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Shuanghua Holdings Limited **雙樺控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1241)

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

The board (the “Board”) of directors (the “Director(s)”) of Shuanghua Holdings Limited (the “Company”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025, together with comparative figures as follows. The interim financial information has not been audited, but has been reviewed by the Audit Committee of the Company.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June

	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	5	12,789	60,563
Cost of sales		<u>(11,670)</u>	<u>(56,124)</u>
Gross profit		1,119	4,439
Other income, gains and losses	5	3,005	2,090
Reversal of impairment losses of trade receivables other receivables and other assets		2,676	112
Selling and distribution costs		(938)	(916)
Administrative expenses		(8,257)	(8,896)
Interest expense		<u>(3)</u>	<u>(12)</u>
Loss before tax	6	(2,398)	(3,183)
Income tax credit	7	<u>283</u>	<u>—</u>
Loss and other comprehensive income for the period		<u>(2,115)</u>	<u>(3,183)</u>
Attributable to:			
Owners of the parent		<u>(2,115)</u>	<u>(3,183)</u>
		<u>(2,115)</u>	<u>(3,183)</u>
Loss per share attributable to ordinary equity holders of the parent			
Basic and diluted	9	<u>(0.3) cents</u>	<u>(0.5) cents</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		67,104	68,256
Investment properties		70,808	73,712
Right-of-use assets		21,969	22,246
Financial assets at fair value through profit or loss	10	9,588	8,268
Other receivables		87	87
Total non-current assets		169,556	172,569
CURRENT ASSETS			
Trade and bills receivables	11	7,234	11,954
Prepayments, other receivables and other assets		21,029	13,862
Cash and cash equivalents		81,520	79,934
Total current assets		109,783	105,750
TOTAL ASSETS		279,339	278,319
CURRENT LIABILITIES			
Trade payables	12	8,587	3,980
Other payables and accruals		9,617	10,806
Tax payable		1,283	1,283
Total current liabilities		19,487	16,069
TOTAL ASSETS LESS CURRENT LIABILITIES		259,852	262,250

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 June 2025

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITY		
Deferred tax liabilities	<u>1,269</u>	<u>1,552</u>
Total non-current liability	<u>1,269</u>	<u>1,552</u>
NET ASSETS	<u>258,583</u>	<u>260,698</u>
EQUITY		
Equity attributable to owners of the parent		
Issued capital	5,406	5,406
Reserves	<u>253,173</u>	<u>255,288</u>
	258,579	260,694
Non-controlling interests	<u>4</u>	<u>4</u>
TOTAL EQUITY	<u>258,583</u>	<u>260,698</u>

Zheng Ping
Director

Tang Lo Nar
Director

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

1. CORPORATE AND GROUP INFORMATION

Shuanghua Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 19 November 2010. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal places of business in the People’s Republic of China (the “PRC”) are located in Fengxian District, Shanghai and in Tunxi District, Huangshan City, Anhui Province.

During the six months ended 30 June 2025, the Company and its subsidiaries (the Group”) were principally involved in the business of supply chain management based on its own cold storage plant and properties, and the business of food supply on domestic and overseas high-end fruits and other agriculture and sideline products, in joint forces to promote the development of agriculture and people’s livelihoods.

In the opinion of the directors of the Company, the parent company and the ultimate holding company of the Company is Youshen International Group Limited, which is incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by The Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the interim condensed consolidated financial statements include the applicable disclosures requirements of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The interim condensed consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and debt instruments at fair value through other comprehensive income, which have been measured at fair value. The interim condensed consolidated financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024.

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

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3. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Other than changes in accounting policies resulting from application of new and amendments to HKFRS Accounting Standards ("HKFRSs") and Interpretation effective for the first time for annual periods beginning on 1 January 2025, the accounting policies and methods of computation used in the interim condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2024.

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:

- Lack of Exchangeability (Amendments to HKAS 21)

The adoption of the above amended HKFRSs that are effective from 1 January 2025 did not have any significant impact on the Group's accounting policies.

4. OPERATING SEGMENT INFORMATION

The Group determines its operating segments based on the internal reports reviewed by the executive directors, who are the chief operating decision-maker, that are used to allocate resources and assess performance, which are analysed based on business as follows:

Segment revenue and results

Supply chain business

The Group is involved in the business of supply chain management based on its own cold storage plant and properties.

Food supply business

The Group is involved in the business of food supply on domestic and overseas high-end fruits and other agricultural and sideline products.

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

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4. OPERATING SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

For the six months ended 30 June 2025 (unaudited)

	Food supply business RMB'000 (Unaudited)	Supply chain management business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
REVENUE	6,326	6,463	12,789
RESULTS			
Segment results	7	1,112	1,119
Other income, gains and losses			3,005
Reversal of impairment losses on trade receivables, other receivables and other assets			2,676
Selling and distribution costs			(938)
Administrative expenses			(8,257)
Interest expense			(3)
Loss before tax			(2,398)

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

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4. OPERATING SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

For the six months ended 30 June 2024 (unaudited)

	Food supply business RMB'000 (Unaudited)	Supply chain management business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
REVENUE	47,032	13,531	60,563
RESULTS			
Segment results	620	3,819	4,439
Other income, gains and losses			2,090
Reversal of impairment losses on trade receivables, other receivables and other assets			112
Selling and distribution costs			(916)
Administrative expenses			(8,896)
Interest expense			(12)
Loss before tax			(3,183)

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

The place of domicile of the Group's operating entities is in the PRC. The Group renders services and goods transfer in the PRC and all its revenue for the six months ended 30 June 2025 and 2024 were derived in the PRC.

All of the non-current assets other than financial instruments of the Group were located in the PRC.

No information about the segment assets and liabilities is presented as such information is not regularly provided to the chief operating decision maker for resource allocation and performance assessment purposes.

Information about major customers

For the six months ended 30 June 2025, the respective revenue from three (for the six months ended 30 June 2024: two) customers accounted for more than 10% of the Group's total revenue individually.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	6,265	—
Customer B	3,179	—
Customer C	1,318	—
Customer D	—	19,851
Customer E	—	19,581
	<hr/>	<hr/>
	10,762	39,432
	<hr/>	<hr/>

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

5. REVENUE, OTHER INCOME, GAINS AND LOSSES

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
– Supply chain management: supply chain services	1,835	3,124
– Food supply	6,326	47,032
Revenue from other sources		
– Supply chain management: leasing	4,628	10,407
	<u>12,789</u>	<u>60,563</u>

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
Over time	1,835	3,124
At a point in time	6,326	47,032

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

5. REVENUE, OTHER INCOME, GAINS AND LOSSES (continued)

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income	<u>1,457</u>	<u>1,392</u>
	<u>1,457</u>	<u>1,392</u>
Gains and (losses)		
Fair value change on financial assets at fair value through profit or loss	1,320	1,132
Foreign exchange (losses)/gains, net	(172)	275
Others	<u>400</u>	<u>(709)</u>
	<u>1,548</u>	<u>698</u>
Total other income, gains and losses	<u>3,005</u>	<u>2,090</u>

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

6. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	6,319	46,412
Depreciation of property, plant and equipment	2,831	2,873
Depreciation of investment properties	2,904	2,875
Depreciation of right-of-use assets	277	644
Reversal of impairment losses of trade receivables, other receivables and other assets	(2,676)	(112)
Employee benefit expense (excluding directors' and chief executives' remuneration):		
Wages and salaries	2,069	2,624
Pension scheme contributions	384	477
Staff welfare expenses	7	240
	2,460	3,341

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

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7. INCOME TAX CREDIT

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

The Group calculated the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax credit in the interim condensed consolidated statement of profit or loss and other comprehensive income are:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax:		
Charge for the period	–	–
Deferred tax	<u>(283)</u>	<u>–</u>
Total tax credit for the period	<u>(283)</u>	<u>–</u>

8. DIVIDENDS

The Board did not recommend the payment of a final dividend in respect of the year ended 31 December 2024 or an interim dividend in respect of the six months ended 30 June 2025.

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent, and the number of ordinary shares in issue during the period is 650,000,000 (for the six months ended 30 June 2024: 650,000,000).

The Group did not have any dilutive potential ordinary shares in issue during the period (for the six months ended 30 June 2024: nil).

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Listed equity investment, at fair value	9,588	8,268

The listed equity investments represent an equity investment in Bank of Shanghai which is listed on the Shanghai Stock Exchange. The investment is measured at fair value based on the quoted market price of the investee.

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

11. TRADE AND BILLS RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	25,052	32,447
Bills receivable	2	3
	<hr/>	<hr/>
	25,054	32,450
Impairment allowance	(17,820)	(20,496)
	<hr/>	<hr/>
	7,234	11,954
	<hr/>	<hr/>

The Group's trading terms with its customers are mainly on credit. The credit period for trade receivables is generally 30 to 90 days, extending up to one year for major customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest bearing.

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

11. TRADE AND BILLS RECEIVABLES (continued)

As at 30 June 2025, bills receivable of RMB2,000 (31 December 2024: RMB3,000) whose fair values approximate to their carrying values were classified as financial assets at fair value through other comprehensive income under HKFRS 9. The fair value changes of these bills receivable at fair value through other comprehensive income were insignificant during the period.

An ageing analysis of the trade receivables as at the end of the reporting periods as indicated, based on the invoice dates and net of provisions, are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 month	3,544	10,181
1 to 3 months	—	—
3 to 12 months	—	76
Over 12 months	3,688	1,694
	<hr/> 7,232 <hr/>	<hr/> 11,951 <hr/>

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT

30 June 2025

12. TRADE PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade payables	<u>8,587</u>	<u>3,980</u>

An ageing analysis of the trade payables as at the end of the reporting periods as indicated, based on the invoice dates, are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 month	5,145	403
1 to 3 months	–	71
3 to 6 months	–	76
6 to 12 months	–	–
Over 12 months	<u>3,442</u>	<u>3,430</u>
	<u>8,587</u>	<u>3,980</u>

The trade payables are non-interest bearing and are normally settled in three months.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 June 2025 (the “Period” or “Period under Review”), Shuanghua Holdings Limited (“Shuanghua” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) have been principally engaged in the business of supply chain management based on its own cold storage plant and properties, and the business of food supply on domestic and overseas high-end fruits and other agricultural and sideline products, in joint forces to promote the development of agriculture and people’s livelihoods.

In the first half of 2025, ongoing geopolitical conflicts, compounded by sweeping and erratic U.S. tariff hikes, fractured the global trade architecture and injected profound uncertainty into the world economy. Against this backdrop, China’s economy faced sustained pressures, with export growth hindered, the property market remaining sluggish, and weak domestic demand persisting. According to data from the National Bureau of Statistics of China, the Consumer Price Index (CPI) fell by 0.1% year-on-year, while the Producer Price Index (PPI) dropped by 2.8% during the Period, deflationary pressures in the industrial sector became more pronounced. In response, the Group proactively adjusted its product and service portfolio to adapt to the changing supply and demand market.

Due to the overall sluggish economic outlook and consumption downgrading in China, both the selling prices and sales volume of the Group’s products and services declined as compared to the corresponding period of last year. During the Period under Review, the Group achieved sales revenue of approximately RMB12.8 million, a decrease of approximately RMB47.8 million as compared to the corresponding period of last year. The Group steadily promoted the supply chain management business based on its own cold storage plant and properties, actively mitigated the challenges posed by the economic environment through refined management and cost control measures. For the six months ended 30 June 2025, the Group’s revenue for the supply chain management business amounted to approximately RMB6.5 million. As for the food supply business, the Group reduced orders with low profits due to declining selling prices from consumption downgrading in China and rising costs of imported goods from the instability surrounding global trade. Meanwhile, the Group actively diversified the products portfolio of the food supply business, successfully introduced new products to enrich the Group’s offerings. For the six months ended 30 June 2025, the Group’s revenue from the food supply business amounted to approximately RMB6.3 million.

For the six months ended 30 June 2025, in the context of overall economic pressures in China, the Company placed cost discipline and risk control at the forefront and actively curtailed orders with low profits or rising risks amidst consumption downgrading in China and the instability and uncertainty surrounding global trade, resulting in a loss attributable to its owners of approximately RMB2.1 million, while the loss attributable to its owners was approximately RMB3.2 million for the corresponding period last year.

OUTLOOK AND STRATEGY

In the second half of 2025, the global geopolitical conditions remain intricate and volatile, and the tariff and trade policies of the U.S. Trump administration will remain uncertain. Against this backdrop, domestic demand is unlikely to rebound significantly in the short term, and enterprises will continue to face multiple operational challenges. The Group will focus on (i) advancing diversification of the Group's products and services to secure steady development; and (ii) developing the Group's supply chain business of other goods and services, to foster further expansion and diversification of the Group's business.

(i) Advancing diversification of the Group's products and services to secure steady development

The Group will continue to deepen its one-stop supply chain solution service model, leveraging its core strengths in cold chain logistics and supply chain management to respond proactively to market changes. As for the supply chain management business, the Group will steadily expand cooperation with existing and new customers, increasing warehouse capacity and turnover rates. The Group will continuously optimise its assets structure, innovate service models, and explore growth opportunities. As for the food supply business, the Group will expand product line such as proteins and seafood to enrich the Group's product matrix and satisfy the market's diversified demand, thereby ensuring the steady growth of the food supply business. The Group will continue to build its upstream resource pool, integrate high-quality global production resources and explore regional specialty products, and strengthen partnerships with premium domestic and international farms and packaging houses to ensure stable supply and quality assurance of products. Simultaneously, the Group will actively expand its downstream premium client base, establish a robust customer network, and expand more sales channels such as mid-to-large supermarket chains, e-commerce platforms, live-streaming, and other distribution avenues, to lay a solid foundation for sustainable development of the business.

Based on past operational experience, the Group will steadily promote the products and services under the “Longhuazhen (龍樺臻)” and “Shuanghua (雙樺)” brand. The Group will maintain steady progress amid complex and volatile market conditions while fostering long-term sustainable business development.

(ii) Developing the Group’s supply chain business of other goods and services, to foster further expansion and diversification of the Group’s business

The Group will fully leverage its resources to develop supply chain business for innovative technological products and services, including but not limited to, technological innovation and green and energy saving businesses, either horizontally or vertically, by way of acquisition, investment, establishment of joint venture or formation of strategic alliance. Building on the exploration of the lithium battery recycling business since 2022 and in light of the strong demand for lithium batteries in new energy vehicles, the Group intends to introduce the world’s advanced power-battery technologies. This initiative aims to develop new quality productive forces, drive sustained improvement in revenue scale and profitability and achieve steady, high-quality business growth. The management is committed to laying a solid foundation for the Group’s diversified development and to further expanding its business operations.

The Group will continue to conduct comprehensive assessments on the market conditions of different business segments and be prudent in adjusting the Group’s strategies and business plans in a timely manner, and manage and develop its existing businesses and expand potential businesses, to achieve a sustainable business development. The Group will continue to create competitive advantages to become a leading listed company with sustainable growth driven by its professional management and expertise, business cooperation and advanced technological strengths and capabilities.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group's revenue was approximately RMB12.8 million, a decrease of approximately RMB47.8 million from that of the corresponding period of 2024, which was approximately RMB60.6 million.

The following table sets forth the breakdown of the Group's revenue by business segments for the periods indicated:

Revenue	For the six months ended 30 June			
	2025	% of	2024	% of
	RMB'000	Revenue	RMB'000	Revenue
Supply chain management business	6,463	50.5%	13,531	22.3%
Food supply business	6,326	49.5%	47,032	77.7%
Total	12,789	100.0%	60,563	100.0%

Gross profit

For the six months ended 30 June 2025, the Group recorded a gross profit of approximately RMB1.1 million (gross profit for the six months ended 30 June 2024: approximately RMB4.4 million), decreased by approximately RMB3.3 million as compared to the corresponding period of last year, mainly attributable to declining selling prices and sales volume of the Group's products from consumption downgrading in China, and rising costs in imported products.

The following table sets forth the breakdown of the Group's gross profit by business segments for the periods indicated:

Gross profit	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Supply chain management business	1,112	3,819
Food supply business	7	620
Total	1,119	4,439

Other income, gains and losses

For the six months ended 30 June 2025, the Group's other income, gains and losses amounted to approximately RMB3.0 million, increased by approximately RMB1.0 million as compared to the corresponding period of last year, mainly attributable to the gain from the financial assets investment.

Reversal of impairment losses of trade receivables under expected credit loss model

For the six months ended 30 June 2025, the Group's reversal of impairment losses under expected credit loss model amounted to approximately RMB2.7 million. For the six months ended 30 June 2024, the Group's reversal of impairment loss under expected credit loss model amounted to approximately RMB0.1 million.

Selling and distribution costs

Selling and distribution costs primarily comprised of staff-related costs, sales transportation fees, operating lease rental expenses, entertainment and travelling expenses. For the six months ended 30 June 2025, the Group's selling and distribution costs amounted to approximately RMB0.9 million, the same as the corresponding period of last year (for the six months ended 30 June 2024: approximately RMB0.9 million).

Administrative expenses

Administrative expenses primarily comprised staff-related costs, various local taxes and education surcharges, depreciation of property, plant and equipment and right-of-use assets, R&D expenses and miscellaneous expenses. For the six months ended 30 June 2025, the Group's administrative expenses amounted to approximately RMB8.3 million, decreased by approximately RMB0.6 million as compared to the corresponding period of last year, mainly attributable to the decrease of consulting fee.

Interest expense

The Group's interest expense for the six months ended 30 June 2025 amounted to approximately RMB2,997 (for the six months ended 30 June 2024: approximately RMB12,469), which was interest expense on lease liabilities.

Income tax credit

For the six months ended 30 June 2025, the Group's tax credit was approximately RMB283,000. For the six months ended 30 June 2024, the Group had no income tax credit.

Loss for the Period

For the six months ended 30 June 2025, the loss attributable to the owners of the Company was approximately RMB2.1 million, while the loss attributable to the owners of the Company for the corresponding period of last year was approximately RMB3.2 million.

LIQUIDITY AND FINANCIAL RESOURCES

Net current assets

The Group's net current assets increased from approximately RMB89.7 million as at 31 December 2024 to approximately RMB90.3 million as at 30 June 2025.

Financial position and bank borrowings

As at 30 June 2025, the Group's total cash and cash equivalents and financial assets at fair value through profit or loss amounted to approximately RMB91.1 million. As at 31 December 2024, the Group's cash and cash equivalents and financial assets at fair value through profit or loss amounted to approximately RMB88.2 million. As at 30 June 2025 and 31 December 2024, the Group did not have any borrowings. The gearing ratio was not applicable to the Group (as at 31 December 2024: nil).

Save as aforesaid or otherwise disclosed in the notes to the financial information, and apart from intra-group liabilities, as at 30 June 2025, the Group did not have any outstanding mortgages, charges, debentures, debt securities or other loan capitals or bank overdrafts or loans or similar indebtedness or finance lease commitments, liabilities under acceptances or acceptance credits or hire purchase commitments, guarantees or other material contingent liabilities (as at 31 December 2024: nil).

The directors of the Company (the "Directors") have confirmed that there has not been any material change in the indebtedness and contingent liabilities of the Group during the period since 31 December 2024.

Working capital

(All amounts in this section were net of provisions for impairment of inventories and trade receivables)

For the six months ended 30 June 2025, the average inventory turnover days were 0 days (for the six months ended 30 June 2024: 5 days). The average inventory turnover days are arrived at by dividing the arithmetic means of the opening and ending balances of inventory for the relevant period by cost of sales of the same period and multiplying the quotient by 180 days. The average inventory turnover days decreased mainly because the Group further strengthened the management of inventory turnover.

For the six months ended 30 June 2025, the average turnover days of trade and bills receivables were 135 days (for the six months ended 30 June 2024: 81 days). The average turnover days of trade and bills receivables are arrived at by dividing the arithmetic means of the opening and ending balances of trade and bills receivables for the relevant period by revenue of the same period and multiplying the quotient by 180 days. The average turnover days of trade and bills receivables increased mainly because the Group extended credit terms to customers with better credibility and business prospects.

For the six months ended 30 June 2025, the average turnover days of trade and bills payables were 97 days (for the six months ended 30 June 2024: 51 days). The average turnover days of trade and bills payables are arrived at by dividing the arithmetic means of the opening and ending balances of trade and bills payables for the relevant period by cost of sales of the same period and multiplying the quotient by 180 days. The average turnover days of trade and bills payables increased mainly because the Group negotiated better terms with suppliers to improve the Group's liquidity.

CAPITAL EXPENDITURES, CAPITAL COMMITMENTS AND HUMAN RESOURCES

For the six months ended 30 June 2025, the Group's capital expenditures were approximately RMB1.7 million, mainly due to the construction of the cold storage plant (for the six months ended 30 June 2024: approximately RMB1.3 million).

As at 30 June 2025, the Group's capital commitments were approximately RMB1.0 million, mainly due to the construction of the cold storage plant (as at 30 June 2024: approximately RMB7.3 million).

As at 30 June 2025, the Group had 42 employees, including Directors, management, sales, manufacture, logistics supports and other ancillary personnel. For the six months ended 30 June 2025, the Group's total wages and salaries amounted to approximately RMB2.5 million (excluding directors' and chief executives' remuneration). Our remuneration policy is primarily based on the job responsibilities, work performance and number of years of service of each employee and the current market conditions.

Pursuant to the relevant labour laws and regulations, the Group has to pay contributions to a number of staff social insurance schemes (including medical, maternity, work injury, unemployment and pension insurances) and staff housing reserve funds. The Group provides social insurances and pays contributions to housing reserve funds for its employees in accordance with the interpretations to the relevant labour laws and regulations given, and policies and measures executed by local government departments. The Group has established various welfare plans including the provision of pension funds, medical insurance, unemployment insurance and other relevant insurance for employees who are employed by our Group pursuant to the PRC rules and regulations and the existing policy requirements of the local government. For the six months ended 30 June 2025, the Group's welfare expenses amounted to approximately RMB0.4 million. The Group has complied, in all material respects, with all statutory requirements on retirement contribution in the jurisdictions where the Group operates.

The determination of the remuneration to the Directors is based on remuneration of directors of comparable companies in the industry, time commitment, duties and responsibilities of the Directors in the Group and its operational and financial performance. The basic salary of each of our executive and non-executive Directors will be reviewed by the remuneration committee (“Remuneration Committee”) of the board of Directors (the “Board”) at the end of each financial year.

Significant investments, material acquisitions and disposals

For the six months ended 30 June 2025, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures.

Foreign exchange risk

The Group’s operations are located in the PRC with RMB as the functional and presentation currency. The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the unit’s functional currency. The currency exposure of the Group mainly comes from fluctuations in the exchange rates of HKD to RMB and USD to RMB. At present, the Group does not intend to hedge its exposure to foreign exchange fluctuations. However, the management constantly monitors the economic situation and the Group’s foreign exchange risk profile and will consider appropriate hedging measures in the future when necessary.

Contingent liabilities

As at 30 June 2025, the Group had no significant contingent liabilities (as at 31 December 2024: nil).

Pledge of assets

As at 30 June 2025, the Group had no pledge of assets (as at 31 December 2024, the Group had no pledge of assets).

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

MATERIAL EVENTS AFTER THE REPORTING PERIOD

The Group has no significant events after the reporting Period that needs to be disclosed.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities or sold any treasury Shares (as defined under the Listing Rules). As at 30 June 2025, the Company did not hold any treasury Shares (as defined under the Listing Rules) (as at 31 December 2024: nil).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted all the requirements of the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the "Corporate Governance Code"). None of the Directors is aware of any information which would reasonably indicate that the Company was not in compliance with the Corporate Governance Code during the six months ended 30 June 2025, except the deviation from provisions C.2.1 as explained below.

Code provision C.2.1

Under provision C.2.1 of the Corporate Governance Code, the roles of the chairman of the Board and the chief executive officer ("CEO") of the Group should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO of the Group should be clearly established and set out in writing.

The roles of the chairman of the Board and the CEO of the Group are not separated and are performed by the same individual. Mr. Zheng Ping acted as both the chairman of the Board and CEO throughout the Period under Review. The Directors met regularly to consider major matters affecting the operations of the Group. The Directors considered that this structure will not impair the balance of power and authority between the Directors and management of the Group and believed that this structure will enable the Group to make and implement decisions promptly and efficiently.

COMPLIANCE WITH THE MODEL CODE

The Model Code set out in Appendix C3 to the Listing Rules has been adopted by the Company as the code of conduct for securities transactions by the Directors. The Directors have also been reminded of their responsibilities under the Model Code regularly by the Company. Having made specific enquiries with them, all Directors confirmed that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2025.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or any of their respective associates (as defined under the Listing Rules) has interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, or has any other conflict of interests with the Group as at the date of this announcement.

NOMINATION COMMITTEE

The Company established a nomination committee of the Board (“Nomination Committee”) which is primarily responsible for making recommendations to the Board regarding the Group’s engagement of appropriate directors and managerial personnel (including the skills, knowledge and experience) to complement the Company’s corporate strategies. The Nomination Committee comprises Mr. Chen Lifan, Mr. He Binhui and Ms. Guo Ying, and is chaired by Mr. Chen Lifan.

BOARD DIVERSITY POLICY

The Board adopted a board diversity policy on 5 March 2019, and further amended the board diversity policy on 31 August 2023 to take effect on the same date (the “Board Diversity Policy”), which aims to set out the principles and approach to achieve diversity of the Board.

The Group recognizes that diversification at the Board level is one of the important factors to improve corporate performance, optimize leadership structure, improve talent quality, and promote the long-term development of the Group. The candidates selected will be based on a range of diverse categories, including but not limited to, gender, age, ethnicity, cultural and educational background, professional skills, career experience, management level and length of service. The Nomination Committee will ultimately make appointment decisions based on the overall quality of the candidates and their contributions to the Board. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee which is primarily responsible for making recommendations to the Board regarding the Group’s policy and structure for remuneration of Directors and senior management and determining the specific remuneration packages of all executive Directors and senior management of the Company. The Remuneration Committee comprises Ms. Guo Ying, Mr. He Binhui and Mr. Chen Lifan, and is chaired by Ms. Guo Ying.

AUDIT COMMITTEE

The Company established an audit committee of the Board (“Audit Committee”) comprising three independent non-executive Directors, namely Mr. He Binhui, Ms. Guo Ying and Mr. Chen Lifan, and is chaired by Mr. He Binhui. The written terms of reference which describe the authorities and duties of the Audit Committee were prepared and adopted with reference to “A Guide for Effective Audit Committee” published by the Hong Kong Institute of Certified Public Accountants. The Audit Committee provides an important link between the Board and the Company’s auditor in matters coming within the scope of the Group’s audit. It also reviews the financial reporting process and the adequacy and effectiveness of the Group’s internal control and risk management system. The Audit Committee is of the view that the risk management and internal control system at present have been valid and adequate.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited consolidated results of the Company for the six months ended 30 June 2025 and this announcement. In particular, the Audit Committee has reviewed with management of the Company on the accounting principles and practices adopted by the Group and held meetings to discuss the internal controls and financial reporting matters regarding the Group’s unaudited consolidated financial information for the six months ended 30 June 2025.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is accessible on the website of the Stock Exchange at www.hkex.com.hk and the website of the Company at www.shshuanghua.com. The interim report of the Company for the six months ended 30 June 2025 will be dispatched to the shareholders of the Company and will be available on the websites of the Stock Exchange and the Company in due course.

On behalf of the Board
Shuanghua Holdings Limited
Zheng Ping
Chairman

Hong Kong, 29 August 2025

As at the date of this announcement, the Board consists of three executive Directors, Mr. Zheng Ping, Ms. Zheng Fei and Ms. Tang Lo Nar, one non-executive Director, Ms. Kong Xiaoling, and three independent non-executive Directors, Ms. Guo Ying, Mr. He Binhui and Mr. Chen Lifan.