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Helens International Holdings Company Limited

海倫司國際控股有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Hong Kong Stock Code: 9869)

(Singapore Stock Code: HLS)

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of Helens International Holdings Company Limited (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, 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. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus of the Company dated August 31, 2021 (the “**Prospectus**”).

FINANCIAL HIGHLIGHTS

	For the six months ended June 30,	
	2025	2024
	(RMB in thousands)	(RMB in thousands)
	(unaudited)	(unaudited)
Revenue	291,145	441,294
Profit before income tax	51,899	69,459
Profit for the period attributable to owners of the Company	50,331	69,677

BUSINESS HIGHLIGHTS

Distribution of Our Bar Network

In the first half of 2025, the total number of the Group's bars increased from 560 at the beginning of the year to 580 as of 30 June 2025, and further expanded to 583 as of 26 August 2025. Among them, the number of existing operating bars (including self-operated bars and franchise bars) has remained stable, while the "HiBeer Partnership" bar network continues to expand.

In May 2025, we resumed the self-operated bar plan. Through (1) opening new bars in new markets; and (2) reopening bars with new iterations in existing markets, we aimed to achieve upgrades in bar environment, improvements in customer experience, and reductions in costs such as rental and labor costs, and, thereby enhancing bar operational performance. Currently, 10 bars have been opened or will open in the near future. Going forward, as we continue to open new self-operated bars, our self-operated network is expected to gradually expand again.

As of August 26, 2025, we had a total of 583 bars globally, including three bars in Singapore, one bar in Japan, one bar in Hong Kong, China, and 578 bars across 32 provincial-level administrative regions and 283 cities in Mainland China.

	August 26, 2025	June 30, 2025	As of December 31, 2024	June 30, 2024
Mainland China				
Bars in first-tier cities	36	36	35	37
Bars in second-tier cities	140	140	146	172
Bars in third and lower-tier cities	402	399	375	323
Bars in regions out of Mainland China	5	5	4	5
Total	583	580	560	537

	August 26, 2025	June 30, 2025	As of December 31, 2024	June 30, 2024
Self-operated bars	109	109	112	187
Franchised bars	39	39	42	67
"HiBeer Partnership" bars	435	432	406	283
Total	583	580	560	537

OPERATING INDICATORS

Average Daily Turnover Per Bar Opened in Each City

The table below shows the average daily turnover per bar opened in different tier cities during the indicated periods.

		For the six months ended June 30,	
		2025	2024
		(RMB in thousands)	(RMB in thousands)
Average daily turnover per self-operated bar and franchised bar			
Mainland China			
First-tier cities		9.0	8.7
Second-tier cities		8.8	7.4
Third and lower-tier cities		7.7	7.2
Overall		8.3	7.5

Average daily turnover per “HiBeer Partnership” bar

		For the six months ended June 30,	
		2025	2024
		(RMB in thousands)	(RMB in thousands)
Type of store	Store area		
Large Store	240–260 square meters ⁽¹⁾	5.0	6.1
Medium Store	150–240 square meters ⁽²⁾	4.0	5.3
Small Store	90–150 square meters ⁽¹⁾	3.6	4.7
Overall	90–260 m²	4.2	5.4

Notes:

(1): both numbers inclusive.

(2): both numbers exclusive.

Same-store Performance

The following table sets forth the same-store sales of Helen's self-operated bars and franchised bars during the indicated periods. "Same-store" means bars that opened for at least 140 days during the six months ended June 30, 2024 and the six months ended June 30, 2025, respectively.

Although our same-store daily sales declined in the first half of 2025, by measures such as actively improving product gross margins, reducing rental costs and enhancing labour efficiency, our same-store bar-level operating profit margin in the second quarter of 2025 improved as compared with the same period last year.

We are actively implementing multiple initiatives to restore same-store performance, including: (1) further refining and enhancing frontline partner performance incentive schemes to achieve collaborative performance growth; (2) strengthening organizational systems and cultural development, optimizing bar operations management and services, and improving customer experience; (3) continuously optimizing the product portfolio, establishing a blockbuster product incubation system, and increasing customer stickiness; (4) reinforcing the marketing system to enhance customer acquisition and repeat purchase.

	For the six months ended June 30,	
	2025	2024
Number of same-store		142
Same-store turnover (<i>RMB'000</i>)	229,239.53	279,116.30
Growth of same-store turnover (%)		-17.9
Same-store average		
daily turnover (<i>RMB'000</i>)	1,274.40	1,546.22
Growth of same-store daily		
average turnover (%)		-17.6
Same-store average daily turnover		
per store (<i>RMB'000</i>)	9.0	10.9
Growth of same-store average daily		
turnover per store (%)		-17.6

Contribution from Our Featured Products

The following table sets forth the overall contribution and contribution margin of all of Helen's branded alcoholic drinks and third-party branded alcoholic drinks in self-operated bars respectively during the indicated periods. With our scientific supply chain management, coupled with our expanding scale and growing brand influence, our contribution gross margin has significantly improved compared with the same period last year.

	For the six months ended June 30,	
	2025	2024
All Helen's branded alcoholic drinks		
Contribution (<i>RMB'000</i>)	73,777	124,458
Contribution margin (%)	<u>80.2%</u>	<u>78.3%</u>
All third-party branded alcoholic drinks		
Contribution (<i>RMB'000</i>)	28,014	42,773
Contribution margin (%)	<u>57.8%</u>	<u>53.7%</u>

Note: Our contribution margin represents (i) the contribution of a given product, i.e. the revenue generated from the sales of a given product, less the costs of raw materials and consumables, divided by (ii) the revenue generated from the sales of the given product.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

In the first half of 2025, we recorded revenue of RMB291.1 million, compared with RMB441.3 million in the first half of 2024, mainly due to a decline in the number of existing operating bars (self-operated bars and franchise bars) compared with the same period last year, as well as a decrease in same-store daily sales. Despite the overall weakness in the food and beverage consumption market in the first half of 2025, we still achieved solid profitability, with profit attributable to owners of the Company amounting to RMB50.3 million.

In the first half of 2025, the total number of the Group's bars increased from 560 at the beginning of the year to 580 as of 30 June 2025, and further expanded to 583 as of 26 August 2025. Among them, the number of existing operating bars (including self-operated bars and franchise bars) has remained stable, while the "HiBeer Partnership" bar network continues to expand.

In May 2025, we resumed the self-operated bar plan. Through (1) opening new bars in new markets; and (2) reopening bars with new iterations in existing markets, we aimed to achieve upgrades in bar environment, improvements in customer experience, and reductions in costs such as rental and labor costs, and, thereby enhancing bar operational performance. Currently, 10 bars have been opened or will open in the near future. Going forward, as we continue to open new self-operated bars, our self-operated network is expected to gradually expand again.

In the first half of 2025, we continued to optimize and upgrade the "HiBeer Partnership" bar model. While continuing to iterate and upgrade bar design and ambiance, the total investment per bar has further decreased.

In the first half of 2025, the contribution gross margin of our self-operated bars increased from 70% in the first half of 2024 to 74%, of which the gross margin of our branded alcoholic drinks rose from 78.3% in the first half of 2024 to 80.2%. This was mainly attributable to enhancements in our scientific and effective supply chain management capabilities, as well as brand effects brought about by continued expansion of scale.

Although our same-store daily sales declined in the first half of 2025, by measures such as actively improving product gross margins, reducing rental costs and enhancing labour efficiency, our same-store bar-level operating profit margin in the second quarter of 2025 improved as compared with the same period last year. We are actively implementing multiple initiatives to restore same-store performance, including: (1) further refining and enhancing frontline partner performance incentive schemes to achieve collaborative performance growth; (2) strengthening organizational systems and cultural development,

optimizing bar operations management and services, and improving customer experience; (3) continuously optimizing the product portfolio, establishing a blockbuster product incubation system, and increasing customer stickiness; (4) reinforcing the marketing system to enhance customer acquisition and repeat purchase. Going forward, as same-store daily sales stabilize and recover, bar-level operating profit margins are expected to further improve.

Looking ahead, on the one hand, we will continue to consolidate and expand our self-operated bar network; on the other hand, we will further develop our franchise bar network through the continuously optimized “HiBeer Partnership” bar model. At the same time, we will continue to strengthen supply chain integration and space design capabilities, and leverage these two core strengths to explore new modes such as the “third space”, thereby continuously creating new value for consumers’ evolving lifestyles.

Revenue

Our revenue decreased by 34.0% from RMB441.3 million for the six months ended June 30, 2024 to RMB291.1 million for the six months ended June 30, 2025 mainly due to a decline in the number of existing operating bars (self-operated bars and franchise bars) compared with the same period last year, as well as a decrease in same-store daily sales. Among these, the decrease in revenue from franchise business was mainly due to the increase in revenue from product sales to “HiBeer Partnership” bars being offset by the decrease in revenue from franchise service provided to franchise bars and “HiBeer Partnership” bars.

The following table sets forth the revenue by segment and services and a breakdown of revenue during the indicated periods.

	For the six months ended June 30,					
	2025 Revenue			2024 Revenue		
	(RMB in thousands)	% of total revenue	% of self- operated business	(RMB in thousands)	% of total revenue	% of self- operated business
Helen’s branded products	128,264	44.1	70.0	222,568	50.4	71.6
Helen’s beer	17,264	5.9	9.4	29,648	6.7	9.6
Spirituos drinks	74,709	25.7	40.8	129,361	29.3	41.6
Snacks	36,291	12.5	19.8	63,559	14.4	20.4
Third-party brand alcoholic drinks	48,462	16.6	26.5	79,692	18.1	25.6
Other products and revenue⁽¹⁾	6,400	2.2	3.5	8,674	2.0	2.8
Sub-total of revenue from self-operated business	183,126	62.9	100	310,934	70.5	100
Revenue from franchise business⁽²⁾	108,019	37.1	—	130,360	29.5	—
Total	291,145	100	—	441,294	100	—

Notes:

- (1) Including paper towels, other consumer goods that we provide to customers in bars, and the revenue generated from our mobile device charging service in bars.
- (2) Including (i) revenue from providing franchising services to franchised bars and “HiBeer Partnership” bars; and (ii) revenue from sales of products to “HiBeer Partnership” bars.

Other Income

Our other income increased by 250.0% from RMB0.2 million for the six months ended June 30, 2024 to RMB0.7 million for the six months ended June 30, 2025, mainly due to rental income generated from renting out a portion of our office building.

Cost of Raw Materials and Consumables Used

The cost of our raw materials and consumables used decreased by 27.1% from RMB159.3 million for the six months ended June 30, 2024 to RMB116.1 million for the six months ended June 30, 2025, including the cost of raw materials and consumables of self-operated bars of RMB47.9 million and the cost of raw materials and consumables generated by sales of products to “HiBeer Partnership” bars of RMB68.2 million. The decrease in the cost of raw materials and consumables used was mainly due to the decrease in the revenue and the amount of the required raw materials and consumables.

Employee Benefit and Manpower Service Expenses

Our employee benefit and manpower service expenses decreased by 36.2% from RMB96.5 million for the six months ended June 30, 2024 to RMB61.6 million for the six months ended June 30, 2025. The decrease in employee benefit and manpower services expenses was primarily due to a concurrent reduction in employee wages and benefits resulting from the decline in the number of our employees.

Depreciation of Right-of-use Assets

The depreciation of our right-of-use assets decreased by 47.3% from RMB31.7 million for the six months ended June 30, 2024 to RMB16.7 million for the six months ended June 30, 2025. The decrease was mainly due to the termination of certain self-operated bars’ lease contracts under the optimization and adjustment of the strategic transformation of the Company.

Depreciation of Property, Plant and Equipment

The depreciation of our property, plant and equipment decreased by 50.6% from RMB32.2 million for the six months ended June 30, 2024 to RMB15.9 million for the six months ended June 30, 2025. The decrease was mainly due to a reduction in the property, plant and equipment of self-operated bars as the number of bars declined.

Depreciation of Investment Properties

For the six months ended June 30, 2025, our depreciation of investment properties amounted to RMB1.7 million (for the six months ended June 30, 2024: nil). This is primarily due to our conversion of a portion of our office asset for rental purposes, which was subsequently classified as investment properties, resulting in depreciation.

Short-Term Rental and Other Related Expenses

Our short-term rental and other related expenses decreased by 47.6% from RMB18.5 million for the six months ended June 30, 2024 to RMB9.7 million for the six months ended June 30, 2025. The decrease was primarily due to the number of employees in self-operated bars declined as a result of the implementation of optimization and adjustment of our bar network, leading to less short-term dormitories we leased for employees.

Utilities Expenses

Our utilities expenses decreased by 50.5% from RMB9.7 million for the six months ended June 30, 2024 to RMB4.8 million for the six months ended June 30, 2025. The decrease was mainly due to the electricity bills and network energy consumption costs and the dormitory electricity and water utilities expenses decreased with the decrease in the number of bars accordingly.

Travelling and Related Expenses

Our travelling and related expenses decreased by 50.0% from RMB4.8 million for the six months ended June 30, 2024 to RMB2.4 million for the six months ended June 30, 2025. The decrease was mainly due to our implementation of refined management and cost-saving measures.

Secondary Listing Expenses

During the six months ended June 30, 2025, we did not have any secondary listing expenses (for the six months ended June 30, 2024: RMB12.2 million).

Advertising and Promotion Expenses

Our advertising and promotion expenses decreased by 72.8% from RMB8.1 million for the six months ended June 30, 2024 to RMB2.2 million for the six months ended June 30, 2025. The decrease was mainly due to the refined management of our online promotion.

Net Reversal/(Provision) of Impairment losses of Trade Receivables

For the six months ended June 30, 2025, our net reversal of impairment trade receivables amounted to RMB19,000 (for the six months ended June 30, 2024: impairment losses of RMB0.4 million).

Other Expenses

Our other expenses decreased by 33.0% from RMB30.0 million for the six months ended June 30, 2024 to RMB20.1 million for the six months ended June 30, 2025. The decrease was primarily due to corresponding decrease in our daily operation and maintenance expenses as the number of bars decreased.

Other Losses, net

For the six months ended June 30, 2025, we incurred net other losses of RMB4.2 million which primarily comprised (i) gains on optimization and adjustment of our bars of RMB3.5 million, including gains on disposal of plant and equipment (approximately RMB0.4 million), loss on rental deposits (approximately RMB0.7 million), penalties and compensation for early termination (approximately RMB0.4 million), and gain on termination of leases (approximately RMB4.2 million); (ii) exchange loss of RMB8.0 million due to appreciation of USD and/or HKD denominated assets; and (iii) fair value changes of financial assets at fair value through profit or loss (approximately RMB0.3 million).

Finance Income

Our finance income decreased from RMB29.8 million for the six months ended June 30, 2024 to RMB19.2 million for the six months ended June 30, 2025. The decrease was primarily due to the reduction in bank deposit amounts.

Finance Costs

Our finance costs decreased by 37.7% from RMB6.1 million for the six months ended June 30, 2024 to RMB3.8 million for the six months ended June 30, 2025. The decrease in finance costs was mainly attributable to lease liabilities decline with a decrease in the number of bars, resulting in a decrease in related interest.

Profit before Income Tax

As a result of the foregoing, the profit before income tax was RMB51.9 million for the six months ended June 30, 2025, and the profit before income tax was RMB69.5 million for the six months ended June 30, 2024, and the profit before income tax margin was 17.8% and 15.7% for the same periods, respectively.

Income Tax (Expenses)/Credit

The income tax expenses was RMB1.6 million for the six months ended June 30, 2025, and the income tax credit was RMB0.2 million for the six months ended June 30, 2024. This was mainly due to the expiration of unused tax losses recognized as deferred tax assets previously.

Property, Plant and Equipment

Our property, plant and equipment represent (i) building, (ii) office equipment such as printers, (iii) computer equipment, (iv) furniture and fixture used in bars such as tables and chairs and facilities in kitchens, (v) leasehold improvement and (vi) motor and vehicle. Our property, plant and equipment decreased from RMB217.9 million as of December 31, 2024 to RMB180.0 million as of June 30, 2025. The decrease in our property, plant and equipment in the first half of 2025 was mainly due to depreciation and reclassification of certain property, plant and equipment as investment properties.

Intangible Assets

Our intangible assets mainly include office systems and software that we have purchased. Our intangible assets remained generally stable with RMB41,000 and RMB32,000, respectively, as of December 31, 2024 and June 30, 2025, respectively.

Right-of-use Assets

Our right-of-use assets (i.e. our confirmed long-term leased properties) decreased from RMB95.7 million as of December 31, 2024 to RMB91.7 million as of June 30, 2025. Such decrease was due to depreciation and the termination of certain self-operated bars' lease contracts under the optimization and adjustment of the strategic transformation of the Company.

Investment Properties

Our investment properties increased from RMB33.0 million as of December 31, 2024 to RMB56.9 million as of June 30, 2025. The increase in investment properties was mainly due to further conversion of a portion of our office asset for rental purposes, which was subsequently classified as investment properties during the first half of 2025.

Deferred tax assets

The deferred tax assets slightly decreased from RMB75.2 million as of December 31, 2024 to RMB73.6 million as of June 30, 2025 mainly due to the expiration of unused tax losses that had previously been recognised as deferred tax assets.

Inventories

Our inventories represent the alcoholic drinks, food and consumables used in our bar operations.

The following table sets forth our inventory balance as of the dates indicated.

	As of	
	June 30, 2025	December 31, 2024
	<i>(RMB in thousands)</i>	<i>(RMB in thousands)</i>
Inventories		
Alcoholic drinks	15,230	16,359
Food	5,490	3,095
Consumables	540	668
	<hr/>	<hr/>
Total	<u>21,260</u>	<u>20,122</u>

Our inventory balance increased from RMB20.1 million as of December 31, 2024 to RMB21.3 million as of June 30, 2025, basically remained stable, while our inventory turnover days increased from 23.3 days as of December 31, 2024 to 32.1 days as of June 30, 2025.

Prepayments, Deposits and Other Receivables

Our prepayments, deposits and other receivables primarily include rental and other deposits, other tax receivable and other prepayments. Our prepayments, deposits and other receivables decreased from RMB99.2 million as of December 31, 2024 to RMB92.4 million as of June 30, 2025. The decrease was mainly due to the Group's strategic consideration of bars optimization and adjustment, resulting in the decrease in rental deposit.

Trade Receivables

Our trade receivables basically remained stable and decreased from RMB28.4 million as of December 31, 2024 to RMB23.7 million as of June 30, 2025.

Financial Assets At Fair Value Through Profit or Loss

As of June 30, 2025, we had financial assets at fair value through profit or loss of RMB55.0 million (as of December 31, 2024: nil), mainly because we purchased a small amount of low-risk bond products to optimise capital allocation.

Cash and Bank Balances

Our cash and bank balances comprise cash and cash equivalents, term deposits with original maturity over three months and restricted cash. Our cash and bank balances were RMB806.4 million and RMB663.3 million as of December 31, 2024 and June 30, 2025, respectively, and the decrease in cash and bank balances in the first half of 2025 was mainly due to the payment of the 2024 final dividend.

Lease Liabilities

We had lease liabilities of RMB145.4 million and RMB125.8 million as of December 31, 2024 and June 30, 2025, respectively. The decrease in lease liabilities was mainly because of the decrease in number of bars as a result of the Group's strategic consideration of bars optimization and adjustment.

Trade Payables

Our trade payables mainly represent the expenses payable to our suppliers to purchase raw materials, equipment and other supplies that are necessary for our bar operations. Our trade payables decreased from RMB28.7 million as of December 31, 2024 to RMB25.8 million as of June 30, 2025. The decrease was primarily due to a drop in our revenue, which led to a corresponding reduction in procurement from suppliers. Our trade payables turnover days increased from 34.3 days as at December 31, 2024 to 42.3 days as at June 30, 2025, mainly due to our refined operational strategy and the improvement in our supplier management capabilities.

Other Payables and Accruals

Our other payables and accruals decreased from RMB12.6 million as of December 31, 2024 to RMB9.2 million as of June 30, 2025. Such decrease was mainly due to reduced product procurement, which also resulted in a decrease in other payables associated with logistics, services and other related operations.

Liquidity and Capital Resources

We have adopted a prudent treasury management policy. We placed a strong emphasis on having funds readily available and accessible and were in a stable liquidity position with sufficient funds in standby banking facilities to cope with daily operations and meet its future development demands for capital.

During the Reporting Period, we mainly used cash generated from operating activities for our business. Our cash and bank balances were RMB806.4 million and RMB663.3 million as of December 31, 2024 and June 30, 2025, respectively. Our cash were mainly used to meet the needs of business operation.

Going forward, we expect to fund our operations in part with revenue generated from operations of our bars. However, with the continuing expansion of our business, we may require further funding through public or private equity offerings, debt financing and other sources. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

Indebtedness

Bank borrowings

As of June 30, 2025, we had bank borrowings of RMB30.0 million secured with guarantee (2024: nil).

Lease liabilities

As of June 30, 2025, our lease liabilities amounted to RMB125.8 million.

Contingent Liabilities

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

Capital Commitments

As of June 30, 2025, we did not have any capital commitments.

Capital Expenditures

Our capital expenditures were incurred primarily for opening new bars, acquiring equipment, refurbishing existing bars and purchasing furniture and equipment required for bar operations. Our total capital expenditures decreased from RMB5.8 million as of June 30, 2024 to RMB3.9 million as of June 30, 2025. The decrease was attributable to the active transformation of the Group towards a platform-based company with a light-asset model.

Gearing Ratio

As of June 30, 2025, our gearing ratio was 3.0% (as of June 30, 2024: nil). The gearing ratio is calculated by the total debt (including interest-bearing bank and other borrowings) divided by total equity at the end of the period multiplied by 100%.

Foreign Exchange Risk

For the six months ended June 30, 2025, we mainly operated in China. We are exposed to foreign exchange risk primarily because the proceeds from the Global Offering are denominated in Hong Kong dollars and certain bank deposits denominated in US dollars.

During the Reporting Period, the Group was not engaged in any foreign exchange hedging related activity. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures should the need arise in the future.

Pledge of Assets

As of June 30, 2025, certain buildings were pledged due to bank borrowings.

Significant Investment, Material Acquisition and Disposal

For the six months ended June 30, 2025, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures. In addition, except for the expansion plan disclosed in sections “Business” and “Future Plans and Use of Proceeds” in the Prospectus, the Group did not have any specific plans for significant investments or acquisition of material capital assets or other businesses. The Group, however, will continue to identify new business development opportunities.

Employees and Remuneration Policies

As of June 30, 2025, we had 576 employees and 814 outsourced personnel, most of whom were based in China. We offer competitive wages and other benefits to the employees and provide discretionary performance bonus as a further incentive. For more details, please refer to the sections headed “Pre-IPO RSU Schemes” and “Post-IPO RSU Scheme” in the Report of the Directors of the 2024 annual report of the Company. We have also improved career development pathways and talent training systems for employees to facilitate their self-growth. The Group’s remuneration policies are formulated based on the performance of individual employees and are reviewed regularly.

During the six months ended June 30, 2025, the total employee benefit expenses (including Directors’ remuneration) and manpower service expenses were RMB61.6 million.

In accordance with the laws and regulations in the PRC, we participate in the applicable housing provident funds and various social insurance plans for employees initiated by local municipal and provincial governments. The Group and the PRC-based employees are required to make monthly contributions to these plans calculated as a specific percentage of the employees’ salaries. There was no forfeited contribution utilized to offset employers’ contributions and there was no forfeited contribution available to reduce the contribution for the six months ended June 30, 2025.

FINANCIAL INFORMATION

The Board announces the unaudited condensed consolidated results of the Group for the six months ended June 30, 2025, with comparative figures for the six months ended June 30, 2024, as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>Note</i>	Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
Revenue	3	291,145	441,294
Other income	4	681	237
Raw materials and consumables used	14	(116,074)	(159,342)
Employee benefit and manpower service expenses		(61,603)	(96,532)
Depreciation of right-of-use assets	18	(16,713)	(31,672)
Depreciation of property, plant and equipment	10	(15,905)	(32,231)
Depreciation of investment property	11	(1,698)	—
Amortisation of intangible assets		(9)	(9)
Short-term rental and other related expenses		(9,718)	(18,511)
Utilities expenses		(4,813)	(9,682)
Travelling and related expenses		(2,387)	(4,830)
Listing expenses		—	(12,152)
Advertising and promotion expenses		(2,204)	(8,130)
Other expenses		(20,090)	(30,042)
Net reversal/(provision) of impairment losses of trade receivables		19	(414)
Other (losses)/gains, net	5	(4,161)	7,789
Finance income	6	19,189	29,797
Finance costs	6	(3,760)	(6,111)
Profit before income tax		51,899	69,459
Income tax (expenses)/credit	7	(1,568)	218
Profit for the period attributable to owners of the Company		50,331	69,677

		Six months ended 30 June	
		2025	2024
	<i>Note</i>	RMB'000	RMB'000
Other comprehensive (loss)/income:			
Item that may be subsequently reclassified to profit or loss			
Currency translation differences		<u>(10,423)</u>	<u>5,249</u>
Total comprehensive income for the period		<u>39,908</u>	<u>74,926</u>
Total comprehensive income for the period attributable to:			
Owners of the Company		<u>39,908</u>	<u>74,926</u>
Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)			
Basic	8	0.040	0.055
Diluted	8	<u>0.040</u>	<u>0.055</u>

The accompanying notes are an integral part of this interim financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
	Note		
Assets			
Non-current assets			
Property, plant and equipment	10	179,967	217,911
Intangible assets		32	41
Right-of-use assets	18	91,730	95,676
Investment properties	11	56,931	33,001
Deposits and prepayments	12	28,437	37,988
Deferred tax assets		73,587	75,155
		<u>430,684</u>	<u>459,772</u>
Current assets			
Inventories	14	21,260	20,122
Prepayments, deposits and other receivables	12	63,981	61,250
Trade receivables	15	23,738	28,407
Financial assets at fair value through profit or loss	13	55,049	—
Cash and cash equivalents	16	539,929	131,802
Term deposit with original maturity over three months	16	120,703	671,832
Restricted cash	16	2,633	2,790
		<u>827,293</u>	<u>916,203</u>
Total assets		<u><u>1,257,977</u></u>	<u><u>1,375,975</u></u>
Equity			
Equity attributable to owners of the Company			
Share capital	17	1	1
Reserves		997,804	1,118,790
Total equity		<u><u>997,805</u></u>	<u><u>1,118,791</u></u>

		As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
	<i>Note</i>		
Liabilities			
Non-current liability			
Contract liabilities		16,367	21,218
Other payables	20	21,742	18,048
Lease liabilities	18	72,798	93,847
		<u>110,907</u>	<u>133,113</u>
Current liabilities			
Trade payables	19	25,847	28,744
Contract liabilities		13,690	13,470
Other payables and accruals	20	9,155	12,648
Borrowings	21	30,000	—
Lease liabilities	18	52,971	51,585
Current income tax liabilities		17,602	17,624
		<u>149,265</u>	<u>124,071</u>
Total liabilities		<u>260,172</u>	<u>257,184</u>
Total equity and liabilities		<u>1,257,977</u>	<u>1,375,975</u>

The accompanying notes are an integral part of this interim financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on January 16, 2018 as an exempted company with limited liability under the Companies Act (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of its registered office is Palm Grove Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, Cayman Islands.

The Company is an investment holding company and its subsidiaries comprising the Group principally engage in bar operations and franchise business in the People's Republic of China (the “**PRC**”) and Hong Kong. The ultimate controlling shareholder is Mr. Xu Bingzhong (“**Mr. Xu**” or the “**Controlling Shareholder**”) who has been controlling the group companies since their incorporation.

This interim condensed consolidated financial information for the six months ended 30 June 2025 (“**Interim Financial information**”) is presented in Renminbi (“**RMB**”), unless otherwise stated, and was approved for issue by the Board of Directors of the Company on August 29, 2025.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

This Interim Financial Information has been prepared in accordance with the Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting”. The Interim Financial Information does not include all the notes of the type normally included in an annual financial report. Accordingly, this Interim Financial information should be read in conjunction with the annual report for the year ended 31 December 2024 (“**2024 Financial Statements**”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and any public announcements made by the Company during the interim reporting period.

The accounting policies applied are consistent with those of the 2024 Financial Statements, as described in those annual consolidated financial statements, except for the adoption of amended HKFRSs effective as of January 1, 2025. Income tax expense was recognised based on management's estimate of the annual income tax rate expected for the full financial year.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

New or revised standards, amendments and interpretations not yet adopted

Standards, amendments and interpretations that have been issued but not yet effective and not been early adopted by the Group as of 30 June 2025 are as follows:

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments (amendments)	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 9 and HKFRS 7	Amendments to the Contracts Referencing Nature — dependent Electricity (amendments)	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures (new standard)	1 January 2027
HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (amendments)	1 January 2027
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	To be determined

The Group will adopt the above new or revised standards, amendments and interpretations to existing standards as and when they become effective. Management has performed a preliminary assessment and does not anticipate any significant impact on the Group's financial position and results of operations upon adopting these standards, amendments and interpretations to the existing HKFRSs.

3 REVENUE AND SEGMENT INFORMATION

The Company is an investment holding company and its subsidiaries now comprising the Group are principally engaged in bar operations and franchise business.

The chief operating decision-maker (“**CODM**”) has been identified as the directors of the Company. The directors review the Group’s internal reporting in order to assess performance and allocate resources. The directors have determined the operating segment based on these reports.

The directors consider the Group’s operation from a business perspective and determine that the Group is managed as one single reportable operating segment.

During the six months ended 30 June 2025 and 2024, all of the Group’s revenues are from contracts with customers.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major service lines and timing of revenue recognition is as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB’000</i>	<i>RMB’000</i>
Revenue from:		
— Bar operations	183,126	310,934
— Franchisee	108,019	130,360
	<u>291,145</u>	<u>441,294</u>
Disaggregated by timing of revenue recognition:		
— Point in time	275,989	397,173
— Over time	15,156	44,121
	<u>291,145</u>	<u>441,294</u>

No customers contributed over 10% of the total revenue of the Group for the six months ended 30 June 2025 and 2024.

3 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment revenue by customers' geographical location

The Group's revenue by geographical location, which is determined by the operation's locations, is as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Mainland China	278,309	433,762
Outside of Mainland China	12,836	7,532
	<u>291,145</u>	<u>441,294</u>

(c) Non-current assets by geographical location

As of 30 June 2025 and 31 December 2024, most of the Group's non-current assets (other than intangible assets and deferred tax assets) were located in the PRC.

4 OTHER INCOME

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Government grants	105	237
Rental income (<i>Note 11</i>)	576	—
	<u>681</u>	<u>237</u>

5 OTHER (LOSSES)/GAINS, NET

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Gain/(loss) on disposal of plant and equipment (a)	456	(10,498)
Loss on rental deposits (a)	(655)	(4,725)
Penalties and compensation for early termination of leases (a)	(446)	(2,661)
Gain on termination of leases (a)	4,192	9,435
Exchange (loss)/gain	(8,043)	16,238
Fair value changes of financial assets at fair value through profit or loss	335	—
	<u>(4,161)</u>	<u>7,789</u>

- (a) Due to the Group's strategic consideration of bars' optimization and adjustments including the closure of certain bars, the Group incurred net losses arising from the aggregation of gain/(loss) on disposal of plant and equipment, loss on rental deposits, penalties and compensation for early termination, and gain on termination of leases during the six months ended 30 June 2025 and 2024.

6 FINANCE INCOME AND COSTS

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Finance income		
Interest income on bank deposits	<u>19,189</u>	<u>29,797</u>
Finance costs		
Interest expenses on lease liabilities (Note 18(c))	(3,548)	(6,111)
Interest expenses on borrowings	<u>(212)</u>	<u>—</u>
	<u>(3,760)</u>	<u>(6,111)</u>

7 INCOME TAX (EXPENSES)/CREDIT

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Current income tax credit	—	632
Deferred income tax expense	(1,568)	(414)
Income tax (expenses)/credit	(1,568)	218

8 EARNINGS PER SHARE

(a) Basic

The basic earnings per share is calculated by dividing the earning attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2025 and 2024.

	Six months ended 30 June	
	2025	2024
Earnings for the period attributable to owners of the Company (RMB'000)	50,331	69,677
Weighted average number of ordinary shares in issue (Thousand) (Note 17)	1,261,145	1,265,478
Basic earnings per share (RMB)	0.040	0.055

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential ordinary shares.

There were no dilutive potential ordinary shares during the six months ended 30 June 2025 and 2024. Therefore, diluted earnings per share for the six months ended 30 June 2025 and 2024 are the same as basic earnings per share.

9 DIVIDENDS AND SUBSEQUENT EVENTS

During the six months ended 30 June 2025, the Company declared and paid dividends of approximately RMB145,672,000 to its shareholders.

On 29 August 2025, the Board of Directors approved the proposed interim dividend (RMB0.1051 per ordinary share) for the six months ended 30 June 2025.

10 PROPERTY, PLANT AND EQUIPMENT

	Building RMB'000	Office equipment RMB'000	Computer equipment RMB'000	Furniture and fixture RMB'000	Motor and Vehicle RMB'000	Leasehold improvement RMB'000	Total RMB'000
As of 31 December 2024							
Cost	177,491	6	400	132,004	4,641	122,776	437,318
Accumulated depreciation	(14,226)	(6)	(291)	(50,785)	(1,146)	(59,772)	(126,226)
Exchange adjustments	—	—	—	7	—	5	12
Impairment loss	(36,392)	—	(14)	(23,026)	—	(33,761)	(93,193)
Net book amount	<u>126,873</u>	<u>—</u>	<u>95</u>	<u>58,200</u>	<u>3,495</u>	<u>29,248</u>	<u>217,911</u>
Six months ended 30 June 2025							
Opening net book amount	126,873	—	95	58,200	3,495	29,248	217,911
Additions	—	—	—	2,749	—	1,159	3,908
Transfer to investment property (Note 11)	(18,870)	—	—	(6,758)	—	—	(25,628)
Depreciation	(1,916)	—	(33)	(6,380)	(174)	(7,402)	(15,905)
Disposal	—	—	(61)	—	—	(62)	(123)
Exchange adjustments	—	—	—	5	—	(201)	(196)
Closing net book amount	<u>106,087</u>	<u>—</u>	<u>1</u>	<u>47,816</u>	<u>3,321</u>	<u>22,742</u>	<u>179,967</u>
As of 30 June 2025							
Cost	150,859	6	341	120,239	4,641	123,889	399,975
Accumulated depreciation	(13,840)	(6)	(325)	(52,011)	(1,320)	(66,904)	(134,406)
Exchange adjustments	—	—	—	5	—	(201)	(196)
Impairment loss	(30,932)	—	(15)	(20,417)	—	(34,042)	(85,406)
Net book amount	<u>106,087</u>	<u>—</u>	<u>1</u>	<u>47,816</u>	<u>3,321</u>	<u>22,742</u>	<u>179,967</u>

11 INVESTMENT PROPERTIES

RMB'000

At 31 December 2024

Cost	50,662
Accumulated depreciation	(8,195)
Impairment losses	(9,466)
	<hr/>
Net book amount	<u>33,001</u>

Six months ended 30 June 2025

Opening net book amount	33,001
Transfer from property, plant and equipment (<i>Note 10</i>)	25,628
Depreciation	(1,698)
	<hr/>
Closing net book amount	<u>56,931</u>

As of 30 June 2025

Cost	90,828
Accumulated depreciation	(16,926)
Impairment losses	(16,971)
	<hr/>
Net book amount	<u>56,931</u>

The following amounts have been recognised in the consolidated income statement of comprehensive income for the investment properties:

**As of
30 June
2025**

RMB'000

Rental income from operating leases (<i>Note 4</i>)	576
Direct operating expenses from property that generated rental income	(51)
	<hr/>
	<u>525</u>

12 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
Non-current portion		
Rental and other deposits	9,908	13,805
Prepayment made to a related party (<i>Note 22</i>)	5,888	7,455
Other prepayments (<i>b</i>)	12,641	16,728
	<u>28,437</u>	<u>37,988</u>
Current portion		
Rental and other deposits	7,437	4,112
Prepayments	11,933	12,505
Other tax receivable	25,725	28,782
Other prepayments (<i>b</i>)	6,890	6,248
Others	11,996	9,603
	<u>63,981</u>	<u>61,250</u>

- (a) As of 30 June 2025 and 31 December 2024, the carrying amounts of deposits and other receivables approximated their fair values and were primarily denominated in RMB.
- (b) Other prepayments represent subsidies to certain franchisees for initial capital expenditures to the franchisees. These subsidies are amortised on a straight-line basis over the franchise period which aligns with the franchisee's access to the franchise rights. The amortisation was recognised as a reduction of service fees charged to franchises.

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The movement of the financial assets at FVPL is set out below:

	As of 30 June 2025 RMB'000
At the beginning of the period	—
Additions	54,718
Changes in fair value through profit or loss	335
Currency translation differences	(4)
	<hr/>
At the end of the period	<u>55,049</u>

As of 30 June 2025, the financial assets at fair value through profit or loss is measured at level 2.

14 INVENTORIES

	As of 30 June 2025 <i>RMB'000</i>	As of 31 December 2024 <i>RMB'000</i>
Food ingredients, beverages and consumables	<u>21,260</u>	<u>20,122</u>

The cost of inventories recognised as expenses and included in the interim consolidated statement of comprehensive income during the six months ended 30 June 2025 amounted to approximately RMB116,074,000 (30 June 2024: RMB159,342,000).

No write-downs of inventories to net realisable value were charged to the interim condensed consolidated statement of comprehensive income during the periods ended 30 June 2025 and 2024, respectively.

15 TRADE RECEIVABLES

	As of 30 June 2025 <i>RMB'000</i>	As of 31 December 2024 <i>RMB'000</i>
Trade receivables	40,667	45,355
Less: loss allowance	<u>(16,929)</u>	<u>(16,948)</u>
	<u>23,738</u>	<u>28,407</u>

Trade receivables mainly arose from sales of goods and provision of franchising services to franchisees, and the credit terms of 360 days are granted for these receivables.

15 TRADE RECEIVABLES (CONTINUED)

As of 30 June 2025 and 31 December 2024, the ageing analysis of the trade receivables based on recognition date were as follows:

	As of 30 June 2025 <i>RMB'000</i>	As of 31 December 2024 <i>RMB'000</i>
Within one year	40,667	44,319
1–2 years	<u>—</u>	<u>1,036</u>
	<u>40,667</u>	<u>45,355</u>

16 CASH AND BANK BALANCES

	As of 30 June 2025 <i>RMB'000</i>	As of 31 December 2024 <i>RMB'000</i>
Cash and cash equivalents	539,929	131,802
Term deposit with original maturity over three months	120,703	671,832
Restricted cash	<u>2,633</u>	<u>2,790</u>
	<u>663,265</u>	<u>806,424</u>
Maximum exposure to credit risk (excluding cash on hand)	<u>662,869</u>	<u>805,951</u>

As of 30 June 2025 and 31 December 2024, the carrying amounts of cash and bank balances approximated their fair values.

17 SHARE CAPITAL

Authorised

	Number of ordinary shares	Nominal value of ordinary shares <i>USD</i>
As of 30 June 2025 and 31 December 2024	<u>500,000,000,000,000</u>	<u>50,000</u>

Issued

	Number of ordinary shares	Nominal value of ordinary shares* <i>USD</i>	Share capital <i>RMB</i>
As of 1 January 2025	<u>1,260,816,267</u>	<u>0.101</u>	<u>1</u>
As of 30 June 2025	<u><u>1,260,816,267</u></u>	<u><u>0.101</u></u>	<u><u>1</u></u>

* The values of ordinary shares are rounded to the nearest thousandth.

18 LEASES

(a) The Group's leasing activities

The Group leases various properties and the rental contracts are typically made for fixed periods of 5 to 8 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. None of the Group's leases contain variable lease payment terms that are linked to sales generated from the leased premises.

Certain of the Group's leases contain extension options to allow the Group to notify and negotiate with the lessors on renewal of leases a few months in advance before the expiry of leases. Termination options are also included in a number of the Group's property leases and exercisable by the Group. Options which are reasonably certain to be exercised are taken into account when determining lease terms and measuring lease liabilities.

18 LEASES (CONTINUED)

(b) Amounts recognised in the interim condensed consolidated statements of financial position

The interim condensed consolidated statements of financial position included the following amounts relating to leases:

	As of 30 June 2025 <i>RMB'000</i>	As of 31 December 2024 <i>RMB'000</i>
Right-of-use assets-properties		
Opening net book amount	95,676	182,779
Additions	12,361	55,263
Depreciation charge	(16,713)	(60,786)
Impairment losses	—	(23,833)
Exchange difference	654	24
Derecognition from termination of leases	(248)	(57,771)
	<u>91,730</u>	<u>95,676</u>
Lease liabilities		
Non-current portion	72,798	93,847
Current portion	52,971	51,585
	<u>125,769</u>	<u>145,432</u>

As of 30 June 2025 and 31 December 2024, the carrying amounts of the Group's right-of-use assets and lease liabilities were primarily denominated in RMB.

18 LEASES (CONTINUED)

(c) Amounts recognised in the interim condensed consolidated statement of comprehensive income

The interim condensed consolidated statement of comprehensive income included the following amounts relating to leases:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Depreciation charge of right-of-use assets	16,713	31,672
Finance costs on lease liabilities (<i>Note 6</i>)	<u>3,548</u>	<u>6,111</u>

(d) Amounts recognised in the interim condensed consolidated statements of cash flows

During the six months ended 30 June 2025 and 2024, the total cash outflows for leases were as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Cash outflows from operating activities		
Payments for short-term leases in respect of staff quarters	<u>2,845</u>	<u>6,349</u>
Cash outflows from financing activities		
Payment of principal element of lease liabilities	27,584	41,442
Payment of interest element of lease liabilities	<u>3,548</u>	<u>6,111</u>

19 TRADE PAYABLES

	As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
Trade payables	<u>25,847</u>	<u>28,744</u>

As of 30 June 2025 and 31 December 2024, the aging analysis of trade payables, based on invoice date, were as follows:

	As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
0–90 days	<u>25,847</u>	<u>28,744</u>

20 OTHER PAYABLES AND ACCRUALS

	As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
Non-current portion		
Refundable deposits from franchisees	<u>21,742</u>	<u>18,048</u>
	<u>21,742</u>	<u>18,048</u>
Current portion		
Salary, staff welfare payables and manpower service	<u>7,148</u>	<u>8,897</u>
Others	<u>2,007</u>	<u>3,751</u>
	<u>9,155</u>	<u>12,648</u>

As of 30 June 2025 and 31 December 2024, the carrying amounts of other payables and accruals approximated their fair values.

21 BORROWINGS

	As of 30 June 2025 <i>RMB'000</i>	As of 31 December 2024 <i>RMB'000</i>
Secured with guarantee (a)	<u>30,000</u>	<u>—</u>

- (a) As of 30 June 2025, RMB30,000,000 of borrowings were secured by certain buildings and guaranteed by certain subsidiaries of the Group. The interest rate of these borrowings was 3.10% per annum.

22 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amounts of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

The Controlling Shareholder is disclosed in Note 1.

Major related parties that had transactions with the Group during the six months ended 30 June 2025 and 2024 were as follows:

Name of the related parties	Relationship with the Group
Mr. Xu	Controlling Shareholder
Shenzhen Jiangzhu Technology Co., Ltd	A company owned indirectly as to 25% by Mr. Xu
ZCYF (HK) LIMITED	A company owned indirectly as to 25% by Mr. Xu

22 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties

Save as disclosed elsewhere in the interim condensed consolidated financial statements, during the six months ended 30 June 2025 and 2024, the following transactions were carried out with related parties at terms mutually agreed by both parties:

(i) Transactions with related parties

	Six months ended 30 June	
	2025	2024
Purchase of plant and equipment	<u>2,094</u>	<u>1,027</u>

(ii) Balances with related parties

	As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
Trade nature		
Amount due from a related party (<i>Note 12</i>)		
— Shenzhen Jiangzhu Technology Co., Ltd	<u>5,888</u>	<u>7,455</u>

CORPORATE GOVERNANCE RELATED INFORMATION

Compliance with the Corporate Governance Code

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Company has adopted corporate governance practices based on the principles and code provisions as set out in the Corporate Governance Code as contained in Part 2 of Appendix C1 to the Listing Rules (“**Corporate Governance Code**”) as its own code of corporate governance practices.

The Board is of the view that during the Reporting Period, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, except for the code provision C.2.1 described in the paragraph headed “C. Directors’ Responsibilities, Delegation and Board Proceedings — C.2 Chairman and Chief Executive”. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim of maintaining a high standard of corporate governance.

Pursuant to Code Provision C.2.1 of the Corporate Governance Code, the roles of Chairman of the Board 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.

The roles of Chairman of the Board and Chief Executive Officer of the Company are currently held by Mr. Xu Bingzhong (“**Mr. Xu**”). As Mr. Xu has extensive contributions since the establishment of the Group and has rich experience, we believe that vesting the role of Chairman and Chief Executive Officer by Mr. Xu will enable the Group’s leadership to be strong and consistent, and enhance the efficiency of business strategy execution. We believe that it is appropriate for Mr. Xu to continuously serve as Chairman and Chief Executive Officer, which is beneficial to the business development and prospects of the Group. Therefore, we have no intention at present to separate the functions of Chairman and Chief Executive Officer. Although this arrangement deviates from Code Provision C.2.1 of the Corporate Governance Code, the Board considers that the structure will not impair the balance of power and authority between the Board and the management of the Company. The reasons are: (i) the Board has sufficient checks and balances because its decisions must be approved by at least a majority of directors and the Board includes three independent non-executive directors, which complies with the Listing Rules; (ii) Mr. Xu and the other Directors acknowledge and undertake to fulfil their fiduciary duties as directors, which require them, among other things, to act in the best interests of the Company and to make decisions for the Group accordingly; and (iii) the Board is made up of experienced and talented people who meet regularly to discuss matters affecting the operations of the Company to ensure a balance of power and authority. In addition, the Group’s overall strategic and other major businesses, financial and operational policies have been formulated jointly by the Board and senior management after detailed discussion.

The Board will continuously review the effectiveness of the Group's corporate governance structure from time to time to assess whether there is a need to distinguish between the roles of Chairman of the Board and Chief Executive Officer.

Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") set out in Appendix C3 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors, and the Group's employees who, because of his/her office or employment, are likely to possess inside information in relation to the Group or the Company's securities. Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the Model Code during the Reporting Period.

No incident of non-compliance with the Model Code by the employees was noted by the Company during the Reporting Period.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period. As of June 30, 2025, the Company did not hold any treasury shares.

Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that were pending or threatened against the Group during the Reporting Period.

Audit Committee

The Audit Committee of the Company has three members comprising three independent non-executive directors, being Mr. Li Dong (chairman), Mr. Wang Renrong and Mr. Ler Soon Hock Leonard, with terms of reference in compliance with the Listing Rules.

The Audit Committee has considered and reviewed the accounting principles and practices adopted by the Group and has discussed matters in relation to risk management, internal control and financial reporting with the management, including the review of the unaudited condensed consolidated interim financial results of the Group for the six months ended June 30, 2025. The Audit Committee has reviewed and considered that the interim financial results for the six months ended June 30, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

INTERIM DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT AND RECORD DATE

Based on the authorization granted by the Shareholders to the Board on the annual general meeting of the Company held on May 14, 2025, the Board recommended the payment of an interim dividend of RMB0.1051 per ordinary share of the Company in issue out of the share premium account of the Company for the six months ended June 30, 2025. The actual total amount of interim dividends to be paid will be subject to the total number of issued share capital of the Company as at the record date for determining the entitlement of shareholders to the interim dividend. The record date for determining entitlement to the interim dividend will be September 19, 2025.

The interim dividend will be paid on or about September 30, 2025.

For the purpose of determination of the Shareholders registered under the Company's register of members in Hong Kong and register of members in Singapore for receiving the interim dividend in Hong Kong dollars or Singapore dollars respectively, any removal of the Shares between the Company's register of members in Hong Kong and register of members in Singapore has to be made by the Shareholders no later than 4:30 p.m. (both Hong Kong and Singapore times) on September 9, 2025.

For Hong Kong Shareholders

For the purpose of determining Hong Kong Shareholders' entitlements to the interim dividend, the register of members of the Company in Hong Kong will be closed from September 18, 2025 to September 19, 2025 (both days inclusive), during which period no transfer of Shares will be registered. For Hong Kong Shareholders, the record date for determination of entitlements under the interim dividend will be on September 19, 2025. Hong Kong Shareholders whose names appear on the register of members of the Company in Hong Kong on September 19, 2025 will be entitled to receive the interim dividend. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. (Hong Kong time) on September 17, 2025. The dividend warrants for the payment of dividend will be posted by ordinary mail to the Hong Kong Shareholders whose names shall appear on the register of members of the Company on September 19, 2025 at their own risk.

Based on the central parity rate of Renminbi against Hong Kong dollars as quoted by the People's Bank of China on August 28, 2025 of RMB1.00 against HK\$1.09569, the amount of interim dividend payable per ordinary share of the Company for the six months ended June 30, 2025 is HK\$0.115157. Interim dividend will be paid in Hong Kong dollars to Hong Kong Shareholders.

For Singapore Shareholders

In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Singapore share transfer agent, In.Corp Corporate Services Pte. Ltd. at 36 Robinson Road, #20-01 City House, Singapore 068877 for registration no later than 5:00 p.m. (Singapore time) on September 19, 2025.

Based on the central parity rate of Renminbi against Singapore dollars as quoted by the People's Bank of China on August 28, 2025 of RMB1.00 against S\$0.18044, the amount of interim dividend payable per ordinary share of the Company for the six months ended June 30, 2025 is S\$0.018964. Interim dividend will be paid in Singapore dollars to Singapore Shareholders.

EVENTS AFTER THE REPORTING PERIOD

The Company is not aware of any material subsequent events from June 30, 2025 to the date of this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk), the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (www.sgx.com) and the Company (www.helensbar.com).

The interim report of the Company for the Reporting Period containing all the information required by the Listing Rules will be published on the websites of the Stock Exchange, the SGX-ST and the Company in due course.

By order of the Board
Helens International Holdings Company Limited
Mr. Xu Bingzhong
Chairman of the Board and
Chief Executive Officer

Hong Kong and Singapore, August 29, 2025

As at the date of this announcement, the executive Directors are Mr. Xu Bingzhong, Ms. Cai Wenjun, Ms. Yu Zhen and Mr. He Daqing, and the independent non-executive Directors are Mr. Li Dong, Mr. Wang Renrong and Mr. Ler Soon Hock Leonard.