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中国奇点国峰控股有限公司

China Qidian Guofeng Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1280)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

(in RMB thousands, unless otherwise stated)

	Six months ended 30 June	
	2025	2024
Revenue	181,907	173,335
Gross profit	37,359	32,705
Gross profit margin	20.5%	18.9%
Loss before tax	(21,461)	(37,940)
Loss for the period	(21,958)	(37,935)
Loss for the period attributable to owners of the Company	(19,286)	(32,579)
Basic loss per share (RMB)	(0.01)	(0.09)

The board (the “**Board**”) of directors (the “**Directors**”) of China Qidian Guofeng Holdings Limited (the “**Company**”) herewith announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), together with the comparative figures for the six months ended 30 June 2024. The unaudited condensed consolidated interim results of the Group have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		7,419	7,750
Right-of-use assets		18,082	19,111
Goodwill		301,628	301,628
Interest in an associate		284	374
Loan receivables		130,375	127,470
Deferred tax assets		4,176	4,100
Equity instruments at fair value through other comprehensive income ("FVTOCI")		333	333
Total non-current assets		462,297	460,766
Current assets			
Inventories		49,188	44,875
Trade receivables	3	21,189	8,397
Prepayments, deposits and other receivables		21,301	43,567
Restricted bank deposits		6,200	10,850
Cash and cash equivalents		24,990	27,676
Total current assets		122,868	135,365
Total assets		585,165	596,131
EQUITY			
Share capital	4	254,040	253,128
Reserves		(71,094)	(54,244)
Equity attributable to owners of the Company		182,946	198,884
Non-controlling interests		8,696	11,368
Total equity		191,642	210,252

		30 June	31 December
	Notes	2025	2024
		RMB'000	RMB'000
		(unaudited)	(audited)
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities		259	259
Borrowings	6	129,817	100,287
Other payables		20,158	20,158
Lease liabilities		10,739	10,591
Provision for reinstatement costs		282	282
Total non-current liabilities		<u>161,255</u>	<u>131,577</u>
Current liabilities			
Trade and bills payables	5	34,191	33,564
Accruals and other payables		68,869	77,141
Contract liabilities		68,929	71,666
Lease liabilities		6,719	8,892
Borrowings	6	—	9,479
Other current liabilities		53,560	53,560
Total current liabilities		<u>232,268</u>	<u>254,302</u>
Total liabilities		<u>393,523</u>	<u>385,879</u>
Total equity and liabilities		<u>585,165</u>	<u>596,131</u>
Net current liabilities		<u>(109,400)</u>	<u>(118,937)</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Notes	2025	2024
		RMB'000	RMB'000
		(unaudited)	(unaudited)
Revenue	7	181,907	173,335
Cost of sales and services		(144,548)	(140,630)
Gross profit		37,359	32,705
Other income	8	135	4,111
Other gains and losses, net	9	177	(3,136)
(Impairment loss)/reversal of impairment loss on trade receivables		(1,765)	48
Reversal of impairment loss on prepayments, deposits and other receivables		1,443	865
Share of result of an associate		(90)	—
Selling and marketing expenses		(30,784)	(41,497)
Administrative expenses		(30,004)	(21,620)
Operating loss		(23,529)	(28,524)
Finance income		3,053	292
Finance costs		(985)	(9,708)
Net finance income/(costs)	11	2,068	(9,416)
Loss before income tax	10	(21,461)	(37,940)
Income tax (expense)/credit	12	(497)	5
Loss and total comprehensive expense for the period		(21,958)	(37,935)
Total comprehensive expense attributable to:			
– Owners of the Company		(19,286)	(32,579)
– Non-controlling interests		(2,672)	(5,356)
		(21,958)	(37,935)
Loss per share for loss attributable to owners of the Company (expressed in RMB per share)			
– Basic and diluted	13	(0.01)	(0.09)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL INFORMATION

China Qidian Guofeng Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 5 February 2008 as an exempted company with limited liability under the Companies Law (2009 Revision as amended, supplemented or otherwise modified) of the Cayman Islands. The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) on 25 March 2010. The address of its registered office is the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The address of the Company’s principal place of business in the People’s Republic of China (the “**PRC**”) is located at Room 3602, Jingxing Sea Building, No. 3125, Linhai Avenue, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, the PRC, whereas, its principal place of business in Hong Kong is located at Room 1928, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. In the opinion of the directors of the Company, Greatssjy Co., Ltd., a company incorporated in the British Virgin Islands, is the immediate and ultimate holding company of the Company. Mr. Yuan Li is the ultimate controlling party of the Company.

The Company is principally engaged in investment holding. The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) include (i) the retail of household appliance, mobile phones, computers, imported and general merchandise and provision of maintenance and installation services for household appliance; (ii) the liquor business; and (iii) education-related training services in the PRC.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 31 December 2024 which have been prepared in accordance with all applicable HKFRS Accounting Standards.

The condensed consolidated financial statements are presented in Renminbi (“**RMB**”), which is the functional currency of the Company and all values are rounded to the nearest thousands (RMB’000), unless otherwise indicated.

The Directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue as a going concern for the foreseeable future. Consequently, the directors continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

The condensed consolidated financial statements have been prepared under the historical cost convention, except for equity investment designated at FVTOCI which are measured at fair value.

Other than change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21 Lack of Exchangeability

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

3. TRADE RECEIVABLES

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Trade receivables gross	24,048	9,491
Less: Allowance for credit loss	(2,859)	(1,094)
Trade receivables, net	<u>21,189</u>	<u>8,397</u>

The credit terms granted to customers by the Group ranges from 30 days to 90 days.

The aging analysis of trade receivables based on invoice date, before allowance for credit loss as at the end of the Reporting Period is as follows:

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Within 90 days	20,067	7,805
91 - 365 days	3,654	1,089
1 - 2 years	121	103
2 - 3 years	—	158
Over 3 years	206	336
	<hr/>	<hr/>
Total	<u>24,048</u>	<u>9,491</u>

As at 30 June 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB1,101,000 (31 December 2024: RMB1,708,000) which are past due as at the reporting date. None of them is considered as in default.

4. SHARE CAPITAL

Ordinary shares of US\$0.02 each:

	Note	Number of ordinary Shares '000	Amount US\$'000	Amount equivalent to RMB'000
Authorised:				
At 1 January 2024 (audited),				
31 December 2024 (audited),				
1 January 2025 (audited),				
30 June 2025 (unaudited)		5,000,000	100,000	697,851

	Notes	Number of ordinary shares	Amount US\$'000	Amount equivalent to RMB\$'000
Issued and fully paid				
At 31 December 2024 (audited) and				
1 January 2025 (audited)		1,805,728,508	36,115	253,128
Issuance of award shares (a)		6,327,000	126	912
As 30 June 2025 (unaudited)		1,812,055,508	36,241	254,040

(a) On 27 May 2025, 6,327,000 shares were issued and granted to the grantee, upon vesting of shares on 27 May 2025.

5. TRADE AND BILLS PAYABLES

		30 June	31 December
	Note	2025	2024
		RMB'000	RMB'000
		(unaudited)	(audited)
Trade payables		27,991	22,714
Bills payable	(a)	6,200	10,850
		34,191	33,564

Notes:

- (a) At 30 June 2025, the bills payable were secured by bank deposits of approximately RMB6,200,000 (2024: RMB10,850,000).

Most of the principal suppliers require prepayment for goods purchase. The credit period granted by the Group's principal suppliers ranges from 15 to 60 days for both Reporting Periods.

Aging analysis of trade and bills payables based on invoice date as at the end of the Reporting Period is as follows:

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(audited)
0 - 30 days	17,311	13,928
31 - 90 days	3,951	8,324
91 - 365 days	12,668	8,630
1 year - 2 years	206	795
2 years -3 years	—	480
Over 3 years	55	1,407
	34,191	33,564

The trade and bills payables are denominated in RMB and their carrying amounts were approximate to their fair values as at the end of the Reporting Period.

6. BORROWINGS

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Non-current		
Loans from a shareholder (note (a))	85,344	85,010
Loan from a former shareholder (note (b))	18,705	3,219
Other borrowings (note (c))	25,768	12,058
	<u>129,817</u>	<u>100,287</u>
Current		
Other borrowings (note (c))	—	9,479
	<u>129,817</u>	<u>109,766</u>
Unsecured	<u>129,817</u>	<u>109,766</u>

At 30 June 2025 and 31 December 2024, the other borrowing were repayable as follows:

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Within 1 year or demand	—	9,479
After 1 year but within 2 years	85,344	—
After 2 years but within 5 years	44,473	100,287
	<u>129,817</u>	<u>109,766</u>

(a) Loans from a shareholder

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Noble Trade International Holdings Limited ("Noble Trade International")	<u>85,344</u>	<u>85,010</u>

Note:

The movement of loan from Noble Trade International is set out below

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(audited)
At the beginning of the period/year	85,010	423,652
Repayment to shareholder	—	(181,280)
Accrual of interest	1,643	8,321
Exchange adjustment	(1,309)	3,211
Capitalisation	—	(168,894)
	<hr/>	<hr/>
At the end of the period/year	85,344	85,010
	<hr/>	<hr/>

As at 30 June 2025, the total principal amount of borrowings from Noble Trade International amounted to approximately HK\$80,000,000 (equivalent to approximately RMB72,956,000) and interest payables amounted to approximately HK\$13,585,000 (equivalent to approximately RMB12,388,000). These borrowings are unsecured, interest bearing at 4.5% per annum and repayable on 23 May 2027.

(b) Loan from a former shareholder

	30 June	31 December
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Chongqing Saint	<u>18,705</u>	<u>3,219</u>

Note:

As at 30 June 2025, the principal amount of borrowings from Chongqing Saint Information Technology Co., Ltd, (重慶聖商信息科技有限公司), (“**Chongqing Saint**”) amounted to approximately RMB3,210,000, RMB300,000, RMB5,000,000, RMB5,000,000 and RMB5,000,000, and interest payables amounted to approximately RMB47,000, RMB4,000, RMB64,000, RMB47,000 and RMB33,000 with maturity dates on 25 November 2027, 12 January 2028, 16 February 2028, 23 March 2028, and 20 April 2028, respectively, Chongqing Saint was formerly owned by Mr. Yuan Li, the ultimate controlling party of the Company. This borrowing is unsecured, interest bearing from 3% to 3.5% per annum.

(c) Other borrowings

		30 June	31 December
	Note	2025	2024
		RMB'000	RMB'000
		(unaudited)	(audited)
Loan from independent third parties			
Mr. Wu Jipeng	(i)	9,559	9,479
Guangdong Shengrong	(ii)	<u>11,087</u>	<u>11,087</u>
		<u>20,646</u>	<u>20,566</u>
A related party			
Mr. Yuan Yang	(iii)	<u>5,122</u>	<u>971</u>
		<u>25,768</u>	<u>21,537</u>

Notes:

- (i) Mr. Wu Jipeng is a friend of the chairman. The directors, to the best of their knowledge, information and belief, considered that Mr. Wu Jipeng is an independent third party of the Group. The loan is unsecured, interest bearing at 5.5% per annum and repayable on 31 December 2025.

On 14 February 2025, the Group entered into a loan extension agreement with Mr. Wu Jipeng to extend the loan with a principal amount of HKD9,000,000 (equivalent to RMB8,208,000) to 31 December 2028.

- (ii) Guangdong Shengrong Financial Services Holdings Limited (廣東聖融金服控股有限公司) (“Guangdong Shengrong”)

On 25 November 2024, the Group entered into an extension agreement with Guangdong Shengrong, pursuant to which, the repayment date of interest payable of approximately RMB12,613,000, with amortised cost of RMB11,087,000, has been extended to 26 November 2027.

- (iii) Mr. Yuan Yang (袁煬), is the brother of Mr. Yuan Li, the ultimate controlling party of the Company. As at 30 June 2025, the principal amount of borrowings from Mr. Yuan Yang amounted to HK\$1,000,000 (equivalent to approximately RMB912,000) and HK\$4,500,000 (equivalent to approximately RMB4,104,000), and interest payables amounted to approximately HK\$68,000 (equivalent to approximately RMB62,000) and HK\$48,000 (equivalent to approximately RMB44,000) with maturity dates on 12 October 2027 and 15 February 2028 respectively. This borrowing is unsecured, interest bearing at 4% per annum.

7. REVENUE AND SEGMENT INFORMATION

(i) REVENUE

Revenue represents fair value of the consideration received or receivable for goods sold to customers and provision of education-related training services in normal course of business to customers, net of discounts and sales related taxes.

Disaggregation of revenue from contracts with customers is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Types of goods and services		
Sales of home appliances	124,049	118,492
Sales of liquor	17,215	36,308
Provision of education service	40,643	18,535
	<hr/>	<hr/>
Total revenue	181,907	173,335
	<hr/>	<hr/>
Timing of revenue recognition		
A point in time	141,264	154,800
Over time	40,643	18,535
	<hr/>	<hr/>
	<u>181,907</u>	<u>173,335</u>

(ii) SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the chief operating decision maker ("**CODM**"), being the chief executive officer of the Company, for the purpose of resource allocation and performance assessment focuses on type of goods or services delivered or provided are as follows:

Household appliance business — retail of household appliance, mobile phones, computers, imported and general merchandise and provision of maintenance and installation services for household appliance;

Liquor business — trading of liquor;

Education business — education-related training services; and

No reporting segment identified by the CODM has been aggregated in arriving at the reportable segment of the Group.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Household appliance business RMB'000 (unaudited)	Liquor business RMB'000 (unaudited)	Education business RMB'000 (unaudited)	Total RMB'000 (unaudited)
Six months ended				
30 June 2025				
Revenue sales to				
external customers	124,049	17,215	40,643	181,907
Segment results	<u>(3,726)</u>	<u>(3,324)</u>	<u>(8,227)</u>	<u>(15,277)</u>
Unallocated income				503
Unallocated expenses				(6,597)
Share of result of an associate				<u>(90)</u>
Loss before income tax				<u><u>(21,461)</u></u>
Six months ended				
30 June 2024				
Revenue sales to				
external customers	118,492	36,308	18,535	173,335
Segment results	<u>11,472</u>	<u>2,902</u>	<u>(17,775)</u>	<u>(3,401)</u>
Unallocated income				69,037
Unallocated expenses				(100,263)
Loss on disposal of subsidiaries				<u>(3,313)</u>
Loss before income tax				<u><u>(37,940)</u></u>

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

At 30 June 2025

Segment assets and liabilities	Household appliance business RMB'000 (unaudited)	Liquor business RMB'000 (unaudited)	Education business RMB'000 (unaudited)	Total RMB'000 (unaudited)
Segment assets	116,635	19,693	447,644	583,972
Unallocated assets				1,193
Total assets				585,165
Segment liabilities	134,063	18,683	90,337	243,083
Unallocated liabilities				150,440
Total liabilities				393,523

At 31 December 2024

Segment assets and liabilities	Household appliance business RMB'000 (audited)	Liquor business RMB'000 (audited)	Education business RMB'000 (audited)	Total RMB'000 (audited)
Segment assets	113,400	27,233	453,015	593,648
Unallocated assets				2,483
Total assets				596,131
Segment liabilities	128,516	21,759	86,477	236,752
Unallocated liabilities				149,127
Total liabilities				385,879

8. OTHER INCOME

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Rental income from investment properties	—	1,155
Activities income	51	247
Other	84	2,709
	<u>135</u>	<u>4,111</u>

9. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Gain on deregistration of subsidiaries	—	219
Loss on sale of subsidiaries	—	(3,313)
Reversal of write down/(write down) of inventories	454	(53)
Other	(277)	11
	<u>177</u>	<u>(3,136)</u>

10. LOSS BEFORE INCOME TAX

Loss before income tax has been arrived at after charging:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Cost of sales and services	144,548	140,630
Employee benefit expenses		
(including the directors' emoluments)	22,800	21,163
Depreciation of right-of-use assets	3,576	2,592
Depreciation of property, plant and equipment	391	838
Depreciation of investment properties	—	792
	<u> </u>	<u> </u>

11. NET FINANCE (INCOME)/COSTS

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Finance costs		
– Interest on other borrowings	2,107	7,347
– (Gain)/loss on foreign exchange from borrowings	(1,525)	1,778
– Interest on lease liabilities	403	583
	<u> </u>	<u> </u>
	985	9,708
Finance income		
– Interest income on bank deposits	(148)	(292)
– Interest income on loan receivables	(2,905)	—
	<u> </u>	<u> </u>
Net finance (income)/costs	<u>(2,068)</u>	<u>9,416</u>

12. INCOME TAX EXPENSE/(CREDIT)

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
PRC enterprise income tax		
Under/(over) provision in prior years	573	(5)
Deferred tax – current year	(76)	—
	<hr/>	<hr/>
Income tax expense/(credit)	<u>497</u>	<u>(5)</u>

(a) HONG KONG PROFITS TAX

The Group is not subject to Hong Kong profits tax as it has no assessable income arising in or derived from Hong Kong for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

(b) PRC ENTERPRISE INCOME TAX

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the statutory tax rate of the PRC subsidiaries is 25% for both periods.

Beijing Shengshang Entrepreneurial Technology Co., Ltd, a subsidiary of the Company, obtained the Certificate of High and New Technology Enterprise in October 2023, which is valid for three years. Enterprise income tax is levied at a rate of 15%.

13. LOSS PER SHARE

Basic and diluted loss per share is calculated by dividing the loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
Loss attributable to owners of the Company (RMB'000)	<u>(19,286)</u>	<u>(32,579)</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,806,952</u>	<u>370,690</u>
Basic loss per share (RMB)	<u><u>(0.01)</u></u>	<u><u>(0.09)</u></u>

Diluted

The Group had no potentially dilutive ordinary shares in issue for the six months ended 30 June 2025 and 2024. Accordingly, the diluted loss per share is computed to be the same as the basic loss per share for the six months ended 30 June 2025 and 2024.

14. INTERIM DIVIDENDS

No interim dividend was declared during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil) and the Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET REVIEW: MACRO-ECONOMIC RESILIENCE REMAINS EVIDENT

In the first half of 2025, despite intensifying external trade frictions and a slowdown in global economic growth, China's economy demonstrated notable resilience. Gross domestic product (GDP) reached RMB66.05 trillion, representing a year-on-year increase of 5.3%, attributable to the combined force of coordinated macro-economic policies. The accelerated issuance of ultra-long special treasury bonds and special-purpose bonds strongly boosted infrastructure investment, which, excluding the property sector, recorded a growth rate of 6.6%, contributing to an overall rate of 4.6%. Manufacturing investment rose by 7.5% year-on-year. Under the continued influence of supportive policies, the economy maintained stable operation: the consumer market steadily recovered, with total retail sales of consumer goods reaching RMB24.55 trillion, up 5%; the high-end manufacturing sector saw rapid development; new infrastructure projects advanced solidly; and exports outperformed expectations, all of which underscored the dynamism and risk resilience of China's economy.

BUSINESS REVIEW AND OPERATING PERFORMANCE

As a diversified corporate group engaged in the liquor business, training services and household appliance retail, we remain committed to enhancing overall operational efficiency and core competitiveness, and have continued to advance in the following areas:

LIQUOR BUSINESS: BUILDING A THREE-DIMENSIONAL DISTRIBUTION NETWORK AND ACCELERATING THE ROLL-OUT OF EMERGING CHANNELS NATIONWIDE

In the first half of 2025, the liquor industry entered a deep adjustment stage characterised by the confluence of “policy changes, consumption structure transformation and stock competition”, with the overall market facing the dual challenge of “declining volumes and prices alongside rising expenses”. Against the backdrop that 59.7% of liquor enterprises saw operating profit fall and 50.9% recorded revenue decline, the Group proactively optimised its business structure, strategically exited low-efficiency channels and focused on the high-

quality, value-for-money Maotai-flavor liquor. During the Reporting Period, liquor sales revenue amounted to RMB17.215 million, representing a decrease of 52.6% compared with RMB36.308 million for the same period in 2024. This was primarily due to: (i) the contraction of consumption scenarios and the collapse of pricing systems, which prompted the Group to decisively withdraw from low-efficiency distributors and concentrate resources on building the Shengyouhui (勝友薈) high-value private-domain ecosystem. While this reduced mass-market sales in the short term, the Group significantly improved the quality of the long-term customer base; (ii) in response to consumption downgrades and downward shifts in price bands, the Group accelerated product transformation towards higher-margin cask-customised products and Shengjiu (勝酒) products to strengthen the profitability and offset scale contraction; and (iii) higher initial investment in distribution network development (Shengyouhui partners/authorised distributors/regional distributors), including experience centre fit-outs and collaborations with key opinion leaders (KOL), which increased short-term expenses.

Despite industry headwinds and near-term revenue pressure, the Group has remained steadfast in its strategic direction, positioning the Maotai-flavor liquor business as the core engine of our primary growth curve. Through actively planning and steadily advancing initiatives while focusing on strengthening the distributor system and deepening the Maotai-flavor liquor market, the Group has laid a solid foundation for structural growth amid the industry downturn.

During the Reporting Period, the Group achieved a step change in both sales channel development and business model innovation, creating a new paradigm of synergistic growth across all channels through diverse measures. In channel expansion and brand control, the Group relied on the powerful “Shengyouhui (Major Regional Distributors) 111 Model” to achieve exponential growth and implemented unified retail pricing via standardised operation of physical experience centres, which preserved the brand’s premium positioning. Offline, thematic events such as the “Tour in Liquor City (酒都資本之旅)” and regional tasting investment fairs effectively targeted core regional customer groups and reinforced our market presence. Online, the Group has built a “Store + Livestream + Community + Private Domain” matrix. Both ways created a seamless omni-channel synergy and significantly

enhanced operational efficiency. As the core vehicle for channel innovation, the Shengyouhui platform, leveraging the innovative “Community + Distributor” model, has transformed traditional growth logic in the liquor industry and won the “Boao Summit – 2025 Annual Most Promising Project” award. The platform’s value-added services, such as limited-edition customisation, craftsmanship experiences and cask-sealing ceremonies, deeply align with high-end consumer demand, which have strengthened user stickiness in the premium market and further enhanced brand premiums. Our breakthrough in channel development is reflected in three key dimensions: (1) the innovative “three-dimensional distribution network”, including Shengyouhui partners, authorised distributors and regional distributors, help achieve comprehensive market coverage and efficient operation of the shared-interest mechanism; (2) the Group deepened Online Merge Offline (OMO) operations and used AI technology to provide precision services to over 100,000 private-domain members, which significantly boosted cross-selling conversion rates; and (3) by fully leveraging the parent company Qidian Guofeng’s hundreds of thousands of trainees, we have successfully integrated the “Education–Community–Liquor” business ecosystem, efficiently engaging high-net-worth customers at minimal cost and driving sustained sales growth.

On the product side, the Group’s liquor business has implemented a “self-owned production capacity + state-owned partnership” dual-track model to precisely cover all price bands. Our Renshen Guofeng (仁深國峰) distillery exclusively produces high-end Shengjiu and cask-customised products, anchoring their collectible value in the scarcity of aged liquor. The Shengjiu brand, with its “high quality, fair price” positioning, has redefined the conventional pricing model. Backed by substantial reserves of base liquor and aged stock, and with master distillers overseeing quality throughout the production process, Shengjiu has earned the title of “Top Ten Influential Brands of 2025”, evidencing both its quality credentials and market recognition. Guizhou Renhuai Guofeng Liquor Co., Ltd.* (貴州仁懷國峰酒業有限公司), a subsidiary of the Group, has continued to strengthen its presence in the mid-to-high-end Maotai-flavor liquor segment. Its exclusively customised Guofeng Maotai-flavor Liquor (國峰醬酒) remains firmly committed to mid-to-high-end quality. Its production is rigorously overseen by seasoned experts with state-owned enterprise backgrounds, which ensures excellence from raw material selection and brewing to ageing and blending. As a result, the product achieves outstanding quality, high collectible value and exceptional tasting experience.

TRAINING BUSINESS: FACING SURVIVAL CHALLENGES IN FOUNDATIONAL TRAININGS AND SEEKING BREAKTHROUGH IN TRADITIONAL VALUE CHAIN

As of the first half of 2025, the number of enterprises engaged in financial literacy education showed a downward trend, as client preferences shifted towards services delivering “immediate returns”. Willingness to pay for foundational, cognitive-enhancement financial literacy training continued to decline. Although the implementation of the Private Economy Promotion Law (《民營經濟促進法》) in May 2025 injected strong momentum into the development of the private economy, the training industry remained in a challenging environment due to the prevailing macro-economic climate.

To overcome industry headwinds, the Company actively implemented measures to consolidate its competitive advantage and strengthen the core capabilities of its financial literacy education business: (1) in terms of the innovation and integration of business models, the Company integrated “online knowledge payment + offline practical simulation” by leveraging the Nine-Dimensional Wealth Course System (九維財富系列課程體系) and the “Shengshang Engine (聖商引擎)” SaaS platform. This has reached over 180,000 corporate trainees and, through synergy with the liquor business, has significantly enhanced cross-selling conversion rates; (2) the Company actively collaborated with local governments to conduct “SME Digital Transformation Networking Events”, which reached a cumulative 4,700 SME owners between 2024 and 2025, and improved our market penetration in third- and fourth-tier cities; and (3) we jointly developed an intelligent assessment system with Marketingforce (02556.HK) and substantially improved the conversion rates for customised courses through the precise analysis of corporate financial statements and in-depth diagnosis of business pain points. This technological cooperation continues to enhance the accuracy and effectiveness of our training services. Against this backdrop, the Group achieved a counter-cyclical increase in training revenue in the first half of 2025, reaching RMB40.64 million, a substantial year-on-year growth of 119.3%, underscoring the effectiveness of our strategic transformation.

HOUSEHOLD APPLIANCES BUSINESS: FOCUSING ON THE CORE SMART DEVICES ECOSYSTEM AND BREAKING THROUGH MULTI-DIMENSIONAL SCENARIO BARRIERS

In 2025, the household appliances industry entered the “Consumption Upgrade 3.0 Phase”, benefitting from the structural growth opportunities driven by China’s expanding trade-in program. The central government allocated RMB81 billion in special funds, for the first time including mobile phones, tablets and other digital products in the subsidy scheme, complemented by local government measures (e.g. Guangdong’s 30% subsidy for smart home products). The national trade-in program has delivered significant results: between August 2024 and April 2025, over 100 million household appliances were replaced nationwide, with first-tier energy-efficient products accounting for over 90% of sales. Penetration of smart devices in lower-tier markets rose to 35%. In the first quarter of 2025, industry retail sales grew by 19.3% year-on-year, while profit increased by 10.3%, highlighting the program’s dual role in stimulating both consumption upgrading and industrial transformation. The industry is increasingly defined by the twin trends of “smart” and “green”. AI technology penetration exceeded 40% (e.g. dynamic temperature adjustment for smart air-conditioners, food management for smart refrigerators), and the growth rate for green, energy-saving products surpassed 25%, which drove the industry’s shift from “functional replacement” to “value creation”.

Capitalising on both policy tailwinds and demand upgrades, the Group achieved steady growth. During the Reporting Period, total revenue of household appliance reached RMB124 million, up 5.1% year-on-year from RMB118 million in 2024. Significant progress was made in the high-end upgrade of traditional appliances. Air-conditioners with intelligent temperature control algorithms improved energy efficiency by 25%; refrigerators achieved “small size, large capacity” designs through optimised compressor technology; and televisions incorporated AI image-processing engines to enhance eye protection, driving an 18% increase in average selling price. In the mobile ecosystem, leveraging national subsidies, the Group focused on premium Apple and Huawei models. Xin Huiyin (新匯銀), a subsidiary of the Group, expanded regional coverage via a KOL-led growth model, achieving a monthly compound growth rate of 67.3%. Our omni-channel upgrade strategy (conversion through in-store AR experiences + Douyin/rednote “product seeding” content at 18%) drove a 15% increase in repurchase rates in third- and fourth-tier markets, demonstrating the synergy of “premium products × lower-tier channels”.

FINANCIAL REVIEW

REVENUE

For the six months ended 30 June 2025, the Group's revenue was approximately RMB181.9 million, representing an increase of 4.9% from approximately RMB173.3 million for the six months ended 30 June 2024.

Turnover of the Group comprising revenues by operations is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Types of goods and services		
Sales of home appliances	124,049	118,492
Sales of liquor	17,215	36,308
Education-related training services	40,643	18,535
	<hr/>	<hr/>
Total revenue	<u>181,907</u>	<u>173,335</u>

COST OF SALES

For the six months ended 30 June 2025, the cost of sales of the Group was approximately RMB144.5 million, increased by 2.8% from approximately RMB140.6 million for the six months ended 30 June 2024, which was due to an increase of sales volume.

GROSS PROFIT

For the six months ended 30 June 2025, the gross profit of the Group was approximately RMB37.4 million, increased by 14.2% from approximately RMB32.7 million for the six months ended 30 June 2024.

OTHER INCOME

For the six months ended 30 June 2025, other income recorded by the Group amounted to approximately RMB135,000, representing a decrease of 96.7% in comparison to approximately RMB4.1 million for the six months ended 30 June 2024.

OTHER GAINS AND LOSSES, NET

For the six months ended 30 June 2025, the Group recorded other net gain of approximately RMB177,000 as compared to other net loss of approximately RMB3.1 million for the six months ended 30 June 2024.

SELLING AND MARKETING EXPENSES

For the six months ended 30 June 2025, the Group's total selling and marketing expenses amounted to approximately RMB30.8 million, representing a decrease of 25.8% from approximately RMB41.5 million for the six months ended 30 June 2024.

ADMINISTRATIVE EXPENSES

For the six months ended 30 June 2025, the Group's total administrative expenses amounted to approximately RMB30.0 million, increased by 38.8% from approximately RMB21.6 million for the six months ended 30 June 2024.

OPERATING LOSS

For the six months ended 30 June 2025, the operating loss amounted to approximately RMB23.5 million, decreased by 17.5% from the operating loss of approximately RMB28.5 million for the six months ended 30 June 2024.

NET FINANCE INCOME/(COSTS)

For the six months ended 30 June 2025, the Group recorded the net financial income of the Group amounted to approximately RMB2.1 million as compared to net finance cost approximately RMB9.4 million for the six months ended 30 June 2024.

LOSS BEFORE INCOME TAX

For the six months ended 30 June 2025, the loss before income tax amounted to approximately RMB21.5 million, representing a decrease of 43.4% in comparison to approximately RMB37.9 million for the six months ended 30 June 2024.

INCOME TAX (EXPENSE)/CREDIT

For the six months ended 30 June 2025, the income tax expense of the Group amounted to approximately RMB497,000, as compared to the income tax credit of approximately RMB5,000 for the six months ended 30 June 2024.

LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

The loss attributable to owners of the Company for the six months ended 30 June 2025 was approximately RMB19.3 million, while there was loss attributable to owners of approximately RMB32.6 million for the six months ended 30 June 2024.

CASH AND CASH EQUIVALENTS

As at 30 June 2025, the Group's cash and cash equivalents were approximately RMB25.0 million, representing a decrease of 9.7% from approximately RMB27.7 million as at 31 December 2024.

INVENTORIES

As at 30 June 2025, the Group's inventories amounted to approximately RMB49.2 million, representing an increase of 9.6% from approximately RMB44.9 million as at 31 December 2024.

PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

As at 30 June 2025, prepayments, deposits and other receivables of the Group amounted to approximately RMB21.3 million, representing a decrease of 51.1% from approximately RMB43.6 million as at 31 December 2024.

TRADE AND BILLS RECEIVABLES

As at 30 June 2025, trade and bills receivables of the Group amounted to approximately RMB21.2 million, representing an increase of 152.3% from approximately RMB8.4 million as at 31 December 2024.

TRADE AND BILLS PAYABLES

As at 30 June 2025, trade and bills payables of the Group amounted to approximately RMB34.2 million, representing an increase of 1.9% from approximately RMB33.6 million as at 31 December 2024.

GEARING RATIO AND THE BASIS OF CALCULATION

As at 30 June 2025, gearing ratio of the Group was 67.2%, in comparison to 64.7% as at 31 December 2024. The gearing ratio is equal to total liabilities divided by the sum of total equity and total liabilities.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

As at 30 June 2025, the Group's cash and cash equivalents (excluding the restricted cash) were approximately RMB25.0 million (31 December 2024: approximately RMB27.7 million).

The net current liabilities of the Group were approximately RMB109.4 million (31 December 2024: approximately RMB119.0 million), which consisted of current assets of approximately RMB122.8 million (31 December 2024: approximately RMB135.3 million) and current liabilities of approximately RMB232.3 million (31 December 2024: approximately RMB254.3 million).

The Group manages its capital structure to finance its overall operation by using different sources of funds. As at 30 June 2025, the interest-bearing borrowings of the Group amounted to approximately RMB129.8 million, increased from approximately RMB109.8 million as at 31 December 2024. As at 30 June 2025, the Group's borrowings were denominated in RMB and Hong Kong Dollar with fixed interest rate ranging from 3.0% to 5.5%.

FOREIGN CURRENCIES AND TREASURY POLICY

All the income and the majority of expenses of the Group were denominated in RMB. During the six months ended 30 June 2025, the Group has not entered into any forward contracts to hedge its exposure to foreign exchange risk. The Group does not have a foreign currency hedging policy. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currencies, consider adopting appropriate foreign currency hedging policy in the future.

LITIGATION AND CONTINGENCIES

As at 30 June 2025, the Group was involved in two material litigations: (i) Nanjing Haihuitong Supply Chain Service Co., Ltd (南京海滙通供應鏈服務有限公司) filed a lawsuit seeking rescission of the gratuitous transfer of 65% equity interest in Anhui Four Seas Huiyin Household Appliances Sales Co., Ltd (安徽四海滙銀家電銷售有限公司) (“**Anhui Four Seas**”) by Yangzhou Laitai Trading Group Co., Ltd (揚州來泰商貿集團有限公司) (for details, please refer to the announcement dated 23 April 2025), and the equity interest held by Yangzhou Huiyin Commercial Chain Co., Ltd (揚州滙銀商業連鎖有限公司) remains frozen; (ii) the judgment in relation to Huainan Jianle Investment Co., Ltd. (淮南市健樂投資股份有限公司) litigation has become effective and may result in a disposal of equity interests in Anhui Four Seas. The Directors are of the view that the relevant litigations will not have any material adverse impact on the Group.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025.

EMPLOYMENT AND REMUNERATION POLICY

The Group adopts remuneration policies similar to its peers in the industry. The remuneration payable to our staff is fixed with reference to the prevailing market rates in the region. Our management receives a fixed sum of basic salary and a discretionary performance bonus after annual/monthly/quarterly assessments.

The remuneration of other employees comprises basic salary and an attractive sum of monthly performance bonuses. In compliance with the applicable statutory requirements in the PRC and existing requirements of the local government, the Group participates in different social welfare plans for the employees.

HUMAN RESOURCES

As at 30 June 2025, the Group had 279 employees, decreased by 1.41% from 283 employees as at 31 December 2024.

SIGNIFICANT INVESTMENTS

As at 30 June 2025, the Group did not hold any significant investments, the fair value of which accounted for more than 5% of the Group's total assets.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 30 June 2025, the Group did not have any plans for future material investments and capital assets with established and legally enforceable contracts for the coming year.

FUTURE OUTLOOK

Looking ahead to the second half of 2025, China's economy is expected to maintain a moderate recovery trajectory and achieve progress while maintaining stability amid the interplay of external pressures and internal drivers. Although external uncertainties persist, domestic policies are expected to remain strategically steady, with timely strengthening to ensure economic performance remains within a reasonable range. As policy effects gradually manifest, the economy is anticipated to advance along a more balanced and sustainable path. With the combined effect of a fading base effect and the continued restoration of domestic demand, full-year GDP growth for 2025 is projected to reach around 5%, broadly meeting the pre-set target of approximately 5.1%.

LIQUOR BUSINESS: EXPANDING THE SHENGYOUHUI NETWORK AND RESHAPING THE SMART BREWING VALUE SYSTEM

The year 2025 marks a pivotal juncture in the transformation and upgrading of the liquor industry. At this stage, enterprises must adopt a strategy centred on “strengthening the foundation, restructuring and innovating”, namely focusing on deep cultivation of production areas, digital transformation of channels, product innovation and breakthroughs, and upgrades to cultural marketing. While short-term market recovery remains constrained by inventory digestion and slow demand rebound, the industry is accelerating its transition into a value competition era of “quality as the foundation, brand as the soul and culture as the bridge” as macro policies continue to take effect and consumer confidence gradually rebounds. Leading enterprises are increasingly collaborating with industry associations and core channel platforms to build an integrated ecosystem combining brand empowerment, channel synergy and think-tank support.

In response to this transformation opportunity, the Group is strengthening its market positioning and building comprehensive competitive barriers across the industry through three core strategic moves, which include strengthening brand credibility via authoritative endorsements, consolidating market foundations through channel expansion and upgrading the entire value chain with AI technology.

First, our advertising strategy is evolving from “broad coverage” to “precise targeting”. This approach aims to achieve effective brand reach across multiple market tiers through a dual-track system of high-end customer penetration via prime channels (CCTV, high-speed rail) and in-depth coverage of experience scenarios in lower-tier markets.

Second, we are advancing regionally ripple-effect expansion to cover the national market. For example, in July 2025, we entered into a strategic partnership with Inner Mongolia Huakai Liquor (內蒙古驊愷酒業) to replicate the mature expansion model of Shengyouhui in northern China, which set a benchmark for regional channel expansion. Looking ahead, we plan to deploy a combination of “OMO new retail + experience centre + forward warehouses”. This strategy aims to achieve deeper penetration into untapped markets and create new growth drivers for channel expansion.

Third, we are strengthening brand credibility through top-tier think-tank support. The Company has invited industry authorities, including Li Hongbing, Vice President of the China National Association for Liquor and Spirits Circulation; Hao Hongfeng, Chairman of Jiuxian Group; and Xie Bao, President of the Shen Zhen Liquor Association, to serve as brand consultants for Shengjiu and provide professional endorsements for core events such as premium tasting sessions and cask-sealing ceremonies. This will further enhance manufacturer-distributor collaboration and reinforces the brand's professional standing.

Fourth, we are reconstructing the value chain through AI technology. In production, we are integrating the Marketingforce's Tforce large model into brewing processes, which enables real-time monitoring of key parameters such as microbial activity and dynamic temperature and humidity changes, and improves premium liquor yield rates and blending consistency. In customer operations, AI system analyses behavioural data from over 100,000 private-domain users to generate personalised tasting videos and customised product recommendations, improving conversion efficiency in the premium segment. The deep coordination between online and offline scenarios and technological enablement allow the Group to continuously strengthen the profitability and competitiveness of the Maotai-flavor liquor business.

HOUSEHOLD APPLIANCES BUSINESS: CAPTURING PEAK CONSUMPTION SEASON AND BUILDING A FLEXIBLE SUPPLY MATRIX

The consumer electronics industry is undergoing a dual transformation. On the channel side, traditional e-commerce platforms are seeing diminishing traffic dividends, while Douyin's interest-based e-commerce and rednote's content-driven product seeding have emerged as key growth gateways. Offline channels are accelerating integration with home furnishing scenarios, with increasing value in deep cultivation of lower-tier markets. On the policy side, as announced by the National Development and Reform Commission on 1 August 2025, the fourth round of RMB69 billion in subsidies for consumer goods replacement will be allocated from October, bringing the total subsidies for the year to RMB300 billion. The policy aims to stabilise domestic demand, support industrial chain demand and drive consumption transformation, while delivering potential long-tail growth for industries such as consumer electronics, household appliances, semiconductors and AI applications.

In this context, the Group will focus on high-end, smart and green development directions, and drive resilient growth in its household appliances business through product mix optimisation, proactive policy alignment, scenario innovation and channel transformation. Key strategic priorities include: (1) precisely positioning for consumption upgrading by increasing the proportion of high-end smart appliances and targeting Generation Z’s preferences for “appearance is power” and “lazy technology” as well as the silver generation’s health-oriented needs, thereby optimising the product portfolio to enhance gross margins; (2) fully capturing policy dividends by aligning with the expanded replacement policy (including mobile phones, tablets and smartwatches in subsidies for the first time, with up to RMB500 available per unit) and adjusting the product strategy to focus on high-efficiency, smart categories, thereby promoting both consumption upgrading and structural optimisation; (3) tapping incremental potential in niche segments such as healthy living and smart homes to fill market gaps; and (4) upgrading the full-cycle service chain by offering an integrated “purchase–installation–old appliance recycling” solution, with convenient services such as scheduled in-home dismantling and simultaneous installation of new products to increase consumer engagement and strengthen customer stickiness. Through coordinated advances in product, policy, service and channels, the Group will achieve steady development of its household appliances business during the industry transition, laying a solid foundation for long-term growth.

TRAINING BUSINESS: MIGRATING VERTICAL ALGORITHM MODELS TO EMPOWER LOWER-TIER MARKETS

In the second half of 2025, as the intrinsic drivers of China’s economic restructuring continue to recover and economic vitality gradually strengthens, the recovery is expected to remain wave-like and non-linear. This gradual recovery will continue to stimulate demand for services from SMEs. In this environment, the financial literacy education market is entering a phase of significant opportunity, supported by ongoing national initiatives to promote financial literacy and integrate investor education into the national education system. The market size is expected to exceed RMB100 billion in 2025, while the revitalisation of the private economy and generational shifts in SMEs are accelerating demand for high-end customised courses.

In response, the Group has formulated the following strategic roadmap: (1) advancing AI technology migration and blockchain application by transferring vertical large-model capabilities developed in the Maotai-flavor liquor business to the training business, which will create a dedicated AI financial literacy assistant capable of real-time semantic analysis to generate dynamic training programmes tailored to enterprise needs, and introducing blockchain technology to build verifiable credit records across the learning–practice–financing chain, thereby enhancing service credibility and competitiveness; and (2) deepening ecological synergy and lower-tier market penetration by replicating the successful private-domain operation model of Shengyohui. Using distinctive scenarios such as cask-sealing ceremonies combined with tax seminars, we aim to convert 30% of high-net-worth liquor customers into the financial literacy curriculum. Supported by 280 regional centers covering third- and fourth-tier cities, we will incubate specialised and innovative training hubs and continuously expand market reach and brand influence.

AI STRATEGY: VALIDATING THE INTELLIGENT ALGORITHM PATH AND CULTIVATING THE VALUE OF DATA ASSETS

Since the beginning of this year, local governments across China have continued to advance the upgrading and transformation of traditional industries. Supported by the national “two major” and “two new” policies, the pace of transformation has accelerated, with widespread adoption of “Internet+”, “AI+” and “Digital+” initiatives to modernise and enhance legacy sectors. The Group is actively positioning artificial intelligence (AI) as a strategic emerging business segment, alongside its three core businesses in household appliances, liquor and training. The Group plans to develop an AI business line in two directions: externally, offering data intelligence services and e-commerce operation management solutions, including user behaviour analysis, AI content generation and precision-matching algorithms for clients in the fast moving consumer goods and education sectors; and internally, developing vertical AI models for scenarios such as liquor brewing, household appliance marketing and training needs analysis by collaborating with Marketingforce, for example, an intelligent liquor brewing monitoring system. This creates the potential for the Group to empower the industry chain enterprises with technological capabilities and generate revenue from providing technology service.

This AI initiative is designed to form a synergistic loop with the Group's three core businesses. The Group's extensive operational scenarios, including household appliance channel data, high-end liquor consumer groups and corporate training resources, will provide unique data foundations and application environments for AI technology research and development; in turn, advances in AI capability will feed back into operational efficiency improvements in production, marketing and service processes, and potentially enable the commercialisation of standardised technology products as an independent profit driver. The Group will pursue this strategy prudently, with the objective of developing AI into a technology-driven growth engine that underpins long-term innovation.

The Group will firmly grasp the opportunity presented by China's steady economic momentum. Specifically, the Group will deepen channel expansion and smart brewing in the liquor business, leverage policy dividends to enhance supply chain resilience in the household appliances business, accelerate the integration of OMO ecosystem and lower-tier market coverage in the training business, and actively explore strategic applications and commercial pathways for AI technology. Through collaborative innovation and resource synergy across these four business segments, the Group will continue to build core competitiveness capable of withstanding economic cycles, deliver long-term value in supporting high-quality real economy development, and generate sustainable returns for shareholders.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2025 and up to the date of this announcement, the Company has applied the principles and code provisions of the Corporate Governance Code ("**CG Code**") contained in Appendix C1 to the Listing Rules (the "**Code Provisions**") as the basis of the Company's corporate governance practices. The Board is of the view that the Company has complied with the Code Provisions set out in the CG Code during the six months ended 30 June 2025 and up to the date of this announcement, except as follows:

Code Provision F.1.3 of the CG Code requires the chairman of the board should attend annual general meeting. Mr. Yuan Li, the chairman of the Board, was unable to attend the annual general meeting held on 12 May 2025 (the "**AGM**") due to other business commitments, and Mr. Zhuang Liangbao, an executive Director, acted as the chairman of the AGM.

AUDIT COMMITTEE

During the six months ended 30 June 2025, the Audit Committee comprises three independent non-executive Directors, namely Mr. Zhang Yihua, Mr. Chen Rui and Ms. Tang Chung Kwan Brenda, including one independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise.

As of the date of this announcement, the composition of the Audit Committee is in compliance with relevant requirements of the Listing Rules. The Audit Committee has adopted the terms of reference in line with the CG Code issued by the Stock Exchange. The principal duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company. The Audit Committee has in conjunction with management reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim results for the six months ended 30 June 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the publicly available information and to the best of the Directors' knowledge, information and belief, the Company has maintained a sufficient public float throughout the six months ended 30 June 2025, and up to the date of this announcement.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares) during the six months ended 30 June 2025. As at 30 June 2025, the Company did not have any treasury shares.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

On 10 July 2025, the Group entered into a non-legally binding letter of intent with an independent third party to acquire 100% equity interest in a PRC-incorporated AI technology company (the “**Target Company**”). The Target Company specializes in AI-driven enablement services for the interest-based e-commerce sector. In the event that the acquisition materialize, the Target Company will operate as an indirect wholly-owned subsidiary and the Board believes that it will provide AI technology support to the Group’s liquor and education-related training segments under inter-company service arrangements.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The 2025 interim report of the Company will be dispatched (if requested) to shareholders of the Company and published on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.qidianguofeng.cn in due course. This announcement can also be accessed on these websites.

By Order of the Board
China Qidian Guofeng Holdings Limited
Yuan Li
Chairman

Shenzhen, PRC, 29 August 2025

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Yuan Li, Mr. Sun Yue, Mr. Yuan Lijun and Mr. Zhuang Liangbao; one non-executive Director, namely Mr. Wang Xianfu, and three independent non-executive Directors, namely Mr. Zhang Yihua, Mr. Chen Rui and Ms. Tang Chung Kwan Brenda.