focus on improving the short-term operational quality, but also persist in long-term technological investment in order to lay the foundation for future value growth, and ultimately achieve the healthy development of the enterprise and the return of shareholder value.

## FOREIGN EXCHANGE EXPOSURE

The main business operations of the Group during the Reporting Period are conducted in the PRC, its income, cost and assets are denominated primarily in RMB, while the Group's consolidated financial statements are expressed in HK$. The exchange rate risk of the Group arises mainly from foreign exchange exposures associated with the sales, purchases and assets settled in currencies other than the units' functional currencies and the volatility of exchange rates. The Group has not entered into any derivative contracts to hedge against the risk during the Reporting Period.

## INTEREST RATE RISK

The risk in interest rate concerning the Group primarily related to its interest-bearing bank loans and other borrowings. The interests are calculated at fixed and floating rates. Any rise in the current interest rate will increase the interest cost. As at the end of the Reporting Period, the Group had not executed any form of interest rate agreement or derivative to hedge against the fluctuation in interest rate.

## EMPLOYEES AND REMUNERATION POLICY

The total staff costs (including Directors' remuneration) for the Reporting Period amounted to approximately HK$42.7 million (six months ended 30 June 2024: HK$53.6 million). The remunerations of the Group's employees (including the Directors) commensurate with their responsibilities and market rates, with discretionary bonuses given on a merit basis. The Group also provides on-the-job training to its employees from time to time. As at 30 June 2025, the Group had 134 employees (including the Directors) (31 December 2024: 225 employees (including the Directors)).

## SIGNIFICANT INVESTMENTS

As at 30 June 2025, the Group had no significant investment with a value of 5% or more of the Group's total assets.

## MATERIAL ACQUISITIONS AND DISPOSALS

Our Group did not have any material acquisitions and disposals of subsidiaries, associated companies and joint ventures during the Reporting Period.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

At the annual general meeting of the Company held on 6 June 2025 (the "**AGM**"), the grant of the Repurchase Mandate (the "**Repurchase Mandate**") was approved by the Shareholders to the Directors to exercise the powers of the Company to repurchase shares up to a maximum of 10% of the number of Shares in issue as at the date of the AGM, which up to a maximum of 1,638,100,795 Shares can be repurchased under the Repurchase Mandate.

Share consolidation of every 40 issued and unissued existing shares of par value of HK$0.01 each in the share capital of the Company be consolidated into 1 Consolidated Share of par value of HK$0.4 each, details of which are set out in the circular of the Company dated 14 May 2025 and announcement dated 23 April 2025. The Share Consolidation was approved by Shareholders by way of an ordinary resolution at AGM and become effective on 10 June 2025. After Share Consolidation, up to a maximum of 40,952,519 Consolidated Shares can be repurchased under the Repurchase Mandate.

During the Reporting Period, the Company by using its internal financial resources, repurchased 5,055,000 Consolidated Shares in total on the Stock Exchange for an aggregate consideration of approximately HKD4.05 million before expenses (the "**Share Repurchase**"). The Board considered that the trading price of the Shares did not reflect their intrinsic value. The Shares repurchase also reflects the confidence of the Board in the prospects of the Company. The repurchased shares were subsequently cancelled on 27 June 2025. Details of shares purchase are as follows:

| Month of purchase in the six months ended 30 June 2025 | No. of Consolidated Shares purchased | Purchase consideration per share | | Aggregate consideration paid |
|---|---|---|---|---|
| | | Highest price paid | Lowest price paid | |
| | | *HKD* | *HKD* | *HKD* |
| June | 5,055,000 | 0.85 | 0.74 | 4,046,804 |
| Total | 5,055,000 | | | 4,046,804 |

Save as disclosed above , neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the Reporting Period. As at 30 June 2025, the Company did not hold any shares as treasury shares.

**INTERIM DIVIDEND**

The Directors do not recommend the payment of any interim dividend for the Reporting Period.

**SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct for securities transactions and dealings (the "**Code of Conduct**") based on the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**"). The terms of the Code of Conduct are no less exacting than the standards in the Model Code, and the Code of Conduct applies to all relevant persons as defined in the Model Code, including all the Directors, all other employees of the Company, and directors and employees of a subsidiary or holding company of the Company who, because of such office or employment, are likely to be in possession of unpublished price sensitive information in relation to the Company or its securities. Specific enquiry has been made of all the Directors who have confirmed in writing their compliance with the required standards set out in the Model Code and the Code of Conduct during the Reporting Period.

To supplement the Model Code, the Company has also put in place a disclosure of information policy for the handling and disclosure of inside information. The policy sets out the procedures and internal controls for the handling and dissemination of inside information in a timely manner and provides the Directors, senior management and relevant employees a general guide in monitoring information disclosure and responding to enquiries. Further, control procedures have been implemented to ensure that the unauthorized access and use of inside information is strictly prohibited.

## AUDIT COMMITTEE

The audit committee ("**Audit Committee**") of the Company currently comprises three independent non-executive Directors. The Audit Committee has reviewed the unaudited interim results of the Group for the Reporting Period. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members.

## EVENTS AFTER THE REPORTING PERIOD

### EGM to Approve Disposal Mandate in relation to Possible Disposal of Shares in CleanSpark, Inc.

On 22 May 2025, the Company announced its proposal to seek shareholders' approval for possible disposal of up to 1,625,000 shares of US$0.001 in the share capital of CleanSpark, Inc. ("**CLSK Shares**") from time to time during the mandate period (the "**Disposals**"). The minimum selling price of the disposals shall be not less than the higher of (i) US$14.50 per CLSK Share and (ii) the average market price of CLSK Shares for the three months immediately preceding the relevant trading date. For further details, please refer to the announcement of the Company dated 22 May 2025 and the circular of the Company dated 22 August 2025.

Save as disclosed above, the Group had no other significant event after the Reporting Period.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Under Code Provision C.2.1 of the Corporate Governance Code (the "**Code**") as set out in Appendix C1 to the Listing Rules, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. Currently, Mr. Chen Jiajun is the chairman of the Board and the chief executive officer of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management and believes that this structure enables the Group to make and implement decision promptly and efficiently.

Save as disclosed above, none of the Directors is aware of any information which would reasonably indicate that the Company has not met the requirements under the Code during the Reporting Period.

## FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements that are based on the current beliefs, assumptions and expectations of the Board regarding the industry and markets in which the Group operates. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Group's control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements. Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and not to place undue reliance on the information disclosed herein. Any holder of securities or potential investor of the Company who is in doubt is advised to seek advice from professional advisors.

For and on behalf of
**Coolpad Group Limited**
**Chen Jiajun**
*Executive Director*
*Chief Executive Officer*
*Chairman*

Hong Kong, 25 August 2025

*As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Chen Jiajun, Mr. Ma Fei and Ms. Liu Juan; (ii) two non-executive Directors, namely Mr. Liang Rui and Mr. Xu Yibo; and (iii) three independent non- executive Directors, namely Mr. Guo Jinghui, Ms. Wang Guan and Mr. Cheuk Ho Kan.*