信基沙溪集团股份有限公司
XINJI SHAXI GROUP CO., LTD

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 3603

2026 INTERIM REPORT

Contents

Corporate Information

EXECUTIVE DIRECTORS
Mr. Cheung Hon Chuen, *Chairman of the Board and Chief Executive Officer*
Mr. Mei Zuoting
Mr. Zhang Weixin

NON-EXECUTIVE DIRECTORS
Mr. Lin Lie
Ms. Wang Yixue
Mr. Zhao Hui

INDEPENDENT NON-EXECUTIVE DIRECTORS
Dr. Zeng Zhaowu
Mr. Tan Michael Zhen Shan
Dr. Zheng Decheng

ALTERNATE DIRECTORS
Mr. Zhang Weiquan
(Alternate Director to Mr. Cheung Hon Chuen)
Mr. Mei Jiawei
(Alternate Director to Mr. Mei Zuoting)
Mr. Zhang Jiajian
(Alternate Director to Mr. Zhang Weixin)

AUDIT COMMITTEE
Dr. Zeng Zhaowu *(Chairman)*
Mr. Tan Michael Zhen Shan
Dr. Zheng Decheng

REMUNERATION COMMITTEE
Dr. Zeng Zhaowu *(Chairman)*
Mr. Cheung Hon Chuen
Dr. Zheng Decheng

NOMINATION COMMITTEE
Mr. Cheung Hon Chuen *(Chairman)*
Dr. Zheng Decheng
Dr. Zeng Zhaowu
Ms. Wang Yixue
Mr. Tan Michael Zhen Shan

COMPANY SECRETARY
Mr. Kam Chi Sing

AUTHORISED REPRESENTATIVES
Mr. Mei Zuoting
Mr. Kam Chi Sing

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS
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SHARE LISTING

The Stock Exchange of Hong Kong Limited

STOCK CODE

SEHK: 3603

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LISTING DATE

8 November 2019

Financial Highlights

	Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Revenue	**107,793**	116,593
Profit/(loss) for the period	**183,256**	(29,130)
Core net profit[(i)]	**23,653**	28,313
Core net profit margin[(ii)]	**22%**	24%
Earnings/(loss) per share (expressed in RMB per share)	**0.12**	(0.02)

Notes:

(i) Core net profit for the six months ended 30 June 2026 and 2025 is a non-HKFRS measure, which is used for investors to evaluate the performance results of the underlying business of the Group, by excluding gains/(losses) from the changes in fair value of the investment properties and further adjusted for income tax effects for the aforementioned items.

(ii) Core net profit margin is calculated through dividing core net profit by revenue of the Group in their respective periods.

Management Discussion and Analysis

The Board is pleased to announce the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2026 together with the comparative figures for the six months ended 30 June 2025. The unaudited condensed consolidated financial results of the Group for the Reporting Period have been reviewed by the Audit Committee and approved by the Board on 28 August 2026.

FINANCIAL REVIEW

Revenue

The revenue of the Group decreased slightly by approximately 7.5% during the Reporting Period to RMB107.8 million in comparison to approximately RMB116.6 million recorded during the 2025 Period. Lower revenue for the Reporting Period was mainly due to the reduction in rental income resulting from the lower market occupancy rate and the Group's introduction of lease concession policies.

The table below sets forth the breakdown of the Group's revenue by business as indicated:

	Six months ended 30 June			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Rental Income	**80,194**	**75**	83,595	72
Property Management Service	**25,096**	**23**	28,576	24
Sales of Goods	**2,503**	**2**	4,418	4
Others	**–**	**–**	4	–
Total	**107,793**	**100**	116,593	100

FINANCIAL REVIEW *(cont'd)*

Rental Income

Our rental income, which is the revenue received by our Group from the tenants who signed lease contracts with us to run business at our Group's owned/leased portfolio shopping malls, accounted for approximately 75% of our total revenue during the Reporting Period. During the Reporting Period, our rental income decreased by approximately RMB3.4 million or approximately 4.0% to approximately RMB80.2 million (2025 Period: RMB83.6 million). Such decrease was mainly due to the reduction in rental income resulting from the lower market occupancy rate and the Group's introduction of lease concession policies.

Property Management Service

Revenue from our property management service is the management fees paid by our Group's tenants under the property management agreements. During the Reporting Period, income from property management services decreased by approximately RMB3.5 million or approximately 12% to approximately RMB25.1 million (2025 Period: RMB28.6 million). The decrease in revenue from property management service was mainly due to the lower occupancy rate of the shopping malls during the Reporting Period.

Sales of Goods

Revenue from sales of goods is the revenue generated from sales of hospitality products and home furnishings through our online shopping mall. During the Reporting Period, revenue from sales of goods decreased by approximately RMB1.9 million or approximately 43.3% to approximately RMB2.5 million (2025 Period: RMB4.4 million). Such decrease in revenue from sales of goods was mainly due to the decrease in revenue in the business-to-customer platform business of our Group.

Cost of Sales

Cost of sales for the Reporting Period was approximately RMB21.3 million as compared to approximately RMB21.6 million for the 2025 Period, showing no significant change.

Fair Value Gains/Losses on Investment Properties

The Group recorded a fair value gain on investment properties of approximately RMB212.8 million for the Reporting Period, representing a significant increase of approximately RMB289.4 million as compared to the fair value losses of approximately RMB76.6 million for the 2025 Period, which was mainly due to the commencement of the lease under the relevant lease agreement of 'Xinji Hotelex Hospitality Supplies Center' (a shopping mall under the Group) during the Reporting Period, leading to an increase in the valuation of the shopping mall as a result of the extended lease term.

Selling and Marketing Expenses

Our selling and marketing expenses increased by approximately RMB1.8 million or 49% from approximately RMB3.7 million for the 2025 Period to approximately RMB5.5 million for the Reporting Period. Such increase was mainly due to the increase in the Group's advertising and promotion expenses during the Reporting Period.

Administrative Expenses

Our administrative expenses decreased by approximately RMB0.2 million or 1% from approximately RMB17.4 million for the 2025 Period to approximately RMB17.2 million for the Reporting Period.

Other Income

Our other income decreased by approximately RMB0.9 million or 50.0% from approximately RMB1.8 million for the 2025 Period to approximately RMB0.9 million for the Reporting Period.

FINANCIAL REVIEW *(cont'd)*

Operating Profit/Loss

Operating results significantly improved from an operating loss of approximately RMB8.6 million for the 2025 Period to an operating profit of approximately RMB274.2 million for the Reporting Period. This turnaround was primarily attributable to the official commencement of the lease under the renewal lease agreement for "Xinji Hotelex Hospitality Supplies Center", a mall under the Group, during the Reporting Period, which led to an upward adjustment in the mall's valuation due to the extension of the lease term.

Finance Income

Finance income decreased by approximately RMB0.1 million or 9.0% from approximately RMB1.1 million for the 2025 Period to approximately RMB1.0 million for the Reporting Period, showing no significant change.

Finance Expenses

Finance expenses decreased by approximately RMB3.5 million or 14% from approximately RMB25.6 million for the 2025 Period to approximately RMB22.1 million for the Reporting Period. The decrease was mainly due to the repayment of a portion of the bank loans and a reduction in loan interest rates for the Reporting Period.

Net Finance Expenses

Net finance expenses for the Reporting Period amounted to approximately RMB21.1 million as compared to approximately RMB24.6 million for the 2025 Period, which was mainly due to the repayment of a portion of the bank loans and a reduction in loan interest rates for the Reporting Period.

Profit/Loss for the Reporting Period

Due to the aforementioned reasons, the Group successfully achieved a turnaround from loss to profit for the Reporting Period. Operating results significantly improved from a loss of approximately RMB29.1 million for the 2025 Period to a profit of approximately RMB183.3 million for the Reporting Period. The turnaround for the Reporting Period was primarily attributable to the official commencement of the lease under the renewal lease agreement for "Xinji Hotelex Hospitality Supplies Center", a mall under the Group, during the Reporting Period, which led to an upward adjustment in the mall's valuation due to the extension of the lease term.

Core Net Profit

Our management believes core net profit will be useful for investors in evaluating the performance results of our underlying business across accounting periods by eliminating the effects of certain non-recurring items including the fair value changes on investment properties which are considered not indicative for evaluation of the actual performance of our business.

Our core net profit for the Reporting Period decreased by approximately RMB4.6 million or 16.3% from approximately RMB28.3 million for the 2025 Period to approximately RMB23.7 million for the Reporting Period. The decrease was mainly due to a decrease in revenue of approximately RMB8.8 million, an increase in selling and marketing expenses of approximately RMB1.8 million and an increase in net other losses of approximately RMB3.4 million of the Group for the Reporting Period.

FINANCIAL REVIEW *(cont'd)*

Core Net Profit *(cont'd)*

The following table sets forth the profit/(loss) for the period and the core net profit of the Group for the periods indicated:

	Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Profit/(loss) for the period	**183,256**	(29,130)
Add:		
Fair value (gains)/losses on investment properties	**(212,804)**	76,590
Income tax expense/(credit) in relation to above reconciled items	**53,201**	(19,147)
Core net profit	**23,653**	28,313
– Owners of the Company	**23,340**	28,357
– Non-controlling interests	**313**	(44)

USE OF NET PROCEEDS

References are made to (i) the Prospectus in relation to the proposed use of the net proceeds (the "**Net Proceeds**") from the global offering of the Company; (ii) the announcement (the "**First Change in UOP Announcement**") of the Company dated 6 July 2020 in relation to the change in use of the Net Proceeds and business update of the Group; (iii) the announcement (the "**Second Change in UOP Announcement**", together with the First Change in UOP Announcement, the "**Announcements**") of the Company dated 24 November 2021 in relation to the further change in the use of the Net Proceeds; and (iv) the annual reports of the Company for the years ended 31 December 2021, 2022, 2023, 2024 and 2025. For further details, please refer to the Announcements and annual reports published by the Company. Unless otherwise defined, capitalised terms used herein shall bear the same meanings as those defined in the Announcements.

As at the date of the Second Change in UOP Announcement, the unutilised Net Proceeds amounted to approximately RMB133.3 million (including the outstanding Part Payment of RMB5.0 million to be returned by Guangzhou Chaoying to Guangzhou Shaxi International Hospitality Supplies City Company Limited* (廣州沙溪國際酒店用品城有限公司) ("**Guangzhou Shaxi Hotel**") under the Guangzhou Project) (the "**Unutilised Net Proceeds**"). To enable the Group to better utilise the Net Proceeds, the Group decided to reduce the portion of the Unutilised Net Proceeds for developing new projects from 100% to approximately 47.5%. Accordingly, the Board resolved to further change the use of the Unutilised Net Proceeds as follows:

(i) reallocating approximately 30.0% of the Unutilised Net Proceeds in the amount of approximately RMB40.0 million, which was originally allocated for the development of new projects, namely the Zhengzhou Project, Fuzhou Project and Guangzhou Project (the "**Specific Projects**"), to expand the depth and breadth of property management service in China;

(ii) reallocating approximately 22.5% of the Unutilised Net Proceeds in the amount of approximately RMB30.0 million, which was originally allocated for the Specific Projects, to establish a vertical e-commerce platform for the hospitality supplies industry; and

(iii) reallocating approximately 47.5% of the Unutilised Net Proceeds in the amount of approximately RMB63.3 million, which was originally allocated for the Specific Projects, to general development of new projects in relation to the hospitality supplies and home furnishing industries.

USE OF NET PROCEEDS *(cont'd)*

As of 30 June 2026, details of the original allocation, the revised allocation of the Net Proceeds, as disclosed in the First Change in UOP Announcement, the further revised allocation of the Net Proceeds as disclosed in the Second Change in UOP Announcement and the expected timeframe for utilising the Unutilised Net Proceeds are as follows:

		Original Intended Amount (RMB million)	Revised allocation of the Net Proceeds as disclosed in the First Change in UOP Announcement (RMB million)	Further revised allocation of the Net Proceeds as disclosed in the Second Change in UOP Announcement (RMB million)	Unutilised amount as of 31 December 2025 (RMB million)	Utilised amount from 1 January 2026 to 30 June 2026 (RMB million)	Unutilised amount as of 30 June 2026 (RMB million)	Expected timeframe for full utilisation of the Unutilised Net Proceeds
(i)	Repayment of the Group's bank borrowings for the construction cost and sales and marketing cost of its shopping malls	56.7	31.2	–	–	–	–	–
(ii)	Development of new projects			63.3 [1&2]	63.3 [1&2]		63.3 [1&2]	till 2027
	a) Chengdu Project	63.8	–	–	–	–	–	
	b) Zhengzhou Project	40.8	22.5	N/A	N/A	–	N/A	
	c) Fuzhou Project	55.9	30.8	N/A	N/A	–	N/A	
	d) Guangzhou Project	–	80.0	–	–	–	–	
	e) Other projects	–	–	N/A	N/A	–	N/A	
(iii)	Expansion of Property Management Business	–	–	40.0	–	–	–	
(iv)	Establishment of Vertical e-Commerce Platform for the Hospitality Supplies Industry	–	–	30.0	22.1	0.1	22.0	till 2027
(v)	General working capital	–	27.2	–	–	–	–	–
Total		217.2	191.7	133.3	85.4	0.1	85.3	

Notes:

(1) Including the outstanding Part Payment of RMB5.0 million to be returned by Guangzhou Chaoying to Guangzhou Shaxi Hotel under the Guangzhou Project. For details, please refer to the paragraph headed "Reasons for and Benefits of the Further Change in Use of Proceeds – Unwinding of the Guangzhou Project" in the Second Change in UOP Announcement.

(2) This amount represents the portion of the Unutilised Net Proceeds which shall be used for the general development of new projects in relation to the hospitality supplies and home furnishing industries, and will not be earmarked for and allocated to any of the Zhengzhou Project, Fuzhou Project or other projects specifically.

LIQUIDITY AND FINANCIAL RESOURCES

Cash and Cash Equivalents

As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB766.9 million (31 December 2025: RMB693.7 million). Cash and cash equivalents are mainly denominated in Renminbi.

Borrowings and Charges on the Group's Assets

As at 30 June 2026, bank borrowings of RMB674.8 million (31 December 2025: RMB677.2 million) from Guangzhou Rural Commercial Bank Co., Ltd. South China Branch, bore floating interest ranging from 3.75% to 4.50% (31 December 2025: 3.85% to 6.13%) per annum, and bank borrowings of RMB147.2 million (31 December 2025: RMB153.2 million) from China Zheshang Bank Co., Ltd. Jiangmen Branch, bore fixed interest at 5.00% (31 December 2025: 5.00%) per annum, were secured by (1) the investment properties of the Group; and (2) personal guarantee from Mr. Cheung Hon Chuen, Mr. Mei Zuoting, Mr. Zhang Weixin, directors of the Company, and Ms. Huang Wanyi, the spouse of Mr. Zhang Weixin, and Ms. Cai Huanqi, the spouse of Mr. Mei Zuoting. The value of investment properties pledged as collateral for the Group's borrowings was approximately RMB767.4 million (31 December 2025: RMB810.2 million).

Gearing Ratio

The gearing ratio as at 30 June 2026, calculated on the basis of net debt over total capital, was 4% as compared with 12% as at 31 December 2025.

Net Current Assets/Liabilities and Current Ratio

As at 30 June 2026, the Group had net current assets of approximately RMB294.8 million as compared with net current liabilities of approximately RMB54.5 million as at 31 December 2025.

The current ratio was 1.56 as at 30 June 2026 (31 December 2025: 0.94).

Future Plans for Material Investments or Capital Assets

Save as those disclosed under the section headed "Business – Our Strategies" in the Prospectus or in this report, the Group had no other plan for material investments or capital assets as at 30 June 2026.

Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

The Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Treasury Management

During the Reporting Period, there was no material change in the Group's funding and treasury policies.

Foreign Exchange Risk

The Group operates mainly in the PRC with most of the transactions settled in Renminbi. The management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of the Group denominated in the currencies other than Renminbi, except that as at 30 June 2026, the Group had bank balance of approximately RMB0.3 million denominated in Hong Kong dollars.

Currently, the Group does not have any foreign currency hedging policy, but the management will monitor the foreign exchange exposure of the Group continuously.

BUSINESS REVIEW

The Group is principally engaged in the operation of shopping malls for hospitality supplies and home furnishings which generate rental revenue in the PRC. Our business operations comprise six main business lines: (i) our shopping malls, including three shopping malls for hospitality supplies and two shopping malls for home furnishings; (ii) subleasing apartments; (iii) property management projects; (iv) managed shopping malls; (v) our online shopping mall for sales of hospitality supplies and home furnishings; and (vi) our exhibition management business.

The Group's revenue is mainly derived from the operating lease rental income and revenue generated from property management service of our Group's owned/leased portfolio shopping malls.

BUSINESS REVIEW *(cont'd)*

Business Segment Review

Shopping Malls

We have five shopping malls, including three shopping malls for hospitality supplies and two shopping malls for home furnishings.

Shopping Malls for Hospitality Supplies

(1) Xinji Shaxi Hospitality Supplies Expo Center (信基沙溪酒店用品博覽城)

(2) Xinji Hotelex Hospitality Supplies Center (信基豪泰酒店用品城)

(3) Xinji Shaxi Hospitality Supplies Expo Center (Shenyang) (瀋陽信基沙溪酒店用品博覽城)

Shopping Malls for Home Furnishings

(4) Xinji Dashi Home Furnishings Center (信基大石傢俬城)

(5) Xinji Shaxi Home Furnishings Expo Center (Shenyang) (瀋陽信基沙溪國際家居用品博覽中心)

Subleasing Apartments

Reference is made to the announcement of the Company dated 23 December 2021. On 23 December 2021, Guangzhou Xinji Yuzheng Commerce Operation Management Co., Ltd* (廣州信基譽正商業運營管理有限公司) ("**Xinji Yuzheng**"), an indirect wholly-owned subsidiary of the Company, and Guangzhou Longmei Dongman Technology Co., Ltd* (廣州龍美動漫科技有限公司) ("**Longmei Dongman**") entered into a sublease agreement pursuant to which Xinji Yuzheng agreed to sublease Building C1 and C2, Zone C, Xinji Longmei International Animation Industrial Park, Longmei Village, Panyu Avenue, Panyu District, Guangzhou City, Guangdong Province, the PRC* (中國廣東省廣州市番禺區番禺大道龍美村信基龍美國際動漫產業園C區C1及C2大廈) with a total gross floor area of approximately 34,394 sq.m. together with the 237 underground car parking spaces known as Yuanyang Bangshe* (遠洋邦舍) from Longmei Dongman for a term of approximately 14.4 years commencing from 11 January 2022 and expiring on 31 May 2036 (both days inclusive) at the consideration of approximately RMB153.8 million.

On 23 December 2021, Xinji Yuzheng and Beijing Bangshe Gongyu Management Co., Ltd. Guangzhou Branch* (北京邦舍公寓管理有限公司廣州分公司) ("**Bangshe Gongyu Guangzhou**") entered into a sub-sublease agreement pursuant to which Xinji Yuzheng agreed to sub-sublease Yuanyang Bangshe* (遠洋邦舍) to Bangshe Gongyu Guangzhou for a term of 10 years commencing from 11 January 2022 and expiring on 10 January 2032 (both days inclusive) at the total consideration of approximately RMB170.9 million.

Property Management Projects

In June 2022, the Group has completed the acquisitions of Guangzhou Xinji Youxiang Property Co., Ltd.* (廣州信基優享物業有限公司) ("**Guangzhou Youxiang**") and Foshan Xinji Youxiang Commercial Service Co., Ltd.* (佛山信基優享商業服務有限公司) ("**Foshan Youxiang**"), which are principally engaged in the provision of property management service for commercial complex. The property projects currently under the management of Guangzhou Youxiang and Foshan Youxiang include (i) the Xiajiao project (廈滘項目), which comprised of the premises known as Xinji Plaza Hall A* (信基廣場A館) and Xiajiao Commercial Building* (廈滘商業大廈); (ii) the Shangjiao Comprehensive Building Project (上滘綜合樓項目), which comprised of the premises known as Shangjiao Comprehensive Building* (上滘綜合樓); (iii) the Yuedao Project (玥島項目); (iv) the Longmei Project (龍美項目), which comprised of the premises known as Lingxiu Mansion* (領秀公館); and (v) the Xinji Plaza Project (信基廣場項目), which comprised of the premises known as Foshan Jiujiang Xinji Plaza* (佛山九江信基廣場).

BUSINESS REVIEW *(cont'd)*

Business Segment Review *(cont'd)*

Property Management Projects (cont'd)

The following table sets forth the income from property leasing and property management service respectively for the three abovementioned business segments (shopping malls, subleasing apartments and property management projects) by region during the periods indicated:

	Property leasing income Six months ended 30 June		Property management service income Six months ended 30 June	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Guangzhou region	**76,254**	78,144	**14,850**	16,200
Foshan region	**–**	–	**5,280**	5,645
Shenyang region	**3,940**	5,451	**4,966**	6,731

Managed Shopping Mall

In this segment, we provide shopping mall operation services to other shopping mall owners. Under this business model, we would be responsible for managing the marketing and daily operations of the shopping malls, while the shopping mall owners would be responsible for bearing all the operating expenses of the shopping malls and paying us a brand licencing fee and operation management fee. Our operation management fee would be determined with reference to the length of operation and the rental income of the relevant shopping malls.

Xinji Shaxi Yuetang International Hotel Supplies Trading Exhibition Center (信基沙溪 • 岳塘國際酒店用品交易展示中心)

In October 2018, we entered into a cooperation agreement with Hunan Hongyue Commercial Management Company Limited* (湖南省泓岳商業管理有限公司), an independent third party. Pursuant to the cooperation agreement, the Group agreed to act as the shopping mall manager of a planned hospitality supplies shopping mall located in Yuetang International Trade City* (岳塘國際商貿城), a commercial complex developed by Hunan Hongyue Commercial Management Company Limited at No. 88 Hetang Section, Furong Avenue, Yuetang District, Xiangtan City, Hunan Province, the PRC. It is expected that this shopping mall would have a total operating area of approximately 120,000 sq.m. and could accommodate a maximum of 400 tenants. It is the first managed hospitality supplies shopping mall of the Group.

We are still negotiating with the landlord in relation to the specific opening time of the shopping mall. As at the date of this report, there is no concrete schedule.

BUSINESS REVIEW *(cont'd)*

Business Segment Review *(cont'd)*

Online Shopping Mall

During the Reporting Period, our online shopping mall generated revenue of approximately RMB2.9 million for the sales of goods (2025 Period: RMB4.4 million). The goods sold by the Group were entirely hospitality goods and home furnishings. The operating loss margin of the online shopping mall during the Reporting Period was approximately 4% (2025 Period: operating profit margin of 18%).

Exhibition Management Business

We provided exhibition management services for the China Hospitality Expo (華南酒店業博覽會) ("**CHE**") in the PRC annually. CHE was considered as the major managed exhibition of the Group. CHE provides a one-stop trade platform for global hospitality supplies providers and purchasers to broaden their sale and purchase channels.

Because of the continuous impact of the global outbreak of COVID-19 pandemic in 2020, the Company has already suspended the organisation of exhibitions for CHE since 2020 and no revenue was generated from CHE.

Outlook

Looking ahead to the second half of 2026, the global economic environment presents both challenges and opportunities. On the one hand, the international geopolitical landscape remains complex, and while global inflationary pressures have eased, the risk of recurrence persists, which may continue to affect consumer confidence and the pace of commercial activity recovery. On the other hand, with the gradual implementation of domestic economic stimulus policies, the consumer market is expected to experience a moderate recovery. The Group will closely monitor both global and domestic macroeconomic trends and adjust its operating strategies with flexibility.

Going forward, the Group will continue to focus on core asset operations, consolidating its market-leading position by improving the occupancy rates and service quality of the properties such as the shopping malls, including three shopping malls for hospitality supplies and two shopping malls for home furnishings. At the same time, the Group will proactively seize market adjustment opportunities, prudently explore new cooperation and expansion opportunities, and promote business diversification to create long-term value for shareholders. Meanwhile, we will maintain a model of rapid development of light asset projects featured by "Brand Export, Management Export, and Cooperative Operation", while establishing a vertical e-commerce platform for the hospitality supplies industry and expanding the online shopping mall business, thereby further expanding the market share and brand influence of the Group.

Other Information and Corporate Governance

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieving and maintaining high standards of corporate governance by focusing on principles of integrity, accountability, transparency, independence, responsibility and fairness. The Company has developed and implemented sound corporate governance policies and measures, and the Board is responsible for performing such corporate governance duties. The Board will continue to review and monitor the corporate governance of the Company, as well as various internal policies and procedures, including but not limited to those applicable to employees and Directors, with reference to the CG Code set out in Appendix C1 to the Listing Rules and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company.

During the Reporting Period, the Company has complied with the principles and the applicable code provisions as set out in Part 2 of the CG Code contained in Appendix C1 to the Listing Rules other than code provision C.2.1 of the CG Code, which stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Cheung Hon Chuen is one of our founders, chairman of the Board and chief executive officer of the Company. As the industry leader of the hospitality supplies industry in China, Mr. Cheung has extensive experience in hospitality supplies industry and he is responsible for formulating strategic direction and overseeing the management and business operation of our Group. As Mr. Cheung is key to the Group's development, the Board considers that vesting the roles of chairman and chief executive officer in Mr. Cheung would not create any potential harm to the interest of our Group and it is, on the contrary, beneficial to the management of our Group. In addition, the operation of the senior management and our Board, which are comprised of experienced individuals, effectively oversees and balances the power and authority of Mr. Cheung, as both the chairman and chief executive officer of the Company. The Board currently comprises three executive Directors (including Mr. Cheung), three non-executive Directors and three independent non-executive Directors and has a fairly strong independence element in its composition. In addition, the balance of power is further ensured by the following reasons:

– the Audit Committee is comprised of all independent non-executive Directors; and

– the independent non-executive Directors have free and direct access to the Company's external auditor and independent professional advisers when considered necessary.

The Board believes that the present structure is considered to be appropriate under the current size of operation, enabling the Company to make and implement decisions promptly and efficiently. The Board has full confidence in Mr. Cheung, and believes that his appointment to the positions of chairman and chief executive officer is beneficial to the business prospects of the Company.

The Company has an internal audit function which primarily carries out the analysis and independent appraisal of the adequacy and effectiveness of the Company's risk management and internal control systems, and reports their findings to the Board on, at least, an annual basis.

The Group's internal control system also includes a well-established organisational structure with clearly defined lines of responsibility and authority. The day-to-day departmental operations are entrusted to individual department which are accountable for its own conduct and performance and is required to operate its own department's business within the scope of the delegated authority and to implement and strictly adhere to the strategies and policies set by the Company from time to time. Each department is also required to keep the Board informed of material developments of the department's business and implementation of the policies and strategies set by the Board on a regular basis so as to identify, evaluate and manage significant risks in a timely manner.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors, the Group's senior management, and employees who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company's securities. Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance with the Model Code by the senior management of the Group during the Reporting Period.

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INTERESTS AND SHORT POSITIONS IN SECURITIES AND UNDERLYING SHARES

As at 30 June 2026, the interests or short positions of each Director and chief executive officer of the Company in the Shares, underlying Shares and debentures of the Company, as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules, and the details of any right to subscribe for Shares of the Company and of the exercise of such rights, were as follows:

Director	Capacity/nature of interest	Class and number of securities held [1]	Approximate percentage of interest in the Company's issued share capital
Mr. Cheung	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Mr. Mei	Interest of controlled corporation [3,5]	570,564,000 (L)	38.22%
Mr. Zhang	Interest of controlled corporation [4,5]	570,564,000 (L)	38.22%

Notes:

1. The letter "L" denotes a long position in the Shares.

2. Honchuen Investment was wholly-owned by Mr. Cheung. Mr. Cheung is deemed to be interested in all the Shares held by Honchuen Investment under the SFO.

3. Zuoting Investment was wholly-owned by Mr. Mei. Mr. Mei is deemed to be interested in all the Shares held by Zuoting Investment under the SFO.

4. Weixin Development was wholly-owned by Mr. Zhang. Mr. Zhang is deemed to be interested in all the Shares held by Weixin Development under the SFO.

5. On 28 December 2018, in preparation for the Listing, Mr. Cheung, Mr. Mei and Mr. Zhang executed the concert parties agreement, pursuant to which they have confirmed their acting in concert arrangement in the past, as well as their intention to continue to act in the above manner upon Listing to consolidate their control over our Group through Honchuen Investment, Zuoting Investment and Weixin Development until the concert parties agreement is terminated by them in writing. As such, Mr. Cheung, Mr. Mei, Mr. Zhang, Honchuen Investment, Zuoting Investment and Weixin Development are deemed to be interested in the Shares held by the others under the SFO. Please refer to the section headed "Substantial Shareholders" in the Prospectus for details.

Except as disclosed above, to the best knowledge, information and belief of our Directors and based on information available as at 30 June 2026, none of the Directors or chief executive of the Company and its respective associates had any interests or short positions in the Shares, underlying Shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO; (ii) whose were required to be recorded in the register kept by the Company under section 352 of the SFO; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

So far as our Directors are aware, as at 30 June 2026, the following persons have or are deemed or taken to have an interest or a short position in Shares or underlying Shares of the Company which will be required to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were recorded in the register of the Company required to be kept pursuant to section 336 of the SFO or, directly or indirectly, are interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name	Nature of Interest	Number of ordinary shares interested in	Approximate percentage of the Company's issued share capital
Honchuen Investment	Beneficial owner [5]	570,564,000 (L)	38.22%
Jingzhou Global Investments Ltd. ("**Jingzhou Global**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Kaixin Enterprises Ltd. ("**Kaixin Enterprises**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Jinrong Holdings Ltd. ("**Jinrong Holdings**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Ruifeng Holdings Ltd. ("**Ruifeng Holdings**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Hengyao Enterprises Ltd. ("**Hengyao Enterprises**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Shengtong Holdings Limited ("**Shengtong Holdings**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Huaxun Holdings Limited ("**Huaxun Holdings**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Fengchuang Holdings Limited ("**Fengchuang Holdings**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Yuchang Holdings Limited ("**Yuchang Holdings**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Zhuolian Holdings Limited ("**Zhuolian Holdings**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Xinyuan Company Limited ("**Xinyuan Company**")	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Mr. Cheung	Interest of controlled corporation [2,5]	570,564,000 (L)	38.22%
Zuoting Investment	Beneficial owner [5]	570,564,000 (L)	38.22%
Wanrong Holdings Limited ("**Wanrong Holdings**")	Interest of controlled corporation [3,5]	570,564,000 (L)	38.22%
Huajin Holdings Limited ("**Huajin Holdings**")	Interest of controlled corporation [3,5]	570,564,000 (L)	38.22%
Mr. Mei	Interest of controlled corporation [3,5]	570,564,000 (L)	38.22%
Weixin Development	Beneficial owner [5]	570,564,000 (L)	38.22%
Junya Holdings Limited ("**Junya Holdings**")	Interest of controlled corporation [4,5]	570,564,000 (L)	38.22%
Zhaoxin Holdings Limited ("**Zhaoxin Holdings**")	Interest of controlled corporation [4,5]	570,564,000 (L)	38.22%
Mr. Zhang	Interest of controlled corporation [4,5]	570,564,000 (L)	38.22%
Huang Wanyi	Interest of spouse [6]	570,564,000 (L)	38.22%
Zou Xin	Beneficial owner [7]	129,180,000 (L)	8.65%
Huiqun Investment Limited	Beneficial owner [8]	93,375,000 (L)	6.25%

Notes:

1. The letter "L" denotes a long position in the Shares.

2. Honchuen Investment is indirectly wholly-owned by Mr. Cheung through a number of companies as set out below:

   (i) Honchuen Investment is direct wholly-owned by Jingzhou Global;

   (ii) Jingzhou Global is in directly owned as to 34%, 33% and 33% by Kaixin Enterprises, Jinrong Holdings and Ruifeng Holdings, respectively;

   (iii) Kaixin Enterprises is directly owned as to 60% and 40% by Hengyao Enterprises and Ruifeng Holdings, respectively;

   (iv) Jinrong Holdings is directly owned as to 60% and 40% by Ruifeng Holdings and Kaixin Enterprises, respectively;

   (v) Ruifeng Holdings is directly owned as to 40%, 20%, 20% and 20% by Hengyao Enterprises, Shengtong Holdings, Huaxun Holdings and Fengchuang Holdings, respectively;

   (vi) Hengyao Enterprises is directly owned as to 33.34%, 33.33% and 33.33% by Zhuolian Holdings, Yuchang Holdings and Xinyuan Company, respectively; and

   (vii) Each of Shengtong Holdings, Huaxun Holdings, Fengchuang Holdings, Yuchang Holdings, Zhuolian Holdings and Xinyuan Company is direct wholly-owned by Mr. Cheung.

   Each of Jingzhou Global, Kaixin Enterprises, Jinrong Holdings, Ruifeng Holdings, Hengyao Enterprises, Shengtong Holdings, Huaxun Holdings, Fengchuang Holdings, Yuchang Holdings, Zhuolian Holdings and Xinyuan Company and Mr. Cheung is deemed to be interested in all the Shares held by Honchuen Investment under the SFO.

3. Zuoting Investment is indirect wholly-owned by Mr. Mei through a number of companies as set out below:

   (i) Zuoting Investment is direct wholly-owned by Wanrong Holdings;

   (ii) Wanrong Holdings is directly owned as to 60% and 40% by Mr. Mei and Huajin Holdings, respectively; and

   (iii) Huajin Holdings is direct wholly-owned by Mr. Mei.

   Each of Wanrong Holdings, Huajin Holdings and Mr. Mei is deemed to be interested in all the Shares held by Zuoting Investment under the SFO.

4. Weixin Development is indirect wholly-owned by Mr. Zhang through a number of companies as set out below:

   (i) Weixin Development is direct wholly-owned by Junya Holdings;

   (ii) Junya Holdings is directly owned as to 60% and 40% by Mr. Zhang and Zhaoxin Holdings, respectively; and

   (iii) Zhaoxin Holdings is direct wholly-owned by Mr. Zhang.

   Each of Junya Holdings, Zhaoxin Holdings and Mr. Zhang is deemed to be interested in all the Shares held by Weixin Development under the SFO.

5. On 28 December 2018, in preparation for the Listing, Mr. Cheung, Mr. Mei and Mr. Zhang executed the concert parties agreement, pursuant to which they have confirmed their acting in concert arrangement in the past, as well as their intention to continue to act in the above manner upon Listing to consolidate their control over our Group through Honchuen Investment, Zuoting Investment and Weixin Development until the concert parties agreement is terminated by them in writing. As such, Mr. Cheung, Mr. Mei, Mr. Zhang, Honchuen Investment, Zuoting Investment and Weixin Development are deemed to be interested in the Shares held by the others under the SFO. For details, please refer to the section headed "Substantial Shareholders" in the Prospectus.

6. Ms. Huang Wanyi is the spouse of Mr. Zhang. By virtue of the SFO, Ms. Huang Wanyi is deemed to be interested in the same number of Shares in which Mr. Zhang is deemed to be interested in under the SFO.

7. To the best knowledge, information and belief of our Directors, Zou Xin is an Independent Third Party.

8. To the best knowledge, information and belief of our Directors, Huiqun Investment Limited was wholly-owned by Independent Third Parties.

Except as disclosed above, as at 30 June 2026, none of the persons (other than Directors whose interests are set out in this interim report) had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO.

HUMAN RESOURCES

As at 30 June 2026, the total number of employees of the Group was approximately 251 (2025 Period: 258) and the employee benefit expenses for the Reporting Period including Directors' emoluments were approximately RMB19.2 million (2025 Period: RMB18.4 million). The Group offers a comprehensive remuneration package which is reviewed by the management on a regular basis. The Group provides employees with competitive remuneration, including wages, subsidies, seniority wages, attendance awards, benefits and year-end awards. The Group establishes employee remuneration policy based on the general market environment and practices, employee responsibilities, and the Group's financial capabilities. The Group's Remuneration Management Policy is developed based on the position-level salary system, with the objective of establishing internal wage comparability between the various grades and categories. Under the position-level salary system, the Group refers to the salary level of enterprises of the same scale in the same industry, determines the salary of employees by the corresponding rank of the employed position in the salary system, and links the performance salary with the Group's income and performance results. The Group also invests in continuing education and training programmes for its management staff and other employees with a view to constantly upgrading their skills and knowledge. The Group values employees as our most valuable assets and believes effective employee engagement is an integral part of business success. In this context, effective communication with employees at all levels is highly valued with the ultimate goal to enhance the efficiency in providing quality service to the customers.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the Reporting Period (2025 Period: Nil).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, the Board is not aware of any other significant events affecting the Group which have occured subsequent to the Reporting Period and up to the date of this report.

MATERIAL LEGAL PROCEEDINGS

There was no significant event or arbitration proceeding which has a significant impact on the Group during the Reporting Period and up to the date of this report.

SUFFICIENCY OF PUBLIC FLOAT

Details of the Company's issued share capital is set out in note 18 to the unaudited condensed consolidated financial statements contained herein. As at 30 June 2026, the Company has one class of shares in issue, which ranks pari passu with each other in all respects.

The applicable public float threshold for the Company is the initial prescribed threshold of at least 25% of the total number of issued shares of the Company (excluding treasury shares, if any) held by the public.

According to the information that is publicly available to the Company and within the knowledge of the Board, as at 30 June 2026, (i) the Company has complied with the requirements under Rule 13.32B of the Listing Rules and maintained the public float as required under the Listing Rules with more than 25% of the issued shares of the Company (excluding treasury shares, if any) being held by the public during the Reporting Period and up to the date of this report; and (ii) approximately 61.78% of the total issued shares of the Company (excluding treasury shares, if any) were held by the public as at 30 June 2026. For information on the composition of ownership of the Company's ordinary shares listed on the Stock Exchange, please refer to section headed "Substantial Shareholders' and other Shareholders' interests".

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with paragraph D.3 of the CG Code as set out in Appendix C1 to the Listing Rules. The Audit Committee consists of three members, namely Dr. Zeng Zhaowu, Mr. Tan Michael Zhen Shan and Dr. Zheng Decheng, all being independent non-executive Directors. Dr. Zeng Zhaowu currently serves as the chairman of the Audit Committee.

The financial information during the Reporting Period set out in the interim results announcement and this report is unaudited but has been reviewed by the Audit Committee. The Audit Committee has reviewed this report and was satisfied that the Company's unaudited financial information contained in this report was prepared in accordance with applicable accounting standards.

The primary duties of the Audit Committee are to review and supervise, and provide an independent view of the effectiveness of the financial reporting process and the risk management and internal control systems of the Group, oversee the audit process and perform other duties and responsibilities as assigned by the Board.

SHARE OPTION SCHEME

A share option scheme was adopted by the written resolutions of the Shareholders passed on 3 October 2019. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules. Since the date of adoption and up to 30 June 2026, no share option was granted, exercised, cancelled or lapsed under the Share Option Scheme and there was no outstanding share option as at the date of this report.

The number of share options available for grant under the scheme mandate at the beginning and the end of the Reporting Period is 150,000,000. The number of Shares that may be issued in respect of options and awards granted under all share scheme(s) of the Company during the Reporting Period (i.e. nil) divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares, if any) for the Reporting Period is nil.

CHANGES IN INFORMATION OF DIRECTORS

Since the publication of the 2025 annual report, the Company has no changes to information of the Directors required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules.

Condensed Consolidated Income Statement

		Six months ended 30 June	
	Notes	**2026 RMB'000 (Unaudited)**	2025 RMB'000 (Unaudited)
Revenue	7	**107,793**	116,593
Cost of sales	8	**(21,314)**	(21,615)
Fair value gains/(losses) on investment properties	14	**212,804**	(76,590)
Selling and marketing expenses	8	**(5,534)**	(3,707)
Administrative expenses	8	**(17,187)**	(17,448)
Net impairment losses reversed/(recognised) on financial assets and lease receivables		**5,800**	(1,965)
Other income		**876**	1,796
Other losses – net		**(9,049)**	(5,648)
Operating profit/(loss)		**274,189**	(8,584)
Finance income	9	**979**	1,063
Finance expenses	9	**(22,052)**	(25,620)
Finance expenses – net	9	**(21,073)**	(24,557)
Profit/(loss) before income tax		**253,116**	(33,141)
Income tax (expense)/credit	10	**(69,860)**	4,011
Profit/(loss) for the period		**183,256**	(29,130)
Profit/(loss) attributable to:			
– Owners of the Company		**182,943**	(29,086)
– Non-controlling interests		**313**	(44)
Profit/(loss) for the period		**183,256**	(29,130)
Earnings/(loss) per share attributable to owners of the Company			
Basic and diluted (RMB)	11	**0.12**	(0.02)

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit/(loss) for the period	**183,256**	(29,130)
Other comprehensive income for the period net of tax	**–**	–
Total comprehensive income/(loss) for the period	**183,256**	(29,130)
Total comprehensive income/(loss) attributable to:		
– Owners of the Company	**182,943**	(29,086)
– Non-controlling interests	**313**	(44)
	183,256	(29,130)

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed Consolidated Balance Sheet

		As at	
	Notes	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property and equipment	13	**7,242**	10,492
Investment properties	14	**2,619,155**	1,845,694
Intangible assets	15	**1,658**	1,813
Deferred income tax assets		**2,551**	3,312
Lease and trade receivables and other receivables	16	**6,751**	–
Financial assets at fair value through profit or loss		**318**	488
		2,637,675	1,861,799
Current assets			
Lease and trade receivables and other receivables	16	**52,217**	99,281
Amount due from a related party	25	**455**	993
Restricted cash		**79**	3,450
Cash and cash equivalents	17	**766,858**	693,742
		819,609	797,466
Total assets		**3,457,284**	2,659,265
EQUITY			
Share capital and premium	18	**285,115**	285,115
Other reserves	19	**148,697**	124,879
Retained earnings		**896,510**	737,385
		1,330,322	1,147,379
Non-controlling interests		**(1,630)**	(1,943)
Total equity		**1,328,692**	1,145,436

Condensed Consolidated Balance Sheet

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings	23	**653,924**	335,409
Trade and other payables	20	**29,644**	3,423
Lease liabilities	20	**692,302**	150,367
Deferred income tax liabilities		**227,885**	172,657
		1,603,755	661,856
Current liabilities			
Borrowings	23	**168,135**	495,030
Trade and other payables	20	**157,268**	176,923
Lease liabilities	20	**15,934**	18,131
Contract liabilities	21	**21,751**	23,366
Advance from customers	22	**117,464**	100,179
Current income tax liabilities		**43,673**	36,990
Amounts due to related parties	25	**612**	1,354
		524,837	851,973
Total liabilities		**2,128,592**	1,513,829
Total equity and liabilities		**3,457,284**	2,659,265

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The interim condensed consolidated financial information on pages 20 to 57 were approved by the Board of Directors on 28 August 2026 and were signed on its behalf:

Cheung Hon Chuen
Director

Mei Zuoting
Director

Condensed Consolidated Statement of Changes in Equity

	Notes	Attributable to owners of the Company				Non-controlling interests RMB'000	Total RMB'000
		Share capital and premium RMB'000 (Note 18)	Other reserves RMB'000 (Note 19)	Retained earnings RMB'000	Total RMB'000		
Six months ended 30 June 2026 (Unaudited)							
Balance at 1 January 2026		**285,115**	**124,879**	**737,385**	**1,147,379**	**(1,943)**	**1,145,436**
Profit for the period		**–**	**–**	**182,943**	**182,943**	**313**	**183,256**
Total comprehensive income for the period		**–**	**–**	**182,943**	**182,943**	**313**	**183,256**
Transfer to statutory reserves	19	**–**	**23,818**	**(23,818)**	**–**	**–**	**–**
Balance at 30 June 2026		**285,115**	**148,697**	**896,510**	**1,330,322**	**(1,630)**	**1,328,692**

	Notes	Attributable to owners of the Company				Non-controlling interests RMB'000	Total RMB'000
		Share capital and premium RMB'000 (Note 18)	Other reserves RMB'000 (Note 19)	Retained earnings RMB'000	Total RMB'000		
Six months ended 30 June 2025 (Unaudited)							
Balance at 1 January 2025		285,115	120,412	769,537	1,175,064	(1,860)	1,173,204
Loss for the period		–	–	(29,086)	(29,086)	(44)	(29,130)
Total comprehensive loss for the period		–	–	(29,086)	(29,086)	(44)	(29,130)
Transfer to statutory reserves	19	–	782	(782)	–	–	–
Balance at 30 June 2025		285,115	121,194	739,669	1,145,978	(1,904)	1,144,074

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Cash generated from operations	**115,185**	86,307
Income tax paid	**(5,927)**	(6,714)
Interest received	**979**	1,063
Interest paid	**(20,893)**	(24,187)
Net cash generated from operating activities	**89,344**	56,469
Cash flows from investing activities		
Payments for investment properties	**–**	(1,317)
Payments for purchase of property and equipment	**(146)**	(784)
Prepayments for lease	**–**	(1,387)
Proceeds from finance lease	**1,331**	5,790
Net cash generated from investing activities	**1,185**	2,302
Cash flows from financing activities		
Proceeds from borrowings	**–**	25,000
Repayments of borrowings	**(9,539)**	(3,833)
Cash advances to related parties	**(879)**	(1,026)
Repayment from related parties	**675**	833
Principal element of lease payment	**(7,670)**	(7,738)
Net cash (used in)/generated from financing activities	**(17,413)**	13,236
Net increase in cash and cash equivalents	**73,116**	72,007
Cash and cash equivalents at beginning of period	**693,742**	582,501
Exchange gain on cash and cash equivalents	**–**	28
Cash and cash equivalents at end of period	**766,858**	654,536

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Financial Statements

1 GENERAL INFORMATION

Xinji Shaxi Group Co., Ltd (the "**Company**") was incorporated in the Cayman Islands on 27 July 2018 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is 71 Fort Street, PO Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands.

On 28 December 2018, in preparation for the Listing, Mr. Cheung Hon Chuen, Mr. Mei Zuoting and Mr. Zhang Weixin executed the concert parties agreement, pursuant to which they have confirmed their acting in concert arrangement in the past, as well as their intention to continue to act in the above manner upon Listing to consolidate their control over the Group through Honchuen Investment Limited, Zuoting Investment Limited and Weixin Development Overseas Limited until the concert parties agreement is terminated by them in writing.

As such, the Directors of the Company is in the view that, Honchuen Investment Limited, Zuoting Investment Limited and Weixin Development Overseas Limited are the immediate holding companies and Mr. Cheung Hon Chuen, Mr. Mei Zuoting and Mr. Zhang Weixin are the ultimate controlling parties of the Company since then.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in operating and managing hospitality supplies and home furnishing shopping malls in the People's Republic of China (the "**PRC**").

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 8 November 2019.

The unaudited interim condensed consolidated financial statements have been prepared under historical cost basis, except for the investment properties and financial assets at fair value through profit or loss which are measured at fair value.

The unaudited interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000), unless otherwise stated. The unaudited interim condensed consolidated financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the Group's annual consolidated financial statements for the year ended 31 December 2025.

The unaudited interim condensed consolidated financial information has been approved for issue by the board of directors (the "**Board**") of the Company on 28 August 2026.

2 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim financial reporting" ("**HKAS 34**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosures provisions of Rules Governing the Listing of Securities on the Stock Exchange. The unaudited interim condensed consolidated financial information does not include all the information and disclosure required in the Group's annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

3 APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

The unaudited interim condensed consolidated financial statements have been prepared with the same accounting policies adopted in the 2025 annual consolidated financial statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2026.

Amendments to HKFRS Accounting Standards that are mandatorily effective for the annual periods beginning on 1 January 2026

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11
Amendments to HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosures about Uncertainties in the Financial Statements

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the unaudited interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the unaudited interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2025.

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities exposed it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Group operates mainly in the PRC with most of the transactions settled in RMB. Management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of the Group denominated in currencies other than RMB, except that as at 30 June 2026, the Group has cash and cash equivalents (Note 17) denominated in Hong Kong dollar ("**HK$**"). The Group has not entered into forward exchange contract to hedge its exposure to foreign exchange risk.

The unaudited interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the Group's annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

5 FINANCIAL RISK MANAGEMENT *(cont'd)*

5.1 Financial risk factors *(cont'd)*

5.1.1 Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major lenders to meet its liquidity requirements in the short and longer term.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000	Carrying amount at 30 June 2026 RMB'000
At 30 June 2026 (Unaudited)						
Borrowings (including interests)	**196,549**	**189,459**	**480,912**	**18,212**	**885,132**	**822,059**
Amounts due to related parties	**612**	**–**	**–**	**–**	**612**	**612**
Lease liabilities	**44,060**	**64,004**	**202,816**	**829,984**	**1,140,864**	**708,236**
Trade and other payables (excluding salary payables and other tax liabilities)	**129,837**	**27,829**	**290**	**1,525**	**159,481**	**159,481**
	371,058	**281,292**	**684,018**	**849,721**	**2,186,089**	**1,690,388**

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000	Carrying amount at 31 December 2025 RMB'000
At 31 December 2025 (Audited)						
Borrowings (including interests)	572,811	166,282	155,612	40,392	935,097	830,439
Amounts due to related parties	1,354	–	–	–	1,354	1,354
Lease liabilities	24,596	22,487	70,456	98,478	216,017	168,498
Trade and other payables (excluding salary payables and other tax liabilities)	151,075	1,608	290	1,525	154,498	154,498
	749,836	190,377	226,358	140,395	1,306,966	1,154,789

Interests are calculated on borrowings held as at 30 June 2026 (31 December 2025: same). Floating-rate interest is estimated using the current interest rate as at 30 June 2026 (31 December 2025: same).

5 FINANCIAL RISK MANAGEMENT *(cont'd)*

5.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents and restricted cash. Total capital represents total equity as shown in the consolidated balance sheet.

The gearing ratios at 30 June 2026 and 31 December 2025 are as follows:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Borrowings (Note 23)	**822,059**	830,439
Less:		
– cash and cash equivalents (Note 17)	**(766,858)**	(693,742)
– Restricted cash	**(79)**	(3,450)
Net debt	**55,122**	133,247
Total equity	**1,328,692**	1,145,436
Total capital	**1,328,692**	1,145,436
Gearing ratio	**4%**	12%

5 FINANCIAL RISK MANAGEMENT *(cont'd)*

5.3 Fair value estimation

(a) Financial assets carried at fair value

The Group's financial assets carried at fair value include financial assets at fair value through profit or loss. The different levels of the financial instruments carried at fair value, by valuation method, have been defined as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value contingent consideration include:

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2026 and 31 December 2025, by level of the inputs to valuation techniques used to measure fair value.

	Level 3 as at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Contingent consideration	**318**	488

The Group manages the valuation of level 3 instruments for financial reporting purpose on a case by case basis. At least once every reporting year, the Group would assess the fair value of the Group's level 3 instruments by using valuation techniques.

The valuation of level 3 instruments mainly included contingent consideration. As these instruments are not traded in an active market, their fair values have been determined by using applicable valuation techniques, which mainly include discounted cash flows.

If the fair values of the financial assets at fair value through profit or loss held by the Group had been 10% higher/lower, the profit before income tax for the six months ended 30 June 2026 would have been approximately RMB31,800 higher/lower (six months ended 30 June 2025: loss before income tax would have been approximately RMB48,100 lower/higher).

5 FINANCIAL RISK MANAGEMENT *(cont'd)*

5.3 Fair value estimation *(cont'd)*

(b) Investment properties

(i) Fair value hierarchy

This note explains the judgements and estimates made in determining the fair values of the investment properties that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its investment properties into the level 3 prescribed under the accounting standards.

	Level 3 as at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Investment properties (Note 14)	**2,619,155**	1,845,694

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the six months ended 30 June 2026 (six months ended 30 June 2025: same).

(ii) Valuation techniques used to determine fair values

Fair values of completed investment properties are generally derived using the income capitalisation method and comparison method. The income capitalisation method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuer' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to recent lettings, within the subject properties and other comparable properties. Fair values of investment properties under construction are generally derived using the comparison method. The comparison method is adopted assuming sale of each of these properties in its existing state with the benefit of vacant possession. By making reference to sales transactions as available in the relevant market, comparable properties in close proximity have been selected and adjustments have been made to account for the difference in factors such as location and property size.

As at 30 June 2026, all investment properties are included in level 3 fair value hierarchy (31 December 2025: same).

5 FINANCIAL RISK MANAGEMENT *(cont'd)*

5.3 Fair value estimation *(cont'd)*

(b) Investment properties (cont'd)

(iii) Valuation processes

The Group measures its investment properties at fair value. The investment properties were valued by an independent and professionally qualified valuer, who has appropriate professional qualification and relevant experience in the location and category of the investment properties being valued, at 30 June 2026 and 31 December 2025. For all investment properties, their current use equates to the highest and best use.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the senior management. Discussions of valuation processes and results are held between the management, the valuation team and valuer at least once every year.

At each financial period end, the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuation movements when compared to the prior year valuation report; and
- Holds discussions with the independent valuer.

6 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company.

The CODM considers business from a service perspective and has identified the following two operating segments:

– Property leasing

The Group is engaged in (a) managing owned/leased portfolio shopping mall which derives revenue from leasing floor areas to the tenants and providing comprehensive and continuous operation and management; (b) selling hospitality products and home furnishings through online shopping mall; (c) providing the business management service to other shopping malls which are not owned by the Group.

– Property management services

The Group provides property management services to tenants and apartment properties.

As the CODM considers most of the Group's consolidated revenue and results are attributable to the market in the PRC and the Group's consolidated non-current assets are substantially located in the PRC, no geographical information is presented.

Notes to the Condensed Consolidated Financial Statements

6 SEGMENT INFORMATION *(cont'd)*

(a) Segment revenue and results

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

	Six months ended 30 June 2026 (Unaudited)		
	Property leasing RMB'000	**Property management services RMB'000**	**Total RMB'000**
Reportable segment revenue			
Revenue from contracts with customers			
– at a point in time	**2,503**	**–**	**2,503**
– over time	**–**	**25,597**	**25,597**
Revenue from rental income	**88,787**	**–**	**88,787**
Inter-segment revenue	**(8,593)**	**(501)**	**(9,094)**
	82,697	**25,096**	**107,793**
Segment profit	**266,952**	**7,237**	**274,189**
Finance expenses – net			**(21,073)**
Profit before income tax			**253,116**

	Six months ended 30 June 2025 (Unaudited)		
	Property leasing RMB'000	Property management services RMB'000	Total RMB'000
Reportable segment revenue			
Revenue from contracts with customers			
– at a point in time	4,422	–	4,422
– over time	–	29,094	29,094
Revenue from rental income	91,873	–	91,873
Inter-segment revenue	(8,278)	(518)	(8,796)
	88,017	28,576	116,593
Segment (loss)/profit	(14,504)	5,920	(8,584)
Finance expenses – net			(24,557)
Loss before income tax			(33,141)

6 SEGMENT INFORMATION *(cont'd)*

(b) Segment assets and liabilities

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

	As at 30 June 2026 (Unaudited)			
	Property leasing RMB'000	**Property management services RMB'000**	**Elimination RMB'000**	**Total RMB'000**
Segment assets	**3,528,432**	**108,432**	**(182,131)**	**3,454,733**
Unallocated:				
– Deferred income tax assets				**2,551**
Consolidated total assets				**3,457,284**
Segment liabilities	**1,079,970**	**137,136**	**(182,131)**	**1,034,975**
Unallocated:				
– Deferred income tax liabilities				**227,885**
– Current income tax liabilities				**43,673**
– Borrowings				**822,059**
Consolidated total liabilities				**2,128,592**

	As at 31 December 2025 (Audited)			
	Property leasing RMB'000	Property management services RMB'000	Elimination RMB'000	Total RMB'000
Segment assets	2,708,993	71,402	(124,442)	2,655,953
Unallocated:				
– Deferred income tax assets				3,312
Consolidated total assets				2,659,265
Segment liabilities	495,018	103,167	(124,442)	473,743
Unallocated:				
– Deferred income tax liabilities				172,657
– Current income tax liabilities				36,990
– Borrowings				830,439
Consolidated total liabilities				1,513,829

6 SEGMENT INFORMATION *(cont'd)*

(b) Segment assets and liabilities *(cont'd)*

The amounts provided to the CODM with respect to total assets and liabilities are measured in a manner consistent with that of the condensed consolidated financial statements.

These assets and liabilities are allocated based on the operations of the segment. Segment assets consist primarily of property and equipment, investment properties, intangible assets, receivables from property management services and property leasing and cash and cash equivalents.

Segment liabilities consist primarily of trade and other payables, lease liabilities, contract liabilities, advances from customers.

7 REVENUE

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue from contracts with customers:		
– Property management services (Note (a) and (c))	**25,096**	28,576
– Sales of goods (Note (b))	**2,503**	4,418
– Others	**–**	4
	27,599	32,998
Rental income:		
– Property lease income	**80,194**	83,595
Total revenue recognised	**107,793**	116,593

(a) Revenue generated from property management services is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

(b) Revenue generated from sales of goods is recognised at a point in time when the customer obtains control of the assets.

7 REVENUE *(cont'd)*

(c) The following table shows unsatisfied performance obligations resulting from fixed-price long-term property management services contracts:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Aggregate amount of the transaction price allocated to long-term property management services contracts that the performance obligations of which are partially or fully unsatisfied as at 30 June and 31 December:		
Expected to be recognised over one year	**250,123**	214,749
Expected to be recognised within one year	**42,831**	36,774
	292,954	251,523

The amount disclosed above does not include any variable consideration.

8 EXPENSES BY NATURE

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Employee benefit expenses*	**19,184**	18,411
Cost of sales of goods	**1,803**	2,955
Marketing and advertising costs	**2,667**	901
Legal and professional expenses	**966**	578
Tax and other levies	**2,636**	2,586
Property maintenance expenses	**4,941**	4,923
Electricity and water cost	**3,995**	3,441
Technical service charge	**208**	382
Entertainment expenses	**1,589**	2,489
Depreciation of property and equipment**	**2,974**	2,429
Office and travelling expenses	**57**	60
Amortisation of intangible assets***	**155**	221
Short-term lease expenses	**35**	44
Donation	**411**	1,000
Other expenses	**2,414**	2,350
Total cost of sales, selling and marketing expenses and administrative expenses	**44,035**	42,770
Analysed for reporting purposes:		
Cost of sales	**21,314**	21,615
Selling and marketing expenses	**5,534**	3,707
Administrative expenses	**17,187**	17,448
	44,035	42,770

* Employee benefit expenses of approximately RMB7,553,000 (six months ended 30 June 2025: approximately RMB7,567,000), RMB2,325,000 (six months ended 30 June 2025: approximately RMB2,388,000) and RMB9,306,000 (six months ended 30 June 2025: approximately RMB8,456,000) has been included in cost of sales, selling and marketing expenses, and administrative expenses respectively.

** Depreciation of property and equipment of approximately RMB5,000 (six months ended 30 June 2025: approximately RMB10,000) and RMB2,969,000 (six months ended 30 June 2025: approximately RMB2,419,000) has been included in selling and marketing expenses and administrative expenses respectively.

*** Included in administrative expenses in the condensed consolidated income statement.

9 FINANCE EXPENSES – NET

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Finance income:		
– Interest income	**(359)**	(294)
– Interest income from finance lease receivables	**(620)**	(769)
	(979)	(1,063)
Finance expenses:		
– Interest on lease liabilities	**4,427**	4,339
– Interest expenses on borrowings	**17,625**	21,281
	22,052	25,620
Finance expenses – net	**21,073**	24,557

10 INCOME TAX EXPENSE/(CREDIT)

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Current income tax		
– PRC corporate income tax	**12,610**	9,377
Deferred income tax charge/(credit)	**57,250**	(13,388)
	69,860	(4,011)

10 INCOME TAX CREDIT *(cont'd)*

(a) PRC corporate income tax

The Group's subsidiaries in the PRC are subject to corporate income tax at tax rate of 25% during the six months ended 30 June 2026 and 2025.

(b) PRC withholding income tax

PRC withholding income tax of 10% shall be levied on the dividends declared by companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%.

(c) Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(d) British Virgin Islands income tax

The Group's subsidiaries in the British Virgin Islands were incorporated under the International Business Companies Act of the British Virgin Islands and, accordingly, exempted from British Virgin Islands income tax.

(e) Hong Kong profits tax

Hong Kong profits tax has not been provided as the Group's subsidiaries did not have any assessable profits during the six months ended 30 June 2026 and 2025.

11 EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated by dividing the Group's net profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the interim reporting period.

The following reflects the profit/(loss) and share data used in the computations for basic and diluted earnings/(loss) per share attributable to owners of the Company:

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Profit/(loss) for the period attributable to owners of the Company for the purposes of basic and diluted earnings/(loss) per share	**182,943**	(29,086)

	Number of shares Six months ended 30 June	
	2026 **'000** **(Unaudited)**	2025 '000 (Unaudited)
Weighted average number of shares for the purposes of basic and diluted earnings/(loss) per share	**1,492,944**	1,492,944

The Company did not have any potential dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025. Diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share.

12 DIVIDEND

No interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil) has been proposed by the Board.

13 PROPERTY AND EQUIPMENT

	Leased office buildings RMB'000	Vehicles RMB'000	Furniture, fittings and equipment RMB'000	Total RMB'000
At 31 December 2025 (Audited)				
Cost	8,421	7,874	5,391	21,686
Accumulated depreciation	–	(7,274)	(3,920)	(11,194)
Net book amount	8,421	600	1,471	10,492
Period ended 30 June 2026 (Unaudited)				
Opening net book amount	**8,421**	**600**	**1,471**	**10,492**
Additions	**–**	**–**	**146**	**146**
Disposals	**–**	**(165)**	**(257)**	**(422)**
Depreciation charges	**(2,178)**	**(100)**	**(696)**	**(2,974)**
Closing net book amount	**6,243**	**335**	**664**	**7,242**
At 30 June 2026 (Unaudited)				
Cost	**8,421**	**6,846**	**5,043**	**20,310**
Accumulated depreciation	**(2,178)**	**(6,511)**	**(4,379)**	**(13,068)**
Net book amount	**6,243**	**335**	**664**	**7,242**

14 INVESTMENT PROPERTIES

	Six months ended 30 June 2026 RMB'000 (Unaudited)	Year ended 31 December 2025 RMB'000 (Audited)
Opening net book amount	**1,845,694**	1,971,588
Modification of lease	**7,464**	(642)
Transfer to finance lease receivables	**–**	(15,750)
Early termination of lease	**–**	(5,828)
Lease modification from finance lease	**–**	8,230
Additions	**553,193**	4,141
Gains/(losses) on change in fair value recognised in profit and loss	**212,804**	(116,045)
Closing net book amount	**2,619,155**	1,845,694
Analysis of investment properties:		
– properties on land use right certificates owned by the Group	**795,260**	838,630
– properties on right-of-use assets	**1,823,895**	1,007,064
	2,619,155	1,845,694

14 INVESTMENT PROPERTIES *(cont'd)*

Investment properties were revalued at 30 June 2026 and 31 December 2025 on income capitalisation method and comparison method by an independent valuer, Masterpiece Valuation Advisory Limited.

During the six months ended 30 June 2026, the Group entered into supplemental agreements with its landlord under which certain terms and conditions set out in the original lease agreements were modified which resulted in a modification of lease liabilities with landlord amounted to RMB7,464,000, of which an increase in lease liabilities from lease modification amounted to RMB7,464,000 was adjusted to investment properties.

On 31 December 2025, Guangzhou Shaxi International Hospitality Supplies City Company Limited, a wholly-owned subsidiary of the Company, as lessee, entered into a lease agreement with Guangzhou City Panyu District Luopu Street Shangjiao Village Shareholding Economic Cooperatives* (廣州市番禺區洛浦街上滘村股份合作經濟社), as lessor, for the properties located in the PRC for 20 years, with a rent-free period from 1 July 2026 to 31 December 2026. The lease commenced during the six months ended 30 June 2026. The monthly rental payment of lease contract is amounted to approximately RMB3.6 million with 6% incremental for every three years since 1 January 2027.

A gain on change in fair value of investment properties amounted to approximately RMB212,804,000 was recognised in the condensed consolidated income statement for the six months ended 30 June 2026 (six months ended 30 June 2025: a loss on change in fair value amounted to approximately RMB76,590,000).

As at 30 June 2026, investment properties of RMB767,360,000 (31 December 2025: RMB810,230,000) were pledged as collateral for the Group's borrowings (Note 23).

15 INTANGIBLE ASSETS

	Computer software RMB'000
At 31 December 2025 (Audited)	
Cost	5,454
Accumulated amortisation	(3,641)
Net book amount	1,813
Period ended 30 June 2026 (Unaudited)	
Opening net book amount	**1,813**
Amortisation charges	**(155)**
Closing net book amount	**1,658**
At 30 June 2026 (Unaudited)	
Cost	**5,454**
Accumulated amortisation	**(3,796)**
Net book amount	**1,658**

16 LEASE AND TRADE RECEIVABLES AND OTHER RECEIVABLES

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Operating lease receivables (Note (a))	**44,049**	54,383
Less: allowance for impairment of operating lease receivables	**(14,513)**	(19,205)
Operating lease receivables – net	**29,536**	35,178
Finance lease receivables (Note (b))	**–**	11,469
Less: allowance for impairment of finance lease receivables	**–**	(1,008)
Finance lease receivables – net	**–**	10,461
Trade receivables (Note (c))	**11,054**	10,999
Less: allowance for impairment of trade receivables	**(2,154)**	(2,165)
Trade receivables – net	**8,900**	8,834
Other receivables (Note (d))	**20,406**	43,940
Less: allowance for impairment of other receivables	**(7,161)**	(7,356)
Other receivables – net	**13,245**	36,584
Prepaid tax and other levies	**4**	7
Prepayment for lease	**1,872**	2,456
Other prepayments	**2,537**	2,703
Input VAT available for future deduction	**2,874**	3,058
	58,968	99,281
Less: non-current portion		
Deposits paid under other receivables	**(6,751)**	–
Current portion	**52,217**	99,281

(a) Operating lease receivables

The gross operating lease receivables at the end of the respective reporting periods are analysed as follows:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Less than 1 year	**44,049**	54,383

16 LEASE AND TRADE RECEIVABLES AND OTHER RECEIVABLES *(cont'd)*

(b) Finance lease receivables

The finance lease receivables are arising from the property leasing business. For finance lease receivables, the customers are obligated to settle the amounts according to the terms set out in the relevant lease contracts.

The gross finance lease receivables at the end of the respective reporting periods are analysed as follows:

	Minimum lease payment		**Present value**	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
Not later than 1 year	–	15,776	–	11,469
	–	15,776	–	11,469
Less: unearned finance income	–	(4,307)	–	–
Present value of minimum lease payments	–	11,469	–	11,469

(c) Trade receivables

The aging analysis of the gross trade receivables based on recognition date at the end of the respective reporting periods is as follows:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Less than 1 year	**11,054**	10,999

16 LEASE AND TRADE RECEIVABLES AND OTHER RECEIVABLES *(cont'd)*

(d) Other receivables

An analysis of the gross other receivables at the end of the respective reporting periods are analysed as follows:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Deposits paid (Note (i))	**11,877**	25,477
Refundable payments (Note (ii))	**249**	11,320
Advance payment for acquisition of subsidiaries (Note (iii))	**5,283**	5,283
Sundry receivables (Note (iv))	**2,997**	1,860
	20,406	43,940

Notes:

(i) Included in the deposits paid is rental deposits paid for leasing the right-of use assets for its shopping mall operation.

During the prior year ended 31 December 2025, Guangzhou Shaxi International Hospitality Supplies City Company Limited, a wholly-owned subsidiary of the Company, paid a refundable deposit of RMB20,000,000 for participating in the bidding process in accordance with the terms of bid invitation documents of the lease of properties. On 17 December 2025, Guangzhou Shaxi International Hospitality Supplies City Company Limited is the successful bidder at the bidding process and hence, such refundable deposit paid for participating in the bidding process became as a security deposit for the lease of properties.

Details of the bidding process of the lease of properties and the successful bid for lease of properties are set out in the Company's circular dated 17 November 2025 and the Company's announcement dated 24 December 2025 respectively.

As at 30 June 2026, an impairment loss of RMB1,514,000 (31 December 2025: RMB1,465,000) was recognised for the rental deposits paid.

(ii) It represents a payment for purchasing goods. As at 30 June 2026, an impairment loss of RMB249,000 (31 December 2025: RMB249,000) was recognised for the refundable payments.

(iii) It represents as an advance payment paid for acquisition of subsidiaries in prior years. As at 30 June 2026, an impairment loss of RMB5,283,000 (31 December 2025: RMB5,283,000) was recognised for the advance payment for acquisition of subsidiaries.

(iv) As at 30 June 2026, an impairment loss of RMB115,000 (31 December 2025: RMB359,000) was recognised on sundry receivables.

As at 30 June 2026, lease and trade receivables and other receivables were denominated in RMB and their fair values approximated their carrying amounts.

17 CASH AND CASH EQUIVALENTS

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Cash on hand		
– RMB	**175**	219
Cash at banks		
– RMB	**766,408**	692,721
– HK$	**275**	802
	766,683	693,523
	766,858	693,742

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

18 SHARE CAPITAL AND PREMIUM

	Number of ordinary shares	Nominal value of ordinary shares HK$	Equivalent nominal value of ordinary shares RMB	Share premium RMB	Total RMB
Ordinary shares of HK$100 per share issued and fully paid:					
As at 30 June 2026 (Unaudited)	**1,492,944,000**	**14,929,440**	**13,347,150**	**271,768,208**	**285,115,358**
As at 31 December 2025 (Audited)	1,492,944,000	14,929,440	13,347,150	271,768,208	285,115,358

19 OTHER RESERVES

	Merger and other reserves RMB'000	Statutory reserves RMB'000 (Note (a))	Total RMB'000
At 1 January 2025	56,696	63,716	120,412
Appropriation to statutory reserves (Note (a))	–	782	782
At 30 June 2025	56,696	64,498	121,194
At 1 January 2026	**56,696**	**68,183**	**124,879**
Appropriation to statutory reserves (Note (a))	**–**	**23,818**	**23,818**
At 30 June 2026	**56,696**	**92,001**	**148,697**

(a) In accordance with the relevant laws and regulations in the PRC and the articles of association of the group companies incorporated in the PRC, the PRC group companies are required to appropriate 10% of the annual net profits of the companies, after offsetting any prior years' losses as determined under the applicable PRC accounting standards, to the statutory surplus reserve fund before distributing any net profits. When the balance of the statutory surplus reserve fund reaches 50% of the registered capitals of the respective PRC group companies, any further appropriation is at the discretion of the shareholders. The statutory surplus reserve fund can be used to offset prior years' losses, if any, and may be capitalised as capital, provided that the remaining balance of the statutory surplus reserve fund after such issue is no less than 25% of registered capitals of the respective PRC group companies.

20 TRADE AND OTHER PAYABLES AND LEASE LIABILITIES

(a) Trade and other payables

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables	**16,602**	11,864
Construction contract payables	**19,628**	24,059
Salary payables	**25,604**	24,260
Other tax liabilities	**1,827**	1,588
Deposits from tenants	**64,889**	62,775
Deposits from Property Developer (Note (a))	**50,000**	50,000
Accrued expenses	**4,315**	4,550
Other deposits received	**96**	96
Other payables	**3,951**	1,154
	186,912	180,346
Less: non-current portion		
Deposits from tenants	**(29,644)**	(3,423)
Current portion	**157,268**	176,923

The aging analysis of the trade and construction contract payables based on invoice date is as follows:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Less than 1 year	**23,025**	22,534
Over 1 year	**13,205**	13,389
	36,230	35,923

As at 30 June 2026, trade and other payables were denominated in RMB and their fair values approximated their carrying amounts.

20 TRADE AND OTHER PAYABLES AND LEASE LIABILITIES *(cont'd)*

(a) Trade and other payables *(cont'd)*

Note:

(a) In June 2023, Guangzhou Shaxi Hotel, being an indirect wholly-owned subsidiary of the Company, was informed by Guangzhou Shenglong Fangyuan Real Estate Co., Ltd. (the "**Property Developer**"), a property developer, about a proposed redevelopment plan of Shaxi Village, which would cover the leased land and the shopping mall erected thereon. The Property Developer subsequently proposed to enter into an agreement (the "**Proposed Compensation Agreement**") with the landlord and Guangzhou Shaxi Hotel pursuant to which the Property Developer intends to pay a compensation amount of approximately RMB845 million to Guangzhou Shaxi Hotel in consideration of an early termination of the tenancy agreement between Guangzhou Shaxi Hotel and the landlord. The Proposed Compensation Agreement will be effective upon the Shaxi Village Redevelopment Plan having been approved by the landowners of Shaxi Village. As at 30 June 2026, the Shaxi Village Redevelopment Plan has not been approved by the landowners of Shaxi Village.

The Group has received a deposit of RMB50,000,000 from the Property Developer, which is included in other payables.

(b) Lease liabilities

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Lease liabilities payable:		
Within 1 year	**15,934**	18,131
Within a period of more than 1 year but not exceeding 2 years	**20,572**	16,218
Within a period of more than 2 years but not exceeding 5 years	**101,859**	56,288
Within a period of more than 5 years	**569,871**	77,861
	708,236	168,498
Less: non-current portion	**(692,302)**	(150,367)
Current portion	**15,934**	18,131

The Group mainly leases land use right and properties. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. The right-of-use assets are presented as investment properties (Note 14) and property and equipment (Note 13).

21 CONTRACT LIABILITIES

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Business management services	**5,465**	5,465
Property management services	**16,271**	9,457
Sales of goods	**15**	8,444
	21,751	23,366

22 ADVANCE FROM CUSTOMERS

The Group recognised the following advance from customers related to operating lease business:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Advance from customers	**117,464**	100,179

The Group receives payments from leases based on billing schedules as established in the leasing contracts.

23 BORROWINGS

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Bank borrowings – Secured (Note (a))	**822,059**	830,439
Total borrowings	**822,059**	830,439
Less: non-current portion		
– Bank borrowings – Secured	**(653,924)**	(335,409)
Current portion	**168,135**	495,030

Note:

(a) As at 30 June 2026, bank borrowings of RMB674,835,000 (31 December 2025: RMB677,209,000) from Guangzhou Rural Commercial Bank Co., Ltd. South China Branch, bore floating interest ranging from 3.75% to 4.50% (31 December 2025: 3.85% to 6.13%) per annum, and bank borrowings of RMB147,224,000 (31 December 2025: RMB153,230,000) from China Zheshang Bank Co., Ltd. Jiangmen Branch, bore fixed interest at 5.00% (31 December 2025: 5.00%) per annum, were secured by (1) the investment properties of RMB767,360,000 (31 December 2025: RMB810,230,000) of the Group (Note 14); and (2) personal guarantee from Mr. Cheung Hon Chuen, Mr. Mei Zuoting, Mr. Zhang Weixin, directors of the Company, and Ms. Huang Wanyi, the spouse of Mr. Zhang Weixin, and Ms. Cai Huanqi, the spouse of Mr. Mei Zuoting.

24 COMMITMENTS

(a) Operating lease commitments – The Group as lessor

The Group is a lessor when the Group leases out property under long-term leases arrangements, which is non-cancellable operating lease agreements. The lease terms are mainly from 1 to 10 years and the majority of lease agreements are renewable at the end of the lease period at market rate.

The future aggregate minimum operating lease receivables under non-cancellable operating leases are as follows:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Less than 1 year	**195,180**	154,354
1–2 years	**111,645**	97,564
2–3 years	**20,347**	21,918
3–4 years	**19,120**	17,765
4–5 years	**18,087**	18,111
Over 5 years	**19,811**	20,145
	384,190	329,857

25 SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Names and relationships with related parties

Name	Relationship
Mr. Cheung Hon Chuen; Mr. Mei Zuoting; Mr. Zhang Weixin	Ultimate controlling shareholders
Ms. Huang Wanyi	Spouse of Mr. Zhang Weixin, an ultimate controlling shareholder
Ms. Cai Huanqi	Spouse of Mr. Mei Zuoting, an ultimate controlling shareholder
Guangzhou Xinji Real Estate Development Co., Ltd	A company controlled by the ultimate controlling shareholders
Guangzhou Panyu Xinji Real Estate Development Co., Ltd	A company controlled by the ultimate controlling shareholders
Foshan Xinji Plaza Management Co., Ltd	A company controlled by the ultimate controlling shareholders
Guangdong Xinji Honeycomb Technology Co., Ltd.	Associate of the Group's ultimate controlling shareholders
Guangdong Yingbin Investment Management Co., Ltd.	A company controlled by the ultimate controlling shareholders
Guangzhou Lupiao Commercial Development Co., Ltd.	A company controlled by the ultimate controlling shareholders
Guangzhou Kwairan Commercial Development Co., Ltd	A company controlled by the ultimate controlling shareholders

25 SIGNIFICANT RELATED PARTY TRANSACTIONS *(cont'd)*

(b) Transactions with related parties

The following transactions occurred with related parties:

Rendering of services to related parties:

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Guangzhou Lupiao Commercial Development Co., Ltd.	**865**	316
Guangzhou Kwairan Commercial Development Co., Ltd	**3**	276
	868	592

Purchases of services from a related party:

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Guangzhou Xinji Real Estate Development Co., Ltd	**–**	125

Sales of goods to a related party:

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Guangzhou Xinji Real Estate Development Co., Ltd	**36**	39
Guangzhou Panyu Xinji Real Estate Development Co., Ltd	**105**	–
	141	39

25 SIGNIFICANT RELATED PARTY TRANSACTIONS *(cont'd)*

(c) Key management personnel compensations

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Wages, salaries and bonuses	**1,936**	2,073
Pension costs – defined contribution plans	**80**	116
	2,016	2,189

(d) Balances with related parties

(i) Amount due from a related party:

	As at	
	30 June **2026** **RMB'000** **(Unaudited)**	31 December 2025 RMB'000 (Audited)
Trade		
Guangzhou Lupiao Commercial Development Co., Ltd.	**455**	–
	455	–
Non-trade		
Foshan Xinji Plaza Management Co., Ltd.	**–**	993
	–	993
	455	993

25 SIGNIFICANT RELATED PARTY TRANSACTIONS *(cont'd)*

(d) Balances with related parties *(cont'd)*

(ii) Amounts due to related parties:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade		
Guangzhou Lupiao Commercial Development Co., Ltd.	**–**	274
Guangzhou Kwairan Commercial Development Co., Ltd	**301**	340
Guangzhou Xinji Real Estate Development Co., Ltd.	**93**	89
Guangdong Yingbin Investment Management Co., Ltd.	**–**	382
	394	1,085
Non-trade		
Mr. Zhang Weixin	**218**	269
	218	269
	612	1,354

The amounts due to related parties are trade in nature, unsecured, interest-free and repayable on demand.

(iii) Lease Liabilities:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade		
Guangzhou Panyu Xinji Real Estate Development Co., Ltd	**88,618**	87,175

25 SIGNIFICANT RELATED PARTY TRANSACTIONS *(cont'd)*

(e) Guarantees

Guarantees provided to related party from the Group in respect of the related party's borrowings:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Mr. Zhang Weixin	**218**	269

Guarantees provided by related parties to the Group in respect of the Group's borrowings:

	As at	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Mr. Cheung Hon Chuen; Mr. Mei Zuoting; Mr. Zhang Weixin; Ms. Huang Wanyi; Ms. Cai Huanqi (Note 23 (a))	**820,899**	829,299

Definitions

"2025 Period"	the six months ended 30 June 2025
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors of the Company
"BVI"	the British Virgin Islands
"CG Code"	Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Company"	Xinji Shaxi Group Co., Ltd (信基沙溪集团股份有限公司), a company incorporated on 27 July 2018 under the laws of the Cayman Islands as an exempted company with limited liability
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and, in the context of the interim report, refers to the controlling shareholders of the Company
"COVID-19"	Coronavirus Disease 2019
"Director(s)"	the director(s) of our Company
"Group", "our Group", "we", "us" or "our"	the Company and its subsidiaries, or any of them or, where the context so required, in respect of the period before the Company became the holding company of its present subsidiaries, the companies which carried on the business of the present Group at the relevant time
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong

Definitions

"Honchuen Investment"	HONCHUEN INVESTMENT LIMITED, a company incorporated under the laws of the BVI with limited liability on 31 May 2018, which is wholly-owned by Mr. Cheung
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"hospitality supplies"	a collection of products that meet the needs for the operation of hotels, restaurants and clubs
"hospitality supplies shopping mall"	a professional shopping mall selling hospitality supplies for the operation of hotels, restaurant and clubs or other industry customers
"Huiqun Investment Limited"	HUIQUN INVESTMENT LIMITED, a company incorporated under the laws of the BVI with limited liability on 6 June 2018
"Independent Third Party(ies)"	person(s) or entity(ies) that is or are not connected person(s) within the meaning of the Listing Rules
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the Main Board of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Mr. Cheung"	Mr. Cheung Hon Chuen (張漢泉), an executive Director, our Chairman and one of our founders and Controlling Shareholders
"Mr. Mei"	Mr. Mei Zuoting (梅佐挺), an executive Director and one of our founders and Controlling Shareholders
"Mr. Zhang"	Mr. Zhang Weixin (張偉新), an executive Director and one of our founders and Controlling Shareholders
"online shopping mall"	our online shopping mall selling hospitality supplies and home furnishings at www.jdyp.jd.com under the trade name of "Xinji Hospitality Supplies Shopping Mall (信基酒店用品城)"
"PRC" or "China"	the People's Republic of China, for the purpose of this report, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Prospectus"	the prospectus of the Company dated 25 October 2019
"Reporting Period"	the six months ended 30 June 2026

Definitions

"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	the ordinary share(s) with par value of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of issued Shares of the Company
"Share Option Scheme"	the share option scheme of the Company adopted by the written resolutions of the Shareholders passed on 3 October 2019
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Weixin Development"	WEIXIN DEVELOPMENT OVERSEAS LIMITED, a company incorporated under the laws of the BVI with limited liability on 31 May 2018, which is wholly-owned by Mr. Zhang
"Zuoting Investment"	ZUOTING INVESTMENT LIMITED, a company incorporated under the laws of the BVI with limited liability on 31 May 2018, which is wholly-owned by Mr. Mei

* *For identification purpose only*