

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



Changjiu Holdings Limited
长久股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6959)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Changjiu Holdings Limited (the “**Company**”) is pleased to announce the unaudited consolidated 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 comparative figures for the six months ended June 30, 2024. The unaudited condensed consolidated financial information for the Reporting Period has been reviewed by the audit committee of the Board (the “**Audit Committee**”).

Certain amount and percentage figure included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

In this announcement, unless otherwise indicated, the terms “affiliate”, “associate”, “controlling shareholder” and “subsidiary” shall have the meanings given to such terms in the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

FINANCIAL HIGHLIGHTS

- (a) Revenue for the Reporting Period amounted to RMB696.7 million, representing an increase of 106.6% as compared with the same period during 2024.
- (b) Gross profit for the Reporting Period amounted to RMB152.3 million, representing an increase of 3.1% as compared with the same period during 2024.
- (c) The gross profit margin for the Reporting Period was 21.9%, representing a decrease by 21.9 percentage points as compared with the same period during 2024.
- (d) The net profit for the Reporting Period amounted to RMB67.1 million, representing an increase of 16.1% as compared with the same period during 2024.
- (e) For the Reporting Period, basic earnings per share of the Group amounted to RMB0.3318, representing an increase of 14.8% as compared with the same period during 2024. Diluted earnings per share of the Group amounted to RMB0.3295, representing an increase of 14.8% as compared with the same period during 2024.
- (f) The Board has resolved not to declare payment of an interim dividend in respect of the Reporting Period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended June 30, 2025 (unaudited)

Expressed in Renminbi (“RMB”)

		Six months ended June 30,	
		2025	2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3(a)(i)	696,727	337,214
Cost of sales		<u>(544,446)</u>	<u>(189,564)</u>
Gross profit		<u>152,281</u>	<u>147,650</u>
Net other income	4	2,989	154
Research and development expenses		(10,970)	(8,653)
General and administrative expenses		(55,336)	(65,257)
Sales and marketing expenses		(4,940)	(3,908)
Impairment loss		<u>(2,961)</u>	<u>(502)</u>
Profit from operations		81,063	69,484
Net finance income	5(a)	<u>2,898</u>	<u>3,823</u>
Profit before taxation	5	83,961	73,307
Income tax expense	6	<u>(16,876)</u>	<u>(15,505)</u>
Profit for the period		<u>67,085</u>	<u>57,802</u>
Attributable to:			
Equity shareholders of the Company		67,085	57,802
Non-controlling interests		<u>—</u>	<u>—</u>
Profit for the period		<u>67,085</u>	<u>57,802</u>
Earnings per share			
Basic (RMB)	7(a)	<u>0.3318</u>	<u>0.2891</u>
Diluted (RMB)	7(b)	<u>0.3295</u>	<u>0.2869</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended June 30, 2025 (unaudited)

Expressed in RMB

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Profit for the period	<u>67,085</u>	<u>57,802</u>
Other comprehensive income for the period		
(after tax and reclassification adjustments)		
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation	<u>(768)</u>	<u>560</u>
Other comprehensive income for the period	<u>(768)</u>	<u>560</u>
Total comprehensive income for the period	<u>66,317</u>	<u>58,362</u>
Attributable to:		
Equity shareholders of the Company	66,317	58,362
Non-controlling interests	<u>—</u>	<u>—</u>
Total comprehensive income for the period	<u>66,317</u>	<u>58,362</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At June 30, 2025 (unaudited)

Expressed in RMB

		June 30, 2025 RMB'000	December 31, 2024 RMB'000
	Note		
Non-current assets			
Property, plant and equipment		2,515	2,805
Intangible assets		11,631	9,640
Right-of-use assets		10,787	110
Deferred tax assets		486	398
		<u>25,419</u>	<u>12,953</u>
Current assets			
Inventories	8	239,617	–
Financial assets at fair value through profit or loss		–	27,024
Trade receivables	9	269,445	198,577
Prepaid expenses and other current assets	10	180,542	17,064
Cash and cash equivalents		131,006	372,268
		<u>820,610</u>	<u>614,933</u>
Current liabilities			
Bank loans and other borrowings	11	221,651	–
Trade payables	12	46,055	29,673
Accrued expenses and other current liabilities	13	64,424	62,919
Contract liabilities	3(a)(ii)	55,907	29,548
Lease liabilities		6,932	11
Current tax liability		8,079	10,172
		<u>403,048</u>	<u>132,323</u>
Net current assets		<u>417,562</u>	<u>482,610</u>
Total assets less current liabilities		<u>442,981</u>	<u>495,563</u>

	June 30, 2025 RMB'000	December 31, 2024 RMB'000
Non-current liabilities		
Lease liabilities	<u>3,724</u>	<u>—</u>
	<u>3,724</u>	<u>—</u>
NET ASSETS	<u>439,257</u>	<u>495,563</u>
Equity		
Share capital	1	1
Treasury shares	(1,121)	(4,325)
Reserves	<u>440,377</u>	<u>499,887</u>
Total equity attributable to shareholders of the Company	439,257	495,563
Non-controlling interests	<u>—</u>	<u>—</u>
TOTAL EQUITY	<u>439,257</u>	<u>495,563</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

Expressed in RMB

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“IAS”) 34, Interim financial reporting, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on August 27, 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the HKICPA.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following new and amended IFRS Accounting Standards issued by the IASB to these interim financial statements for the current accounting period.

- Amendments to IAS 21, *Lack of Exchangeability*

None of the developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in the interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are providing pledged vehicle monitoring services, automobile dealership operation management services and new automobile circulation services in Mainland China.

(i) The amount of each significant category of revenue is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Pledged vehicle monitoring services	290,860	307,182
Automobile dealership operation management services	27,527	30,032
New automobile circulation services	378,340	–
	696,727	337,214

During the periods, the Group's customers with whom transactions have exceeded 10% of the Group's revenue in the respective period are set out below:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Customer A	62,393	35,200
Customer B	47,352	41,867
Customer C	42,889	58,068

Disaggregation of the Group's revenue from contracts with customers by the timing of revenue recognition is set out below:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Point-in-time	383,958	6,882
Over-time	312,769	330,332
	696,727	337,214

Remaining Performance Obligation

The Group has elected the practical expedient not to disclose the value of remaining performance obligations for contracts in which the Group recognizes revenue at the amount to which the Group has the right to invoice.

(ii) ***Contract Liabilities***

The Group collected payments in advance from customers primarily for providing pledged vehicle monitoring services, automobile dealership operation management services and new automobile circulation services. The Group has recognized the following liabilities related to contracts with customers under "contract liabilities":

	As of	As of
	June 30,	December 31,
	2025	2024
	RMB'000	RMB'000
Contract liabilities		
– third parties	47,359	29,500
– related parties	8,548	48
	55,907	29,548

The balance of contract liabilities with related parties is trade in nature.

All of the contract liabilities are expected to be recognized as income within one year.

(b) Segment reporting

The Group manages its businesses by business line. In a manner consistent with the way in the purpose of resource allocation and performance assessment, the Group has presented the following three reportable segments: pledged vehicle monitoring services, automobile dealership operation management services and new automobile circulation services.

For the purpose of assessing segment performance and allocating between segments, the Group's senior executive management monitors the revenue and gross profit attributable to each reportable segment. Other items in profit or loss are not allocated to reportable segment.

Revenue and cost are allocated to the reportable segment with reference to sales generated by those segments and the cost incurred by those segments.

Other information, together with the segment information, provided to the Group's senior executive management, is measured in a manner consistent with that applied in these financial statements. There were no separate segment assets and segment liabilities information provided to the Group's senior executive management, as they do not use this information to allocate resources to or evaluate the performance of the operating segments.

The amount of each significant category of revenue recognized is as follows:

For the six months ended June 30, 2025				
	Pledged vehicle monitoring services RMB'000	Automobile dealership operation management services RMB'000	New automobile circulation services RMB'000	Total RMB'000
Segment revenue	290,860	27,527	378,340	696,727
Segment cost	(160,353)	(12,784)	(371,309)	(544,446)
Gross profit	130,507	14,743	7,031	152,281

For the six months ended June 30, 2024				
	Pledged vehicle monitoring services RMB'000	Automobile dealership operation management services RMB'000	New automobile circulation services RMB'000	Total RMB'000
Segment revenue	307,182		30,032	337,214
Segment cost	(171,982)		(17,582)	(189,564)
Gross profit	135,200		12,450	147,650

All of the Group's operating assets are located in Mainland China and all of the Company's revenue and operating profits are derived from Mainland China. Accordingly, no segment analysis based on geographical locations is provided.

The reconciliation of segment gross profit to profit before taxation for the six months ended June 30, 2025 and 2024 are presented in the consolidated statements of profit or loss of the Group.

4 NET OTHER INCOME

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Other income from termination of other payables to customer	1,442	–
Government grants	42	–
Net exchange gains/(losses)	1,020	(27)
Net gains on financial investments measured at fair value through profit or loss	297	–
Others	188	181
	<u>2,989</u>	<u>154</u>

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Net finance income

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Interest expense on bank loans	427	124
Interest expense on other borrowings	53	–
Interest expense on lease liabilities	222	165
Interest income	(3,730)	(4,285)
Other financial expense	130	173
	<u>(2,898)</u>	<u>(3,823)</u>

(b) Staff costs

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Salaries, wages, and other benefits	52,478	48,516
Contributions to defined contribution retirement plan (<i>Note (i)</i>)	6,096	5,599
Share-based compensation expenses	1,651	14,782
Termination benefits	4,362	761
	<u>64,587</u>	<u>69,658</u>

Note (i): Employees of the Group's subsidiaries in the Mainland China are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's subsidiaries in Mainland China contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

(c) **Other items**

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Cost of inventories sold	361,922	–
Subcontracting costs	158,698	170,022
Logistics costs	8,105	–
Technology and professional service fees	6,582	4,852
Storage fee	1,295	–
Depreciation and amortization charges		
– property, plant, and equipment	520	477
– right-of-use assets	3,673	3,388
– intangible assets	887	694
Impairment losses		
– trade receivables	2,961	502
Auditors' remuneration	1,187	1,187
Listing expenses	–	4,730

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) **Taxation in the consolidated statements of profit or loss represents:**

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Current tax		
– PRC Enterprise Income Tax (“EIT”) Provision for the period	15,394	15,895
Under-provision in respect of prior years (<i>Note (i)</i>)	1,570	–
	16,964	15,895
Deferred tax		
– Origination of temporary differences	(88)	(390)
	16,876	15,505

Note (i): During the period ended June 30, 2025, a subsidiary of the Group has conducted self-inspection following the tax audit notices issued by local tax bureaus. The subsidiary has made insufficient provision for relevant income tax during the years from 2022 to 2024 and has paid the overdue income tax in June 2025.

(b) **Reconciliation between tax expense and accounting profit at applicable tax rates:**

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Profit before taxation	83,961	73,307
Tax calculated at statutory tax rates applicable to profits in the respective jurisdictions	20,677	19,620
Tax effect of:		
Preferential tax rate (<i>Note (iii)</i>)	(10,087)	(10,086)
Non-deductible other expenses and losses	130	209
Super deduction for research and development expenses	(270)	(765)
Non-deductible share-based compensation expenses	202	2,963
Under-provision in respect of prior years	1,570	–
Tax losses and temporary differences not recognized	4,654	3,564
Actual income tax expense	16,876	15,505

Notes:

(i) Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on either income or capital gain, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

(ii) Hong Kong

The Company's Hong Kong subsidiary, incorporated in July 2021, is subject to a profits tax rate of 8.25% for the first HKD2,000,000 of assessable profit and 16.5% for profit exceeding HKD2,000,000. No provision for Hong Kong profits tax was made as the Group had no estimated assessable profit that was subject to Hong Kong profits tax for the six months ended June 30, 2025 and 2024.

(iii) Mainland China

Except for Changjiu Jinfu Enterprise Management Consultation (Shenzhen) Co., Ltd. (“**Changjiu Jinfu**”), all subsidiaries established in Mainland China are subject to an income tax rate of 25%, according to the PRC Enterprise Income Tax Law (the “**EIT Law**”) for the six months ended June 30, 2025 and 2024.

In December 2023, Changjiu Jinfu confirmed with related tax authority that it was entitled to be subject to an income tax rate of 15% during the years for the period from January 1, 2022 to December 31, 2025 according to Notice of Taxation on Continuing the Preferential Policies for Enterprise Income Tax in Qianhai Shenzhen Hong Kong Modern Service Industry Cooperation Zone issued by the Ministry of Finance and the State Taxation Administration. Changjiu Jinfu accrued income tax expense based on income tax rate of 15% for the six months ended June 30, 2025 and 2024.

(iv) Withholding tax on undistributed dividends

The EIT law also imposes a withholding income tax of 10% on dividends distributed by a foreign investment enterprise (“FIE”) to its immediate holding company outside of Mainland China, if such immediate holding company is considered as a non-resident enterprise without any establishment or place within Mainland China or if the received dividends have no connection with the establishment or place of such immediate holding company within Mainland China, unless such immediate holding company’s jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement. According to the arrangement between Mainland China and Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion in August 2006, dividends paid by an FIE in Mainland China to its immediate holding company in Hong Kong will be subject to withholding tax at a rate of no more than 5% (if the foreign investor owns directly at least 25% of the shares of the FIE). The subsidiaries of the Company in Mainland China have not declared or paid, or planned to declare, any dividend to the Company from the profits generated during the six months ended June 30, 2025 and 2024. Therefore, the subsidiaries of the Company have not recorded any withholding tax on any profits generated by the PRC operation entities.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB66.9 million (six months ended June 30, 2024: RMB57.3 million) and the weighted average of 201,590,663 ordinary shares (2024: 198,318,462 shares) in issue during the six months ended June 30, 2025. The profit attributable to restricted shares held for the Pre-IPO Restricted Share Plan and the number of such shares have been excluded from the calculation of basic earnings per share.

	Six months ended June 30,	
	2025	2024
Profit attributable to all equity shareholders of the Company (RMB'000)	67,085	57,802
Less: profit attributable to grantees of the Pre-IPO Restricted Share Plan	(189)	(468)
Profit attributable to ordinary equity shareholders of the Company (RMB'000)	66,896	57,334
Weighted average number of ordinary shares	<u>201,590,663</u>	<u>198,318,462</u>
Basic earnings per share attributable to ordinary equity shareholders of the Company (in RMB per share)	<u><u>0.3318</u></u>	<u><u>0.2891</u></u>

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB66.9 million (six months ended June 30, 2024: RMB57.3 million) and the weighted average number of ordinary shares of 203,025,305 shares (six months ended June 30, 2024: 199,817,556 shares), calculated as follows:

	Six months ended June 30, 2025	2024
Profit attributable to ordinary equity shareholders (diluted) (RMB'000)	66,896	57,334
Weighted average number of ordinary shares	201,590,663	198,318,462
Effect of deemed issue of shares under the Company's Pre-IPO Share Option Plan	1,434,642	1,499,094
Weighted average number of ordinary shares (diluted)	203,025,305	199,817,556
Diluted earnings per share attributable to ordinary equity shareholders of the Company (<i>in RMB per share</i>)	0.3295	0.2869

Restricted shares granted under Pre-IPO Restricted Share Plan were not included in the calculation of diluted earnings per share for the six months ended June 30, 2025 because their effect would have been anti-dilutive.

8 INVENTORIES

	As of June 30, 2025 RMB'000	As of December 31, 2024 RMB'000
Automobiles	239,617	–

During six months ended June 30, 2025, Nil (2024: nil) has been recognized as a reduction in the amount of inventories recognized as an expense in profit or loss, being the amount of reversal of a write-down of inventories to the estimated net realizable value.

9 TRADE RECEIVABLES

	As of June 30, 2025 RMB'000	As of December 31, 2024 RMB'000
Trade receivables		
– third parties	224,617	172,528
– related parties	51,097	29,550
Less: loss allowance	(6,269)	(3,501)
Trade receivables, net	269,445	198,577

All of the trade receivables are expected to be recovered within one year. The balance of trade receivables with related parties is trade in nature.

Ageing analysis

As of the end of each reporting period, the ageing analysis of trade receivables, based on the transaction date and net of loss allowance, is as follows:

	As of June 30, 2025 <i>RMB'000</i>	As of December 31, 2024 <i>RMB'000</i>
Within 3 months (inclusive)	148,505	113,242
3 months to 6 months (inclusive)	70,896	50,345
6 months to 1 year (inclusive)	43,497	35,488
Over 1 year	12,816	3,003
Less: loss allowance	(6,269)	(3,501)
Trade receivables, net	269,445	198,577

10 PREPAID EXPENSES AND OTHER CURRENT ASSETS

	As of June 30, 2025 <i>RMB'000</i>	As of December 31, 2024 <i>RMB'000</i>
Prepayment for purchase of automobiles	144,359	–
Input valued-added tax recoverable	30,249	3,342
Prepaid expenses	3,023	4,126
Amounts due from related parties	2,000	8,504
Deposits	570	358
Prepaid income tax	341	–
Interest receivable	–	734
Total	180,542	17,064

11 BANK LOANS AND OTHER BORROWINGS

	As of June 30, 2025 <i>RMB'000</i>	As of December 31, 2024 <i>RMB'000</i>
Bank loans		
– principal	95,139	–
– interest payables	86	–
Other borrowings		
– principal	126,373	–
– interest payables	53	–
	221,651	–

The Group borrowed three short-term loans of a total RMB81.3 million under a facility agreement with a commercial bank in the PRC at the interest rate of 4.000% per annum as of June 30, 2025. The Group borrowed short-term loan of RMB26.0 million from April 14, 2025 to December 19, 2025. The Group borrowed short-term loan of RMB28.7 million from May 14, 2025 to December 19, 2025. The Group borrowed short-term loan of RMB26.6 million from June 13, 2025 to June 12, 2026. The loans are pledged by the Group's trade receivables from financial institutions, with an initial amount of RMB178.1 million, subject to change from time to time.

The Group borrowed a short-term loan of RMB13.8 million under a facility agreement with another commercial bank in the PRC at the interest rate of 4.200% per annum as of June 30, 2025. The loan is pledged by the Group's inventory of automobiles with an initial amount of RMB150.0 million as of June 30, 2025, subject to change from time to time.

The Group borrowed a short term loan of RMB126.4 million under a facility agreement with an automobile finance company in the PRC at the interest rate of 3.333% per annum as of June 30, 2025. The loan is secured by the Group's inventory of automobiles with an initial amount of RMB190.0 million, subject to change from time to time. The loan is also guaranteed by Mr. Bo Shijiu and Changjiu Industrial, which are related parties of the Group.

The latter two loans are inventory financing agreements with no predetermined repayment date. The Group repays the loans along with the progress of inventory sales.

12 TRADE PAYABLES

	As of June 30, 2025 <i>RMB'000</i>	As of December 31, 2024 <i>RMB'000</i>
Trade payables		
– third parties	29,581	29,673
– related parties	16,474	–
	46,055	29,673

As of the end of each reporting period, the ageing analysis of trade payables based on the invoice date, is as follows:

	As of June 30, 2025 <i>RMB'000</i>	As of December 31, 2024 <i>RMB'000</i>
Within 6 months	46,055	29,673
	46,055	29,673

All of the trade payables are expected to be settled within one year or are repayable on demand.

13 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	As of June 30, 2025 RMB'000	As of December 31, 2024 RMB'000
Other payables to customers (<i>Note (i)</i>)	22,464	22,060
Accrued payroll and welfare	16,411	14,124
Value-Added Tax and surcharges payable	9,372	9,754
Restricted shares repurchase liability	2,523	4,325
Deposit received from third parties	1,957	2,027
Others	11,697	10,629
Total	64,424	62,919

Note (i): Other payables to customers primarily represent advance payment of pledged vehicle monitoring service received from automobile dealerships which had terminated their financing relationship with financial institutions or automobile dealerships whose obligation to pay service fee has been transferred to financial institutions during the service period. The Group is obligated to refund the amounts when demanded.

All of the accrued expenses and other current liabilities are expected to be settled within one year or are repayable on demand.

14 Dividends

A final dividend of HKD0.69 per ordinary share of the Company was approved at the annual general meeting held on May 27, 2025 and was fully paid on June 30, 2025.

A special dividend of HKD0.43 per ordinary share of the Company was approved at the Board meeting held on June 12, 2024 and was fully paid on September 9, 2024.

15 EVENTS AFTER THE REPORTING PERIOD

There were no material subsequent events during the period from June 30, 2025 to the approval date of this report by the Board on August 27, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group provides pledged vehicle monitoring services, automobile dealership operation management services, and new automobile circulation services in China. The Group achieved such a dominant position in the pledged vehicle monitoring service market and outcompeted the Group's peers primarily through (i) the years of operation history; (ii) the nationwide presence with operation in over 500 cities across 31 provinces in China; and (iii) the VFS system that collects, processes and analyzes data from pledged vehicles and the Group's continuous improvement of the VFS system to meet evolving market demands.

The Group offers pledged vehicle monitoring services primarily to (i) financial institutions that provide secured financing to automobile dealerships for their purchase of vehicles; and (ii) automobile dealerships with pledged vehicles. As of June 30, 2025, the Group provided pledged vehicle monitoring services to (i) approximately 150 branches of 16 commercial banks, including all of China's "Big Six" national state-owned commercial banks and 10 joint-stock commercial banks; (ii) 20 automobile finance companies; and (iii) 16,910 automobile dealerships. During the Reporting Period, the revenue generated from pledged vehicle monitoring services accounted for 41.7% of the revenue for the six months ended June 30, 2025.

In April 2022, the Group started to provide operation management services to automobile dealerships by offering automobile dealership operational support, data system and managerial solutions. As of June 30, 2025, the Group managed a total of 68 automobile dealerships. During the Reporting Period, 4.0% of the Group's revenue was generated from automobile dealership operation management services.

"9CheGO" Platform Upgrade: Building China's Leading Auto Trading Platform

In March 2024, the Group officially launched the new automobile circulation service platform, "9cheGO" (<https://www.9chego.com/>) platform, which was independently developed and subsequently upgraded in November 2024. The upgrade significantly enhanced transaction efficiency.

The upgraded "9cheGO" platform focuses more on the automobile transactions and related services, with a commitment to becoming China's largest automobile transaction platform. The upgraded "9cheGO" platform has greatly improved automobile transaction efficiency by connecting upstream automobile manufacturers with sinking markets in county-level regions, thereby establishing an innovative automobile transaction model in China.

The Group has successfully entered into breakthrough strategic cooperation with automobile manufacturers, setting an industry precedent and laying a solid foundation for large-scale development. This milestone in the Group's technological and business innovation has strengthened its confidence in future growth and inspired it to pursue higher goals.

Key Advantages and Progress of the “9CheGO” Platform:

- **Connecting automobile manufacturers with sinking markets:** the platform directly links upstream automobile manufacturers with county-level markets nationwide, establishing an innovative auto retail model.
- **Breakthroughs in Partnerships:** the Group has established good cooperative relationship with multiple automobile brands, laying a solid foundation for future large-scale expansion.
- **Extensive Market Coverage:** as of June 30, 2025, the platform has served over 54,000 automobile dealerships, covering more than 1,000 county-level regions across China, demonstrating strong market penetration and growth potential.

This upgrade represents a major innovation in business models, reinforcing the Group’s confidence in future development and driving it toward greater ambition.

During the Reporting Period, 54.3% of the Group’s revenue was generated from the new automobile circulation service. During the Reporting Period, the “9CheGO” platform has facilitated the sale of 5,747 vehicles, fully demonstrating the “9CheGO” platform’s digital linking capabilities and the improvement in automobile circulation efficiency.

Continuous Enhancement of Digital Capabilities

The Group has persistently advanced its digital capabilities, driving business innovation through artificial intelligence (“**AI**”) and large language model (“**LLM**”) technologies.

In the field of pledged vehicle monitoring services, the Group has incorporated Optical Character Recognition (“**OCR**”), Internet of Things (“**IoT**”), and multimodal AI technologies to establish an intelligent risk control system through the integration of “policy + technology”.

In the field of automobile dealership operation management services, the Group has upgraded its service capabilities with the implementation of Social Customer Relationship Management (“**SCRM**”) and a loyalty points mall, covering the entire customer lifecycle – from acquisition to engagement and retention. Seamless data integration enhances decision-making efficiency and drives a growth flywheel.

In the field of new automobile circulation services, the Group has deepened collaboration with original equipment manufacturers (“**OEMs**”), achieving end-to-end online procurement for automobile dealerships while integrating warehousing and logistics services to solidify the transaction foundation.

In conclusion, regarding the data services of the Group, the risk control model framework has been completed, which can accurately identify the risk and enhance the stability and resilience of the automobile dealership ecosystem. The independently developed AI platform “Jiuzhi Yunshu” integrates leading LLM and deploys AI-driven Q&A robots, which can address intelligent inquiries, ensure operational compliance, and fully support AI-driven business transformation.

FUTURE PROSPECTS

Looking ahead to the second half of the year, the Group will remain focused on three core business segments, pledged vehicle monitoring services, automobile dealership operation management services, and new automobile circulation services, with a view to enhancing its core competitiveness, driving high-quality growth, and creating sustainable value for all stakeholders, including shareholders, customers, and society at large.

Pledged Vehicle Monitoring Services. The Group will consolidate its market position and further enhance its risk prevention and control framework. By optimizing internal management systems and processes, it aims to mitigate risks at the source and ensure sustainable business growth.

Automobile Dealership Operation Management Services. The Group will adopt a customer-centric approach to enhance service quality and operational efficiency. Leveraging data-driven insights and digital tools, it will optimize dealership networks, refine inventory management, and strengthen after-sales support systems. These initiatives will create sustainable value for partners while driving consistent revenue growth and market share expansion.

New Automobile Circulation Services. By effectively integrating resources across automobile dealerships, suppliers, and consumers while further expanding the new strategic partnerships and depending on the expertise, extensive resources, and digital platform experience in the automobile industry, “9cheGO” platform will:

- i. **Establish Direct Local Market Connections:** leverage digital solutions to seamlessly link county-level markets with end consumers, dramatically improving auto sales efficiency.
- ii. **Pioneer Localized Operations:** capitalize on the geographical advantages of regional supervisors by collaborating with local partners to jointly develop regional markets.
- iii. **Develop an Integrated O2O Ecosystem:** through its “online platform + offline county franchise” model, create a complete transaction closed-loop that bridges digital and physical channels, establishing an efficient automotive retail value chain and redefining platform capabilities.

The Group will focus on addressing challenges in core technologies, enhancing its data product and service offerings, and providing automobile manufactures and automobile dealerships with accurate support for risk avoidance and cost control, leveraging its years of accumulated experience in the automobile distribution sector. Through the dual-wheel drive strategy of AI and data, the Group will soon complete the development of its data platform, which will adopt a subscription-based model to provide optional data labels, automated report generation, and intelligent modeling services to industry participants, thereby promoting the digitalization and upgrading of the automobile distribution industry.

Looking ahead to the second half of the year, the “9cheGO” platform will focus on the three major directions of buyer resource expansion, car dealers’ precise marketing and user retention on the basis of technological empowerment. It will continue to enhance the online level of the system, optimize the transaction process and service experience, and solidify the platform’s transaction base. The Group will continue to enhance the conversion efficiency of the industry and support in the digital development of China’s automotive supply chain.

FINANCIAL REVIEW

Revenue

The Group’s revenue generated from three business segments in terms of their nature, namely new automobile circulation services, pledged vehicle monitoring services and automobile dealership operation management services. The revenue increased by RMB359.5 million or 106.6% from RMB337.2 million for the six months ended June 30, 2024 to RMB696.7 million for the Reporting Period, which was primarily attributable to the increase of the revenue generated from new automobile circulation services which was a new business of the Group.

The following table sets forth a breakdown of the Group’s revenue by business line for the periods indicated:

	For the six months ended June 30,				Growth rate %
	2025		2024		
	Revenue <i>RMB'000</i>	%	Revenue <i>RMB'000</i>	%	
New automobile circulation services	378,340	54.3	—	—	N/A
Pledged vehicle monitoring services	290,860	41.7	307,182	91.1	-5.3
Automobile dealership operation management services	27,527	4.0	30,032	8.9	-8.3
Total	696,727	100.0	337,214	100.0	106.6

For the Reporting Period, the revenue from the business of new automobile circulation services was RMB378.3 million, accounting for 54.3% of the Group's total revenue.

During the Reporting Period, Beijing Changjiu Interconnect Technology Co., Ltd. (a wholly-owned subsidiary of the Company, as the operating entity of the "9CheGO Platform"), entered into a project cooperation agreement with FAW Toyota Motor Sales Co., Ltd.. According to the project cooperation agreement, Changjiu Interconnect Technology Co., Ltd. will serve as the annual exclusive distribution partner for all current models of the FAW Toyota Motor Sales Co., Ltd. Corolla 1.2T in the Mainland China market. The revenue from the business of new automobile circulation services was mainly attributable to the sales of the Corolla 1.2T.

The following table sets forth a breakdown of revenue from providing the new automobile circulation services by user ownership for the periods indicated.

	For the six months ended June 30,				Growth rate %
	2025		2024		
	Revenue		Revenue		
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	
Related-party users	34,882	9.2	—	—	N/A
Independent-third-party user	343,458	90.8	—	—	N/A
Sub-total	378,340	100.0	—	—	N/A

For the Reporting Period, the revenue from the pledged vehicle monitoring services was RMB290.9 million, accounting for 41.7% of the Group's total revenue. The decrease in revenue in the segment was primarily attributable to a decrease in the number of the service agreements.

The Group typically enters into tripartite agreements with financial institutions and automobile dealerships for pledged vehicle monitoring services. Although the Group's pledged vehicle monitoring services are designed to help financial institutions manage secured financing provided to automobile dealerships, the Group considers the paying party under such tripartite agreements as the Group's customer, which may be either financial institutions or automobile dealerships, depending on the negotiation among the contracting parties, and the Group considers both financial institutions and automobile dealerships as the Group's users. The Group's revenue from pledged vehicle monitoring services was primarily derived from independent-third-party users.

For the Reporting Period, the revenue from providing the automobile dealership operation management services was RMB27.5 million, accounting for 4.0% of the Group's total revenue.

The following table sets forth a breakdown of revenue from providing the automobile dealership operation management services by user ownership for the periods indicated.

	For the six months ended June 30,				Decline rate %
	2025		2024		
	Revenue		Revenue		
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	
Related-party users	27,453	99.7	28,427	94.7	3.4
Independent-third-party users	74	0.3	1,605	5.3	95.4
Sub-total	27,527	100.0	30,032	100.0	8.3

Cost of Sales

The Group's cost of sales mainly consists of (i) cost of inventories sold; (ii) subcontracting costs, representing service fees for third-party service providers for onsite supervision services in connection with the Group's pledged vehicle monitoring services; (iii) staff costs; (iv) logistics costs; (v) travel and entertainment expenses; (vi) technology and professional service fees; (vii) depreciation and amortization charges; and (viii) storage fee.

During the Reporting Period, the cost of inventories sold mainly arose from the sales of Corolla 1.2T.

Given the nationwide layout of the Group's services, the Group outsourced certain services, primarily including pledged vehicle monitoring services, collective vehicle conformity certificate management services and counting services, to subcontractors to achieve the nationwide business coverage while maintaining high operational efficiency. The onsite supervision services provided by independent third parties on a daily basis are basic and standard services.

For the Reporting Period, the total cost of sales of the Group was RMB544.4 million, which increased by RMB354.8 million or 187.1% as compared to RMB189.6 million for the six months ended June 30, 2024. The increase was primarily due to the increase in the cost of inventories sold which mainly arose from the sales of Corolla 1.2T.

Gross Profit and Gross Profit Margin

The gross profit of the Group increased by RMB4.6 million or 3.1% to RMB152.3 million for the Reporting Period from RMB147.7 million for the six months ended June 30, 2024 as a result of the net effect of the abovementioned factors for the increase in revenue and cost of sales.

The following table sets forth a breakdown of the gross profit and gross profit margin by business segments for the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %
Pledged vehicle monitoring services	130,507	44.9	135,200	44.0
Automobile dealership operation management services	14,743	53.6	12,450	41.5
New automobile circulation services	7,031	1.9	–	N/A
Total	<u>152,281</u>	<u>21.9</u>	<u>147,650</u>	<u>43.8</u>

For the Reporting Period, the gross profit margin of the Group decreased by 21.9 percentage points as compared with the same period during 2024, which was primarily due to the new automobile circulation services, the gross profit margin of which was only 1.9%.

The gross profit margin of pledged vehicle monitoring services increased by 0.9 percentage points, as the Group realized economies of scale with the support of the Group's technologies, which enabled the Group's subcontractors to supervise multiple automobile dealerships per person at the same time.

The gross profit margin of automobile dealership operation management services increased by 12.1 percentage points due to the improved efficiency of the Group with the support of technology.

The gross profit margin of new automobile circulation services was 1.9%. The gross profit margin of the business of new automobile circulation services was relatively low, this was because the business was still in the initial stage.

Net Other Income

The Group's net other income primarily consists of (i) other income from termination of other payables to customer; (ii) government grants; (iii) net exchange gains/(losses); (iv) net gains on financial investments measured at fair value through profit or loss; and (v) others.

The following table sets forth a breakdown of the Group's net other income for the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Other income from termination of other payables to customer	1,442	48.3	–	–
Government grants	42	1.4	–	–
Net exchange gains/(losses)	1,020	34.1	(27)	(17.5)
Net gains on financial investments measured at fair value through profit or loss	297	9.9	–	–
Others	188	6.3	181	117.5
Total	<u>2,989</u>	<u>100.0</u>	<u>154</u>	<u>100.0</u>

The Group's net other income increased by RMB2.8 million or 18.4 times from RMB154 thousand for the six months ended June 30, 2024 to RMB3.0 million for the Reporting Period. The increase in the net other income was primarily attributable to the increase in the other income from the termination of other payables to customer and the net exchange gains recorded by the Group during the Reporting Period.

Other income from termination of other payables to customer relates to the derecognition of other payables to customer that primarily represent advance payment of pledged vehicle monitoring service received from automobile dealerships which had terminated their financing relationship with financial institutions or automobile dealerships whose obligation to pay service fee has been transferred to financial institutions during the service period, which are not directly related to the Group's operating activities.

Sales and Marketing Expenses

The sales and marketing expenses increased by RMB1.0 million or 25.6% from RMB3.9 million for the six months ended June 30, 2024 to RMB4.9 million for the Reporting Period. The increase in sales and marketing expenses was primarily due to an increase in the staff costs and an increase in the number of the employees associated with the business of new automobile circulation services.

Research and Development Expenses

The Group's research and development expenses increased by 26.4% from RMB8.7 million for the six months ended June 30, 2024 to RMB11.0 million for the Reporting Period. The increase was primarily due to an increase in the Group's staff costs and an increase in the number of the staff.

General and Administrative Expenses

The general and administrative expenses decreased by RMB10.0 million or 15.3% from RMB65.3 million for the six months ended June 30, 2024 to RMB55.3 million for the Reporting Period. The decrease in general and administrative expenses was primarily due to the decrease in listing expense, associated with the global offering of the shares of the Company (the “**Global Offering**”) and the share-based compensation expenses.

Net Finance Income

The Group’s net finance income decreased by 23.7% from RMB3.8 million for the six months ended June 30, 2024 to RMB2.9 million for the Reporting Period. The decrease was primarily due to a decrease in the Group’s interest income resulting from the decrease of cash and cash equivalents and an increase in the Group’s interest expense on bank loans and other borrowings.

Income Tax Expense and Effective Tax Rate

The income tax expense increased by RMB1.4 million or 9.0% from RMB15.5 million for the six months ended June 30, 2024 to RMB16.9 million for the Reporting Period.

In December 2023, Changjiu Jinfu confirmed with related tax authority that it was entitled to be subject to an income tax rate of 15% during the years for the period from January 1, 2022 to December 31, 2025 according to Notice of Taxation on Continuing the Preferential Policies for Enterprise Income Tax in Qianhai Shenzhen Hong Kong Modern Service Industry Cooperation Zone (《關於延續深圳前海深港現代服務業合作區企業所得稅優惠政策的通知》) issued by the Ministry of Finance (財政部) and the State Taxation Administration (稅務總局). Changjiu Jinfu accrued income tax expense based on income tax rate of 15% and 25% for the six months ended June 30, 2025 and 2024 respectively.

During the Reporting Period, a subsidiary of the Group has conducted self-inspection following the tax audit notices issued by local tax bureaus. The subsidiary has made insufficient provision for relevant income tax during the years from 2022 to 2024 and has paid the overdue income tax in June 2025.

Under the Law of the PRC on Enterprise Income Tax (《中華人民共和國企業所得稅法》) (the “**EIT Law**”) and Implementation Regulation of the EIT Law (《中華人民共和國企業所得稅法實施條例》), the enterprise income tax rate of the Group’s PRC subsidiaries is 25%, unless subject to tax deduction or exemption. The effective tax rate of 20.1% for the Reporting Period was lower than the 25% statutory tax rate primarily due to the effect of the abovementioned factors (effective tax rate for the six months ended June 30, 2024: 21.2%).

Profit for Reporting Period and Net Profit Margin

As a result of the foregoing, the net profit increased by RMB9.3 million or 16.1% from RMB57.8 million for the six months ended June 30, 2024 to RMB67.1 million for the Reporting Period, and the net profit margin decreased from 17.1% for the six months ended June 30, 2024 to 9.6% for the Reporting Period.

Non-IFRS Measure

To supplement its historical financial information which are presented in accordance with IFRS, the Group also uses adjusted net profit as an additional financial measure, which is unaudited in nature and is not required by, or presented in accordance with IFRS. The Group believes that this non-IFRS measure facilitates comparisons of operating performance from year to year by eliminating potential impacts of items that the management does not consider to be indicative of its operating performance. The Group believes that this measure provides useful information to investors and others in understanding and evaluating its results of operations in the same manner as it helps the Group's management. However, the Group's presentation of adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and should not be considered in isolation from, or as a substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS.

The Group defines adjusted net profit as net profit adjusted by adding back listing expenses and share-based compensation expenses in relation to share incentive plans, and by deducting other income from termination of other payables to customer. The Group eliminates the potential impact of these items, which are either non-operating or one-off in nature and are not indicative of the actual operating performance of the Group.

Adjusted net profit (non-IFRS measure), defined as net profit adjusted by adding back the listing expenses and share-based compensation expenses in relation to share incentive plans and by deducting other income from termination of other payables to customer, for the Reporting Period amounted to RMB67.3 million, representing a decrease of 12.9% from RMB77.3 million for the six months ended June 30, 2024.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the six months ended June 30,	67,085	57,802
Add:		
Share-based compensation expenses (<i>Note (ii)</i>)	1,651	14,782
Listing expenses (<i>Note (i)</i>)	–	4,730
Deduct:		
Other income from termination of other payables to customer (<i>Note (iii)</i>)	1,442	–
Adjusted net profit for the six months ended June 30, (non-IFRS measure)	67,294	77,314

Notes:

- (i) Listing expenses relate to the Global Offering, which are one-off in nature and are not directly related to the Group's operating activities.
- (ii) Share-based compensation expenses relate to the restricted shares and share options that we granted under the share incentive plans, which are non-cash expenses that are commonly excluded from similar non-IFRS measures adopted by other companies in the industry.
- (iii) Other income from termination of other payables to customer relates to the derecognition of other payables to customer that primarily represent advance payment of pledged vehicle monitoring service received from automobile dealerships which had terminated their financing relationship with financial institutions or automobile dealerships whose obligation to pay service fee has been transferred to financial institutions during the service period, which are not directly related to our operating activities.

Intangible Assets

The Group's intangible assets primarily reflecting the book value of the Group's VFS system, and the North Star System, the Financial Stellar System and the RedSea System. The Group's intangible assets increased from RMB9.6 million as of December 31, 2024 to RMB11.6 million as of June 30, 2025, primarily due to the RedSea System and the North Star System achieving its ready-for-intended-use condition.

Right-of-use assets

The Group's right-of-use assets consisted primarily of leases for offices and apartments for the staff. The Group's right-of-use assets increased from RMB110 thousand as of December 31, 2024 to RMB10.8 million as of June 30, 2025, primarily due to a two-year lease renewal for the Group's Beijing office during the Reporting Period, following the expiration of the original lease in 2024.

Trade Receivables

The Group's trade receivables primarily represent outstanding amounts due from financial institutions, automobile dealerships and related parties.

The Group's trade receivables as of June 30, 2025 amounted to RMB269.4 million, representing an increase of RMB70.8 million or 35.6% as compared to RMB198.6 million as of December 31, 2024, primarily as a result of the growth of the trade receivables of the pledged vehicle monitoring services, automobile dealership operation management services and the new automobile circulation services.

Prepaid Expenses and Other Current Assets

The Group's prepaid expenses and other current assets primarily consist of (i) prepayment for purchase of automobiles; (ii) input valued-added tax recoverable; (iii) prepaid expenses; (iv) amounts due from related parties; and (v) deposits.

The Group's prepaid expenses and other current assets as of June 30, 2025 amounted to RMB180.5 million, representing an increase of RMB163.4 million or 9.6 times as compared to RMB17.1 million as of December 31, 2024, primarily due to an increase in the prepayment for purchase of automobiles for the business of the new automobile circulation services.

Trade Payables

The Group's trade payables primarily consist of payments due to the Group's logistics and storage services provider related to the new automobiles circulation services and subcontracting service providers.

The Group's trade payables increased by RMB16.4 million or 55.2% from RMB29.7 million as of December 31, 2024 to RMB46.1 million as of June 30, 2025. The increase was primarily due to an increase in the trade payables of Group's new automobile circulation services.

Liquidity, Financial Resources and Capital Structures

As of June 30, 2025, the Group had cash and cash equivalents of RMB131.0 million.

As of June 30, 2025, the Group had interest-bearing bank loans and other borrowings amounting to RMB221.7 million (December 31, 2024: nil). Interests of the bank loans and other borrowings were charged at fixed rate. The maturity range of the bank loan and other borrowings is within one year. Such bank loan and borrowings were all denominated in RMB. The gearing ratio (total interest-bearing debts divided by total equity) as of June 30, 2025 was 50.5% (December 31, 2024: nil). The current ratio (total current assets divided by total current liabilities) as of June 30, 2025 was 2.0 (December 31, 2024: 4.6).

The Group finances its working capital requirements through a combination of funds generated from operations and alternative funding resources from equity and debt. The Group did not carry out any interest rate hedging policy.

The Shares of the Company were successfully listed on the Main Board of the Stock Exchange on January 9, 2024. There has been no change in the capital structure of the Company since then. The share capital of the Company is only comprised of ordinary shares. As of the date of this announcement, the issued share capital of the Company was US\$134.7740072, comprising 202,160,000 Shares with a par value of US\$0.00000066667 per Share.

Capital Expenditure and Commitments

The Group's capital expenditure in Reporting Period primarily comprised expenditure on property, plant and equipment and intangible assets, amounting to a total of RMB1.6 million (the six months ended June 30, 2024: RMB1.6 million).

As of June 30, 2025, the Group had capital commitments of RMB13.8 million associated with the acquisition of certain software for office management (December 31, 2024: RMB13.2 million).

As of June 30, 2025, the Group's trade receivable from financial institutions with an initial amount of RMB178.1 million were pledged to secure certain bank loans granted to the Group, and the Group's inventory of automobiles with an initial amount of RMB340.0 million were mortgaged to secure certain bank loan and borrowing granted to the Group.

Contingent Liabilities

As of June 30, 2025, the Group did not have any contingent liabilities (December 31, 2024: Nil).

Cash Flow

For the Reporting Period, the net cash used in operating activities was RMB364.7 million, which was primarily due to the increase of inventories, prepaid expenses and other current assets and trade receivables for the Reporting Period. The net cash generated from investing activities for the Reporting Period was RMB32.3 million, which was primarily due to proceeds from sale of investments and partially offset by the payment for purchase of fund investment. The net cash generated from financing activities for the Reporting Period was RMB91.9 million, which was primarily due to the proceeds from bank loans and other borrowings and partially offset by the dividends paid to equity shareholders of the Company.

Foreign Exchange Risk

The Group operates its business primarily in the PRC. RMB is the major currency used by the Group for valuation and settlement of all transactions. Any depreciation of RMB would adversely affect the value of any dividends paid by the Group to shareholders outside the PRC. As of June 30, 2025, except for cash and cash equivalents denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations. Majority of the Group's cash and cash equivalents is denominated in RMB and HKD. The Group is currently not engaged in hedging activities that are designed or intended to manage foreign exchange rate risk. The Group will continue to monitor foreign exchange activities and make its best efforts to protect the cash value of the Group.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position for the Reporting Period. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures. As of June 30, 2025, the Group did not hold any significant investments (including significant investments which accounted for 5% or more of the total assets of the Group).

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (the six months ended June 30, 2024: Nil).

FUTURE PLANS FOR MAJOR INVESTMENTS

Save as disclosed in the section headed “Use of Proceeds from the Global Offering” in this announcement, the Group did not have any other immediate plans for material investment and capital assets as of the date of this announcement. The Group may look into business and investment opportunities in different business areas and consider whether any asset or business acquisitions, restructuring or diversification may become appropriate in order to improve its long-term competitiveness.

EMPLOYEES AND REMUNERATION POLICY

The Group employed 641 employees as of June 30, 2025 (December 31, 2024: 463). For the six months ended June 30, 2025, the staff cost of the Group (including Directors’ remuneration) amounted to approximately RMB64.6 million (the six months ended June 30, 2024: RMB69.7 million). To promote employees’ knowledge and technical expertise, the Group offers training programmes to employees from time to time according to their job duties. Employees’ remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. The remuneration policy will be reviewed by the Board from time to time. In addition to basic remuneration, the Group also makes contributions to mandatory social security funds for the benefit of the PRC employees that provide for retirement insurance, medical insurance, unemployment insurance, maternity insurance, occupational injury insurance and housing funds. All of the full-time employees are paid a fixed salary and may be granted other allowances, based on their positions. Those who meet or exceed their performance expectation will also be rewarded discretionary bonuses. Selected Director, senior management members and employees were offered to participate in the pre-IPO restricted share plan and the pre-IPO share option plan, both approved and adopted by the Company on March 7, 2023.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders of the Company and to enhance corporate value and accountability of the Company.

During the Reporting Period and up to the date of this announcement, the Company has adopted and complied with all applicable code provisions under the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules (the “CG Code”).

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions of the Directors, senior management members, and employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company’s securities.

The Company had made specific enquiry to all Directors and all Directors confirmed that they have complied with the Model Code during the Reporting Period and up to the date of this announcement. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management members or relevant employees of the Group during the Reporting Period and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares (as defined in the Listing Rules)) during the Reporting Period and up to the date of this announcement. The Company did not hold any treasury shares as of June 30, 2025.

MATERIAL LEGAL PROCEEDINGS

During the Reporting Period and up to the date of this announcement, the Company was not involved in any material legal proceeding or arbitration. To the best knowledge of the Directors, as at the date of this announcement, there is no material legal proceeding or claim which is pending or threatened against the Company.

PUBLIC FLOAT

Based on the information publicly available to the Company and to the best knowledge of the Directors, the Company has maintained sufficient public float as required by the Listing Rules during the Reporting Period and up to the date of this announcement. The Company maintained the minimum level of public float of 25% of its total issued share capital.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events that might affect the Group occurred after the Reporting Period and up to the date of this announcement.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Shares of the Company were listed on the Main Board of the Stock Exchange on January 9, 2024. The Company issued 50,540,000 ordinary Shares at an offer price of HK\$5.95 per share, raising net proceeds of HK\$254.1 million (after deducting the Listing expenses) under the Global Offering.

The net proceeds from the Global Offering were intended to be applied in accordance with the section headed “Future Plans and Use of Proceeds” in the prospectus (the “**Prospectus**”) of the Company dated December 29, 2023 and with details as set out as follow:

Usage	Percentage of total amount	Planned allocation of net proceeds <i>HK\$ million (approximately)</i>	Utilized amount during the Reporting Period <i>HK\$ million (approximately)</i>	As of June 30, 2025		Expected timeline for full utilization of proceeds
				Utilized amount <i>HK\$ million (approximately)</i>	Unutilized amount <i>HK\$ million (approximately)</i>	
Improve the Group’s pledged vehicle monitoring services						
• Upgrade and promote the Group’s hardware and equipment	25.0%	63.6	1.3	8.6	55.0	By the end of 2026
• Increase the features of the Group’s software products	10.0%	25.4	9.6	21.0	4.4	By the end of 2026
Sub-total	35.0%	89.0	10.9	29.6	59.4	
Develop an integrated supporting system for the automobile sales and distribution industry						
• Recruit R&D staff	10.0%	25.4	1.7	4.1	21.3	By the end of 2026
• Deepen the Group’s cooperation with third-party vendors and enhance the Group’s R&D capabilities	10.0%	25.4	8.3	13.7	11.7	By the end of 2026
• Continue to improve the Group’s digital information infrastructure	10.0%	25.4	0.4	0.9	24.5	By the end of 2026
Sub-total	30.0%	76.2	10.4	18.7	57.5	By the end of 2026
Expand the Group’s automobile dealership operation management capacity						
• Improve the Group’s automobile dealership operation management services	11.5%	29.2	4.8	13.1	16.1	By the end of 2026
• Improve the quality of the Group’s automobile dealership operation management services	3.5%	8.9	0.1	1.5	7.4	By the end of 2026
Sub-total	15.0%	38.1	4.9	14.6	23.5	

Usage	Percentage of total amount	Planned allocation of net proceeds <i>HK\$ million</i> <i>(approximately)</i>	Utilized amount during the Reporting Period <i>HK\$ million</i> <i>(approximately)</i>	As of June 30, 2025		Expected timeline for full utilization of proceeds
				Utilized amount <i>HK\$ million</i> <i>(approximately)</i>	Unutilized amount <i>HK\$ million</i> <i>(approximately)</i>	
Expand the Group's sales and marketing capacity						
• Expand the Group's ground marketing teams	5.8%	14.7	3.5	5.7	9.0	By the end of 2026
• Expand the Group's online marketing and promotion capacity	4.2%	10.7	0.5	1.6	9.1	By the end of 2026
Sub-total	10.0%	25.4	4.0	7.3	18.1	
General business operations and working capital	10.0%	25.4	1.8	25.4	0	N/A
Total	100%	254.1	32.0	95.6	158.5	

The net proceeds are currently held in bank deposits and it is intended that it will be applied in the manner consistent with the proposed allocations in the Prospectus. For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established the Audit Committee in compliance with the Listing Rules to fulfil the functions of reviewing and monitoring the financial reporting process and risk management and internal control systems of the Company. The Audit Committee consists of three members, namely, Mr. Wang Fukuan, Ms. Jin Ting and Mr. Dong Yang. Mr. Wang Fukuan is the chairman of the Audit Committee. The main duties of the Audit Committee are to review and supervise the financial reporting system, risk management and internal control systems of the Group, oversee its audit process and perform other duties and responsibilities as assigned by the Board.

The Group's interim results for the six months ended June 30, 2025 have been reviewed by the Audit Committee with the management. The Audit Committee is of the view that such results complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

Independent Review of Auditor

The Group's interim condensed consolidated financial information for the six months ended June 30, 2025 is unaudited, but has been reviewed by KPMG, Certified Public Accountants, in accordance with Hong Kong Standard on Review Engagements No. 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND 2025 INTERIM REPORT ON THE WEBSITES OF STOCK EXCHANGE AND THE COMPANY

The announcement of interim results is published on the websites of the Stock Exchange at (www.hkexnews.hk) and the Company at (www.99digtech.com). The interim report of the Company for the six months ended June 30, 2025, which contains all information required by the Listing Rules, will be published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
Changjiu Holdings Limited
Ms. Li Guiping

Chairwoman of the Board and Executive Director

Hong Kong, August 27, 2025

As of the date of this announcement, the Board comprises Ms. Li Guiping and Mr. Bo Shijiu as executive Directors, Ms. Jin Ting as non-executive Director, and Mr. Shen Jinjun, Mr. Dong Yang and Mr. Wang Fukuan as independent non-executive Directors.