



北京迪信通商貿股份有限公司  
Beijing Digital Telecom Co., Ltd.

(a joint stock limited company incorporated in the People's Republic of China with limited liability)  
Stock Code: 06188



2025  
INTERIM  
REPORT

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## COMPANY PROFILE

Beijing Digital Telecom Co., Ltd. (the “**Company**” or “**Digital Telecom**”) was founded in 2001 and has been listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 06188) since 2014.

As at 30 June 2025, the Company had over 100 subsidiaries (collectively referred to as the “**Group**” or “**we**”) and had opened nearly 650 independently operated outlets and franchised outlets in 20 provinces and 4 municipalities over China. With its extensive offline sales channels and online sales platform, the Group provides a range of integrated services to consumers, ranging from the sales of mobile phone hardware and accessories, provision of value-added services for software, and provision of personalised services for mobile phones and after-sales services since its establishment.

The Group has continued to strengthen the construction of its governance system, laying a solid foundation for improving the state-owned enterprise management system. To better adapt to the development environment of the retail industry under new internal and external situations, we have cultivated new growth drivers while focusing on core businesses through multi-channel operational systems and multi-dimensional service models. This includes actively developing new retail operations and diversified product sales businesses to consolidate market competitiveness and brand influence. While consolidating its existing operations, the exploration, transformation and upgrading of the new energy business has achieved initial results. The photovoltaic supply chain business has begun to take shape, and our household photovoltaic agency operations have successfully achieved normalised operations across multiple provinces and cities.

In the tide of the new era, we will strive to lead the way and forge ahead toward higher goals, jointly writing a new chapter for Digital Telecom’s innovative development!

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Ms. Xu Jili (*Chairwoman*)  
Ms. Xu Liping  
Mr. Liu Donghai

#### Non-executive Directors

Mr. Xie Hui  
Mr. Jia Zhaojie  
Ms. Pan Anran

#### Independent Non-executive Directors

Mr. Lv Tingjie  
Mr. Lv Pingbo  
Mr. Cai Chun Fai

### SUPERVISORS

Mr. Gao Zhiqiang (*Chairman*)  
Mr. Li Wanlin  
Mr. Liu Zhenlong

### JOINT COMPANY SECRETARIES

Mr. Huang Mingqiang  
Ms. Ng Sau Mei (resigned on 3 September 2025)  
Ms. Au Ching (appointed on 3 September 2025)

### AUTHORIZED REPRESENTATIVES

Ms. Xu Liping  
Ms. Ng Sau Mei (resigned on 3 September 2025)  
Ms. Au Ching (appointed on 3 September 2025)

### AUDIT COMMITTEE

Mr. Cai Chun Fai (*Chairman*)  
Ms. Pan Anran  
Mr. Lv Tingjie

### NOMINATION COMMITTEE

Ms. Xu Jili (*Chairwoman*)  
Mr. Lv Pingbo  
Mr. Cai Chun Fai

### REMUNERATION AND ASSESSMENT COMMITTEE

Mr. Cai Chun Fai (*Chairman*)  
Ms. Xu Liping  
Mr. Lv Pingbo

### STRATEGY COMMITTEE

Ms. Xu Jili (*Chairwoman*)  
Ms. Xu Liping  
Mr. Liu Donghai  
Mr. Xie Hui  
Mr. Jia Zhaojie

### LEGAL ADVISERS

As to Hong Kong law:  
Bird & Bird  
6/F, The Annex, Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong

As to PRC law:  
Zhong Lun Law Firm  
22-24/F and 27-31/F, South Tower of CP Center  
20 Jinhe East Avenue  
Chaoyang District  
Beijing  
PRC

### REGISTERED OFFICE

Room 24603, 46th Floor  
-4 to 45th Floor 101  
Building 1, No. 20 Courtyard, Lize Road  
Fengtai District  
Beijing  
PRC



## CORPORATE INFORMATION *(Continued)*

### HEADQUARTER

Room 24603, 46th Floor  
-4 to 45th Floor 101  
Building 1, No. 20 Courtyard, Lize Road  
Fengtai District  
Beijing  
PRC

### PRINCIPAL BANKS

China Minsheng Banking Corp., Ltd.  
China Merchants Bank Co., Ltd.  
China Citic Bank Corporation Limited  
Ping An Bank Co., Ltd.  
Bank of Communications Co., Ltd.

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F., Tower Two, Times Square  
1 Matheson Street  
Causeway Bay  
Hong Kong

### H SHARE REGISTRAR

Computershare Hong Kong Investor Services  
Limited  
Shops 1712-1716, 17/F  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### STOCK CODE

6188

### COMPANY'S WEBSITE

[www.dixintong.com](http://www.dixintong.com)

### AUDITOR

Ernst & Young  
*Certified Public Accountants*  
27/F, One Taikoo Place  
979 King's Road, Quarry Bay  
Hong Kong

## FINANCIAL HIGHLIGHTS

	For the six months ended 30 June	
	2025	2024
	Unaudited	Unaudited
	RMB'000	RMB'000
<b>Consolidated Statement of Profit or Loss</b>		
Revenue	8,219,463	9,535,821
Gross profit	298,506	334,270
(Loss) for the period	(73,422)	(29,077)
Attributable to:		
Owners of the parent	(76,644)	(29,267)
Non-controlling interests	3,222	190
(Loss) per share attributable to ordinary equity holders of the parent		
– Basic and diluted (RMB/share)	(0.09)	(0.03)
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX</b>	51	(4,690)
<b>TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD</b>	(73,371)	(33,767)
Attributable to:		
Owners of the parent	(76,593)	(33,957)
Non-controlling interests	3,222	190

## FINANCIAL HIGHLIGHTS *(Continued)*

	<b>30 June 2025 Unaudited RMB'000</b>	<b>31 December 2024 Audited RMB'000</b>
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### Consolidated Statement of Financial Position

Non-current assets	<b>321,629</b>	334,451
Current assets	<b>9,156,442</b>	10,061,524
Total assets	<b>9,478,071</b>	10,395,975
Current liabilities	<b>9,368,314</b>	10,127,462
Total assets less current liabilities	<b>109,757</b>	268,513
Non-current liabilities	<b>91,870</b>	177,255
Net assets	<b>17,887</b>	91,258
Share capital	<b>886,460</b>	886,460
Reserves	<b>(2,283,091)</b>	(2,206,498)
Equity attributable to owners of the parent	<b>(1,396,631)</b>	(1,320,038)
Non-controlling interests	<b>1,414,518</b>	1,411,296

	<b>For the six months ended 30 June 2025 Unaudited RMB'000</b>	<b>2024 Unaudited RMB'000</b>
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### Consolidated Statement of Cash Flows

Net cash flows (used in) operating activities	<b>(73,976)</b>	(89,395)
Net cash flows (used in)/from investing activities	<b>(16,279)</b>	28,740
Net cash flows (used in) financing activities	<b>(1,538,874)</b>	(422,428)
Net (decrease) in cash and cash equivalents	<b>(1,629,129)</b>	(483,083)
Cash and cash equivalents at the beginning of the period	<b>3,309,730</b>	717,266
Cash and cash equivalents at the end of the period	<b>1,680,601</b>	234,183

## MANAGEMENT DISCUSSION AND ANALYSIS

### I. BUSINESS REVIEW

For the six months ended 30 June 2025, the Group sold 1,602,000 mobile handsets, representing a decrease of 871,000 sets or 35.22%, as compared to the sales of 2,473,000 mobile handsets for the same period in 2024. Operating revenue for the first half of 2025 amounted to RMB8,219,463,000, representing a decrease of RMB1,316,358,000 or 13.80%, as compared to that of RMB9,535,821,000 for the same period in 2024. The net loss attributable to owners of the parent of the Company for the six months ended 30 June 2025 amounted to RMB76,644,000, representing an increase in loss of RMB47,377,000 or 161.88%, as compared to the net loss attributable to owners of the parent of the Company of RMB29,267,000 for the same period of 2024. The increase in loss was mainly attributable to intensified competition in the 3C industry and market, resulting in a decrease in the overall gross profit of the Group.

### II. FINANCIAL POSITION AND OPERATING RESULTS

#### (I) Overview

For the six months ended 30 June 2025, the Group recorded a net loss of RMB73,422,000, as compared to a net loss of RMB29,077,000 for the same period in 2024, representing a period-on-period increase in loss of 152.51%, among which, the net loss attributable to owners of the parent of the Company for the six months ended 30 June 2025 amounted to RMB76,644,000, representing a period-on-period increase in loss of RMB47,377,000 or 161.88%, as compared to the net loss attributable to owners of the parent of the Company of RMB29,267,000 for the same period in 2024. The basic loss per share amounted to RMB0.09/share, representing an increase in loss of RMB0.06/share, as compared to a basic loss per share of RMB0.03/share for the same period of last year.

#### 1. Operating revenue

The Group's operating revenue for the six months ended 30 June 2025 amounted to RMB8,219,463,000, representing a decrease of RMB1,316,358,000, or 13.80%, as compared to that of RMB9,535,821,000 for the same period in 2024. The decrease in operating revenue was mainly due to the decline in sales in both retail and wholesale business as well as a decline in sales to franchisees. Our sales of mobile telecommunications devices and accessories include (i) sales in our retail business; (ii) sales in our franchise business; and (iii) sales in our wholesale business. Revenue from our retail business includes revenue from sales of mobile telecommunications devices and accessories in our independent stores, store-in-store outlets, stores in cooperation with the mobile carriers, and online sales platforms. Revenue from our franchise business includes revenue from sales of mobile telecommunications devices and accessories to our franchisees. Revenue from our wholesale business includes revenue from sales of mobile telecommunications devices and accessories we distribute to mobile carriers and other third-party retailers.

The Group's revenue from sales of mobile telecommunications devices and accessories amounted to RMB7,234,052,000 for the six months ended 30 June 2025, representing a decrease of RMB1,875,753,000 or 20.59%, as compared with that of RMB9,109,805,000 for the same period in 2024.



The Group's revenue from sales of photovoltaic equipment for the six months ended 30 June 2025 amounted to RMB665,487,000, representing an increase of RMB606,344,000, or 1,025.22%, as compared with the revenue of RMB59,143,000 from sales of photovoltaic equipment for the six months ended 30 June 2024.

The Group's service income from mobile carriers amounted to RMB117,179,000 for the six months ended 30 June 2025, representing an increase of RMB5,601,000 or 5.02%, as compared with that of RMB111,578,000 for the same period in 2024.

The Group's revenue from provision of online and offline sales and marketing services and other services for the six months ended 30 June 2025 amounted to RMB202,745,000 in total, representing a decrease of RMB16,717,000, or 7.62%, as compared with those of RMB219,462,000 in total for the six months ended 30 June 2024. Among which, revenue from other services decreased by RMB10,351,000, which was mainly attributable to the decrease in revenue from services provided to government and enterprise business during the six months ended 30 June 2025. In the future, the Company will expand its channel advantages in an all-round way to provide sales services to more customers.

### 2. *Cost of sales*

The Group's cost of sales for the six months ended 30 June 2025 amounted to RMB7,920,957,000, representing a decrease of RMB1,280,594,000, or 13.92%, as compared to that of RMB9,201,551,000 for the same period in 2024, which was in line with the decrease in the operating revenue.

### 3. *Gross profit and gross profit margin*

The Group's gross profit for the six months ended 30 June 2025 amounted to RMB298,506,000, representing a decrease of RMB35,764,000, or 10.70%, as compared to that of RMB334,270,000 for the same period in 2024. Our overall gross profit margins for the six months ended 30 June 2024 and 2025 were 3.51% and 3.63%, respectively. Our overall gross profit margins remained stable.

### 4. *Other income and gains*

Other income and gains include (i) interest income; (ii) government grants; and (iii) others. The Group's other income and gains for the six months ended 30 June 2025 amounted to RMB42,697,000, representing an increase of RMB13,572,000, or 46.60%, as compared to that of RMB29,125,000 for the same period in 2024. The increase in other income and gains was mainly due to the increase in interest income during the period.

### 5. *Selling and distribution expenses*

The Group's total selling and distribution expenses for the six months ended 30 June 2025 amounted to RMB211,827,000, representing an increase of RMB17,494,000, or 9.00%, as compared to that of RMB194,333,000 for the same period in 2024. The increase in selling and distribution expenses was due to the increase in marketing staff costs and rental expenses attributable to the new stores.

### 6. *Administrative expenses*

The Group's total administrative expenses for the six months ended 30 June 2025 amounted to RMB87,414,000, representing a decrease of RMB8,803,000, or 9.15%, as compared to that of RMB96,217,000 for the same period in 2024. The decrease in administrative expenses was due to an improvement in efficiency and reducing cost of administrative staff.

### 7. *Finance costs*

The Group's total finance costs for the six months ended 30 June 2025 amounted to RMB96,104,000, representing an increase of RMB19,625,000, or 25.66%, as compared to that of RMB76,479,000 for the same period in 2024. The increase in finance costs was due to the increase in bank borrowings.

### 8. *Other expenses*

Our other expenses mainly include impairment of inventories and losses from store closures. The Group's other expenses for the six months ended 30 June 2025 amounted to RMB2,269,000, as compared to that of RMB-342,000 for the same period in 2024. The increase in other expenses was mainly due to losses from store closures.

### 9. *Income tax expense*

The Group's total income tax expense for the six months ended 30 June 2025 amounted to RMB1,201,000, representing a decrease of RMB332,000, or 21.66%, as compared to that of RMB1,533,000 for the same period in 2024. The decrease in income tax expense was mainly due to the utilisation of tax losses brought forward from prior years by certain profit-making subsidiaries of the Group.

10. *Indebtedness – bank and other borrowings*

As at 30 June 2025, our bank borrowings were primarily bank loans which were short term in nature. The following table sets forth our outstanding borrowings as at the dates indicated:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
<b>Current</b>		
Bank loans:		
Unsecured, repayable within one year	1,547,550	1,396,893
Secured, repayable within one year	3,277,300	1,563,200
Other loans:		
Unsecured, repayable within one year	–	80,000
Secured, repayable within one year	–	622,000
	<b>4,824,850</b>	<b>3,662,093</b>
<b>Long-term</b>		
Unsecured, repayable after one year	–	72,800
<b>Total</b>	<b>4,824,850</b>	<b>3,734,893</b>

(II) *Capital expenditure*

For the six months ended 30 June 2025, the Group's capital expenditure amounted to RMB27,892,000, which was mainly attributable to the acquisition of fixed assets and store renovation expenditure.

## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### (III) Key financial ratios

The following table sets out our current ratio, gearing ratio and net debt-to-equity ratio as at the dates indicated:

Items	As at 30 June 2025	As at 31 December 2024	Change	Percentage of change
Current ratio	<b>0.98</b>	0.99	(0.01)	(1.01%)
Gearing ratio	<b>99.72%</b>	98.31%	1.41%	1.43%
Net debt-to-equity ratio	<b>17,578.40%</b>	465.89%	17,112.51%	3,673.08%

Current ratio is current assets divided by current liabilities at the end of each financial period. As at 30 June 2025, our current ratio was 0.98, representing a decrease of 0.01, or 1.01%, as compared to that of 0.99 as at 31 December 2024.

Gearing ratio is net debt divided by the sum of net debt and total equity at the end of each financial period and multiplied by 100%. Net debt includes interest-bearing bank and other borrowings, lease liabilities, etc., less cash and cash equivalents. As at 30 June 2025, our gearing ratio was 99.72%, representing an increase of 1.41 percentage points, or 1.43%, as compared to that of 98.31% as at 31 December 2024. The increase was mainly due to the increase in net debt.

Net debt-to-equity ratio equals net bank debt divided by total equity at the end of the each financial period and multiplied by 100%. As at 30 June 2025, our net debt-to-equity ratio was 17,578.40%, representing an increase of 17,112.51 percentage points, or 3,673.08%, as compared to that of 465.89% as at 31 December 2024. The increase was mainly due to the increase in net debt and the decrease in total equity.

### (IV) Material acquisitions and disposals

During the six months ended 30 June 2025, the Group had no material acquisitions and disposals.

### (V) Contingent liabilities

During the six months ended 30 June 2025, the Group had no contingent liabilities.

### (VI) Foreign exchange rate risks

The Group's businesses are mainly located in Mainland China, and the majority of transactions are conducted in Renminbi. Most of the Group's assets and liabilities are denominated in Renminbi. The Group's exposure to foreign currency risk relates to the Group's bank deposits and other receivables denominated in United States dollars and Hong Kong dollars. The Group has not hedged its foreign exchange rate risks.

(VII) Pledge of assets

As at 30 June 2025, the Group had pledged deposits amounting to RMB2,964,052,000 and financial assets at fair value through profit or loss amounting to RMB191,251,000.

(VIII) Material investments

For the six months ended 30 June 2025, the Group had no other material investment.

(IX) Equity arrangements

For the six months ended 30 June 2025, no equity subscription was conducted by the Group. As of the date of this report, no equity scheme was made by the Group.

(X) Share capital

During the six months ended 30 June 2025, there was no change in the Company's share capital structure.

(XI) Material events after the reporting period

*Proposed Abolishment of the Board of Supervisors, Proposed Amendments to the Articles of Associations and the Rules of Procedures*

In accordance with the Company Law of the People's Republic of China, and the Guidelines to the Articles of Association of Listed Companies (《上市公司章程指引》) and Rules for General Meetings of Listed Companies (《上市公司股東會規則》) and other relevant provisions recently revised by the China Securities Regulatory Commission, the responsibilities of the supervisory committee of a listed company will be transferred to the audit committee, and the role of supervisors will no longer be mandatory. In addition, the Consultation Conclusions on Proposals to Further Expand the Paperless Listing Regime and Other Rule Amendments (《建議進一步擴大無紙化上市機制及其他修訂的諮詢總結》), published by the Stock Exchange in January 2025 have adopted the proposals on hybrid general meeting and electronic voting, and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) was amended to require issuers to ensure that their articles of association allow them to hold hybrid general meeting and provide for electronic voting on or before the first annual general meeting held after 1 July 2025.

Accordingly, the Company proposed to (i) abolish the board of supervisors of the Company (the “**Board of Supervisors**”); (ii) amend the articles of association of the Company (the “**Articles of Association**”); and (iii) amend the rules of procedures for the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company and the rules of procedures for the general meeting of the Company to align with the proposed amendments to the Articles of Association (collectively, the “**Proposed Amendments to the Rules of Procedures**”).

## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

The proposed amendments to the Articles of Association and the Proposed Amendments to the Rules of Procedures shall take effect from the date on which the resolutions on, among other things, the abolishment of the Board of Supervisors is considered and approved by the shareholders of the Company at the extraordinary general meeting of the Company.

Save as disclosed above and as of the date of this report, the Group had no material event after 30 June 2025 that is required to be disclosed.

### (XII) Employees and remuneration policy

As at 30 June 2025, the Group had a total of 2,357 employees (30 June 2024: 2,478). Salary expenses and employees' benefit expenses were approximately RMB152,522,000 for the six months ended 30 June 2025 (for the six months ended 30 June 2024: approximately RMB150,521,000). Remunerations for the Group's existing employees include salaries, performance-based bonus, social insurance and housing provident fund. The Group has also conducted various trainings for employees, including professional qualification training, product and business information training, and management skills training, which are conducted mainly in three ways through online learning, seminars and conferences and skill-specific training programmes.

## III. BUSINESS OUTLOOK FOR THE SECOND HALF OF 2025

Year 2025 will be a pivotal year for Digital Telecom to deepen and solidify its core business foundation while accelerating innovation-driven transformation. Amid market challenges including tightening manufacturer channel controls and declining operator remuneration policies, the Company will remain committed to deepening its presence in the 3C industry and cultivating new business growth momentums. By leveraging national subsidy policies, we will capitalise on our nationwide channel network advantages, continuously improve refined management practices, and thereby ensure the attainment of our annual objectives:

### I. Deepening channel synergy and consolidating the foundation of the core retail business

In terms of the offline retail business, the Company will formulate mid-to-long-term regional development strategies based on brand-specific "Allied Quality Dealers" policies and our operational realities, expediting structural upgrades to core stores while enhancing operational efficiency and increasing the percentage of profitable stores. In terms of the online retail business, under the operational strategy of "securing authorisations, expanding channels, and increasing product categories", we will continue to strengthen cooperation with platforms such as JD.com, Douyin and Kuaishou. Simultaneously, we will proactively explore local government subsidy resources and systematically expand authorisation for product categories enjoying national subsidy. In terms of the private domain development, the Company will focus on membership value and user operations, developing and enhancing service systems to strengthen stores' government-subsidized vehicle sales capabilities and internal management, while increasing conversion and repurchase rates to establish an integrated online-offline operations infrastructure.

### II. Focusing on the core priorities to build a value ecosystem

Digital Telecom remains committed to its mobile phone business as the core while deeply exploring the opportunities of derivative businesses in the industrial chain: On the channel front, we will deepen collaborations with brands like Huawei, Honor, and Xiaomi, jointly develop marketing plans and implement enhanced performance tracking for core products to secure an active premium policy support from manufacturers. Regarding the supply chain, we will fully leverage our strengths in supply chains to overcome challenges in brand channel management and control, expand IoT product categories including PCs, smart home appliances, and AI hardware, and empower our subsidiaries in different business operations. To deepen post-market services, we will optimise digital platforms to enhance recycling conversion rates, refine operations in value-added services like repair and insurance to foster user loyalty, and explore new revenue streams.

### III. Strategically analyzing market trends and deploying new energy initiatives

Based on the household photovoltaic business which has developed steadily through its early pilot projects, the Group will actively respond to industry policy fluctuations, flexibly adjust partnership strategies, and collaborate with brand manufacturers to explore community projects and operation and maintenance opportunities while optimising project operation models. The Group will also expand its business footprint and enter into both the commercial and industrial photovoltaic market in due course.

Regarding the photovoltaic supply chain business, the Group will leverage its professional expertise and channel resources to deepen cooperation with industry leaders in the photovoltaic supply chain sector, promoting multi-channel and multi-dimensional development of its new energy business.

### IV. Advancing lean management practices and enhancing operational quality and efficiency

Digital Telecom will continue to comprehensively implement cost reduction and efficiency enhancement initiatives. On one front, we will, through optimising inventory management and other full-process control mechanisms across the supply chain, minimise inventory backlog and capital occupation and strengthen supply chain control. On another front, we will, through refining budget management, cost accounting, and performance allocation mechanisms, enhance financial management's support and monitoring capabilities for business operations while precisely improve resource allocation efficiency, in order to further strengthen the integration of business and finance. By remaining committed to elevating refined management standards, Digital Telecom will persistently develop our risk management system to strictly control operational risks. At the same time, we will continuously deepen digital system functionalities to empower operational management upgrades and drive dual improvements in operational efficiency and effectiveness. These concerted efforts are expected to provide robust safeguards for achieving all corporate objectives.

## OTHER INFORMATION

### INTERIM DIVIDEND

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

### DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of the Directors, supervisors (the “**Supervisor(s)**”) and chief executive of the Company (the “**Chief Executive(s)**”) in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules were as follows:

Interests in the Company:

Name of Director	Type of shares	Nature of interests	Number of shares/ underlying shares held (long position/ short position/ lending pool)	Percentage of the relevant class of share capital (%) (Note 1)	Percentage of the total share capital (%) (Note 1)
Liu Donghai (Note 2)	Domestic Shares	Interest of controlled corporation	168,362,098 (long position)	49.86	18.99
		Person acting in concert	169,337,902 (long position)	50.14	19.10

Notes:

1. The percentage is calculated with the total number of 886,460,400 shares of the Company in issue as at 30 June 2025, comprising 337,700,000 domestic shares of the Company (the “**Domestic Shares**”) and 548,760,400 H shares of the Company (the “**H Shares**”).



## OTHER INFORMATION *(Continued)*

2. As at 30 June 2025, Digital Science & Technology Group Limited (“**Digital Science & Technology**”) directly held 168,362,098 Domestic Shares, and Liu Donghai, Liu Songshan, Liu Hua, Liu Wencui, Liu Yongmei and Liu Wenli (collectively, the “**Liu Family**”) jointly held the entire equity interest in Digital Science & Technology. Accordingly, pursuant to the SFO, the Liu Family were deemed to be interested in 168,362,098 Domestic Shares held by Digital Science & Technology.

In addition, Beijing Di Er Tong Consulting Company Limited (“**Di Er Tong**”) and Digital Science & Technology, together with the Liu Family, entered into an acting-in-concert agreement (the “**Original Concert Party Agreement**”) with Zhuhai Huafa Technology Industry Group Co., Ltd. (“**Huafa Technology Industry Group**”, formerly known as Zhuhai Huafa Industrial Investment Holding Co., Ltd.) on 29 January 2021. The term of the Original Concert Party Agreement expired on 7 April 2024. On 8 April 2024, Huafa Technology Industry Group, Digital Science & Technology and Liu Donghai entered into a three-year acting-in-concert agreement (the “**New Concert Party Agreement**”), pursuant to which Digital Science & Technology and Liu Donghai agreed to continue to take concerted action with and act in accordance with the will of Huafa Technology Industry Group in relation to any shares in the Company that Digital Science & Technology and/or Liu Donghai held directly or indirectly for certain matters of the Company. In addition, Digital Science & Technology will continue to entrust the voting rights in respect of its 168,362,098 Domestic Shares in the Company held by Digital Science & Technology to Huafa Technology Industry Group during the term of the New Concert Party Agreement. The New Concert Party Agreement became effective on 8 April 2024, and Di Er Tong, Liu Songshan, Liu Hua, Liu Wencui, Liu Yongmei and Liu Wenli ceased to be parties acting in concert under the New Concert Party Agreement. Accordingly, pursuant to the SFO, Liu Donghai was deemed to be interested in 169,337,902 Domestic Shares held by Huafa Technology Industry Group.

Save as disclosed above, as at 30 June 2025, none of the Directors, Supervisors and Chief Executive had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, to the knowledge of the Directors, the following persons (other than the Directors, Supervisors and Chief Executive) had interests and short positions in the shares or underlying shares which fell to be noticed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and were recorded in the register to be kept by the Company pursuant to Section 336 of the SFO:

Name of shareholder	Type of shares	Nature of interests	Number of shares/ underlying shares held (long position/ short position/ lending pool)	Percentage of the relevant class of share capital (%) (Note 1)	Percentage of the total share capital (%) (Note 1)
Liu Yongmei (Note 2)	Domestic Shares	Interest of controlled corporation	168,362,098 (long position)	49.86	18.99
		Person acting in concert	169,337,902 (long position)	50.14	19.10
Liu Hua (Note 2)	Domestic Shares	Interest of controlled corporation	168,362,098 (long position)	49.86	18.99
		Person acting in concert	169,337,902 (long position)	50.14	19.10

## OTHER INFORMATION *(Continued)*

Name of shareholder	Type of shares	Nature of interests	Number of shares/ underlying shares held (long position/ short position/ lending pool)	Percentage of the relevant class of share capital (%) (Note 1)	Percentage of the total share capital (%) (Note 1)
Liu Wenli (Note 2)	Domestic Shares	Interest of controlled corporation	168,362,098 (long position)	49.86	18.99
		Person acting in concert	169,337,902 (long position)	50.14	19.10
Liu Wencui (Note 2)	Domestic Shares	Interest of controlled corporation	168,362,098 (long position)	49.86	18.99
		Person acting in concert	169,337,902 (long position)	50.14	19.10
Liu Songshan (Note 2)	Domestic Shares	Person acting in concert	337,700,000 (long position)	100.00	38.09
Di Er Tong (Note 2)	Domestic Shares	Person acting in concert	337,700,000 (long position)	100.00	38.09
Digital Science & Technology (Note 2)	Domestic Shares	Beneficial owner	168,362,098 (long position)	49.86	18.99
		Person acting in concert	169,337,902 (long position)	50.14	19.10
Huafa Technology Industry Group (Note 3)	Domestic Shares	Beneficial owner	169,337,902 (long position)	50.14	19.10
		Person acting in concert	168,362,098 (long position)	49.86	18.99
Zhuhai Huafa Group Company Limited (“Zhuhai Huafa”) (Notes 3 and 4)	Domestic Shares	Interest of controlled corporation	337,700,000 (long position)	100.00	38.09
	H Shares	Interest of controlled corporation	327,057,912 (long position)	59.60	36.90
Hong Kong Huafa Investment Holdings Limited (“Hong Kong Huafa”) (Note 4)	H Shares	Interest of controlled corporation	327,057,912 (long position)	59.60	36.90
Dixintong Holdings Company Limited (“Dixintong Holdings”) (Note 4)	H Shares	Beneficial owner	327,057,912 (long position)	59.60	36.90
Dawn Galaxy International Limited (Note 5)	H Shares	Beneficial owner	42,000,000 (long position)	7.65	4.74
YBN Investments Limited (Note 6)	H Shares	Beneficial owner	77,000,000 (long position)	14.03	8.69
YBN International Holdings Limited (Note 6)	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
YBN Holdings Limited (Note 6)	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
Taihe Dali Investment Hongkong Limited (Note 6)	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69

## OTHER INFORMATION *(Continued)*

Name of shareholder	Type of shares	Nature of interests	Number of shares/ underlying shares held (long position/ short position/ lending pool)	Percentage of the relevant class of share capital (%) (Note 1)	Percentage of the total share capital (%) (Note 1)
Wang Wei <i>(Note 6)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
CITIC International Assets Management Limited <i>(Note 6)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
CITIC International Financial Holdings Limited <i>(Note 6)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
China CITIC Bank Corporation Limited <i>(Note 6)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
CITIC Limited <i>(Note 6)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
CITIC Group Corporation <i>(Note 6)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
Unicorn Link Group Limited <i>(Note 7)</i>	H Shares	Beneficial owner	77,000,000 (long position)	14.03	8.69
Xi Yue Cultural Industry Investment Fund L.P. (“Xi Yue Fund L.P.”) <i>(Note 7)</i>	H Shares	Beneficial owner	77,000,000 (long position)	14.03	8.69
Glorious Maple Limited <i>(Note 7)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
Yeung Wan Yiu <i>(Note 7)</i>	H Shares	Interest of controlled corporation	77,000,000 (long position)	14.03	8.69
Vital Vision Limited <i>(Note 7)</i>	H Shares	Beneficial owner	77,000,000 (long position)	14.03	8.69

## OTHER INFORMATION *(Continued)*

### Notes:

1. The percentage is calculated with the total number of 886,460,400 shares of the Company in issue as at 30 June 2025, comprising 337,700,000 Domestic Shares and 548,760,400 H Shares.
2. As at 30 June 2025, Digital Science & Technology directly held 168,362,098 Domestic Shares, and the Liu Family jointly held the entire equity interest in Digital Science & Technology. Accordingly, pursuant to the SFO, the Liu Family are deemed to be interested in 168,362,098 Domestic Shares held by Digital Science & Technology. In addition, Huafa Technology Industry Group, Digital Science & Technology and Liu Donghai entered into the New Concert Party Agreement. Accordingly, pursuant to the SFO, (i) Liu Donghai is deemed to be interested in 168,362,098 Domestic Shares held by Digital Science & Technology and 169,337,902 Domestic Shares held by Huafa Technology Industry Group; and (ii) each of Liu Songshan, Liu Hua, Liu Wencui, Liu Yongmei and Liu Wenli was deemed to be interested in 337,700,000 Domestic Shares held by Digital Science & Technology.

Given that the Original Concert Party Agreement has expired on 7 April 2024, each of Di Er Tong, Liu Songshan, Liu Hua, Liu Wencui, Liu Yongmei and Liu Wenli was no longer a concert party under the New Concert Party Agreement, and Di Er Tong ceased to have a notifiable interest pursuant to Divisions 2 and 3 of Part XV of the SFO as Di Er Tong ceased to be a member of a concert party group under the New Concert Party Agreement. However, as there was no notification by Di Er Tong to cease to have a notifiable interest pursuant to Divisions 2 and 3 of Part XV of the SFO after the relevant event and as recorded in the register to be kept by the Company pursuant to Section 336 of the SFO, Di Er Tong remained registered as a substantial shareholder of the Company as at 30 June 2025.

3. Huafa Technology Industry Group directly held 169,337,902 Domestic Shares. In addition, Huafa Technology Industry Group entered into a New Concert Party Agreement with Digital Science & Technology and Liu Donghai on 8 April 2024. Accordingly, pursuant to the SFO, Huafa Technology Industry Group is deemed to be interested in 168,362,098 Domestic Shares held by Digital Science & Technology. Zhuhai Huafa directly holds 85.69% equity interests in Huafa Technology Industry Group. Accordingly, pursuant to the SFO, Zhuhai Huafa is deemed to be interested in 337,700,000 Domestic Shares held by Huafa Technology Industry Group.
4. On 27 December 2024, due to the need for internal restructuring, Hong Kong Huafa transferred its 327,057,912 H Shares to Dixintong Holdings. Accordingly, Dixintong Holdings directly held a total of 327,057,912 H Shares. Hong Kong Huafa held 100% equity interests in Dixintong Holdings, while Zhuhai Huafa directly held 100% equity interests in Hong Kong Huafa. Accordingly, pursuant to the SFO, as at 30 June 2025, both Hong Kong Huafa and Zhuhai Huafa were deemed to be interested in the 327,057,912 H Shares held by Dixintong Holdings.
5. To the best of the Directors' knowledge after due enquiry, following the closing of the mandatory conditional offer for H Shares on 3 June 2021, Dawn Galaxy International Limited was no longer a substantial shareholder of the Company as it had made a valid acceptance for the offer. However, as there was no notification to cease to have a notifiable interest pursuant to Divisions 2 and 3 of Part XV of the SFO after the relevant event and as recorded in the register to be kept by the Company pursuant to Section 336 of the SFO, Dawn Galaxy International Limited remained registered as a substantial shareholder of the Company as at 30 June 2025.
6. To the best of the Directors' knowledge after due enquiry, as at 30 June 2025, YBN Investments Limited directly held 77,000,000 H Shares. YBN Investments Limited was wholly owned by YBN International Holdings Limited, which was in turn owned as to 70.00% by YBN Holdings Limited. Accordingly, pursuant to the SFO, each of YBN International Holdings Limited and YBN Holdings Limited was deemed to be interested in 77,000,000 H Shares held by YBN Investments Limited.

YBN Investments Limited was directly owned as to approximately 46.75% by CITIC International Assets Management Limited, which was in turn directly owned as to 46.00% by CITIC International Financial Holdings Limited. CITIC International Financial Holdings Limited was a direct wholly-owned subsidiary of China CITIC Bank Corporation Limited, which was in turn directly owned as to approximately 64.75% by CITIC Financial Holdings Co., Ltd. CITIC Financial Holdings Co., Ltd. was indirectly and wholly owned by CITIC Limited through its wholly-owned subsidiary, CITIC Corporation Limited. CITIC Corporation Limited was directly owned as to approximately 25.60% and 27.52% by CITIC Glory Limited and CITIC Polaris Limited, respectively, both of which were the wholly-owned subsidiaries of CITIC Group Corporation. Accordingly, pursuant to the SFO, each of CITIC International Assets Management Limited, CITIC International Financial Holdings Limited, China CITIC Bank Corporation Limited, CITIC Financial Holdings Co., Ltd., CITIC Corporation Limited, CITIC Limited and CITIC Group Corporation was deemed to be interested in 77,000,000 H Shares held by YBN Investments Limited.

## OTHER INFORMATION *(Continued)*

In addition, YBN Holdings Limited was also directly owned as to approximately 38.25% by Taihe Dali Investment Hongkong Limited, which was in turn directly owned as to approximately 55.60% by Wang Wei. Accordingly, pursuant to the SFO, each of Taihe Dali Investment Hongkong Limited and Wang Wei was deemed to be interested in 77,000,000 H Shares held by YBN Investments Limited.

7. To the best of the Directors' knowledge after due enquiry, as at 30 June 2025, Unicorn Link Group Limited directly held 77,000,000 H Shares, and Xi Yue Fund L.P. wholly owns Unicorn Link Group Limited. The limited partner of Xi Yue Fund L.P. is United Wealth Ventures Limited, which is wholly owned by Glorious Maple Limited, which is owned as to 70.00% by Yeung Wan Yiu. The general partner of Xi Yue Fund L.P. is Vital Vision Limited. Accordingly, pursuant to the SFO, Xi Yue Fund L.P., Glorious Maple Limited and Vital Vision Limited are deemed to be interested in 77,000,000 H Shares held by Unicorn Link Group Limited.

Save as disclosed above, as at 30 June 2025, there was no other person (other than the Directors, Supervisors and Chief Executive) to the Directors' knowledge who had any interests or short positions in the shares or underlying shares of the Company which fell to be noticed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or which have been recorded in the register to be kept by the Company pursuant to Section 336 of the SFO.

## PLEDGE OF SHARES BY CONTROLLING SHAREHOLDER

On 28 January 2021, Digital Science & Technology pledged 63,270,000 Domestic Shares (representing approximately 8.60% of the total issued shares of the Company as at 31 December 2020) to Beijing Jingdixin Technology Company Limited ("**Jingdixin**"), an investee company of the Company, as a guarantee for the delivery credit facility of approximately RMB380,000,000 provided by Jingdixin to the Company.

The pledged shares are part of the Domestic Shares which are subject to the entrustment arrangement in accordance with the Original Concert Party Agreement expired on 7 April 2024 and the New Concert Party Agreement signed on 8 April 2024, where Digital Science & Technology has entrusted all Domestic Shares held by it to Huafa Technology Industry Group, a controlling shareholder of the Company, such that Digital Science & Technology and Liu Donghai shall continue to take concerted action with and act in accordance with the will of Huafa Technology Industry Group for certain matters of the Company.

## DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, during the six months ended 30 June 2025, neither the Company nor its subsidiaries was a party to any arrangement that would enable the Directors or the Supervisors to acquire benefits by means of acquisition of any shares or debentures in the Company or any other body corporate, and none of the Directors or the Supervisors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity in or debt securities of the Company or any other body corporate or had exercised any such right.

## CORPORATE GOVERNANCE PRACTICES

The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as its own code of corporate governance. During the six months ended 30 June 2025, save as disclosed below, the Company has complied with all applicable code provisions as set out in the CG Code and adopted most of the recommended best practices.

## OTHER INFORMATION *(Continued)*

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Ms. Xu Jili (“**Ms. Xu**”) serves as the chairwoman and president of the Company. The position of the president has the same roles and responsibilities as the chief executive officer but with a different job title. The Board is of the view that it is appropriate and in the best interests of the Company that Ms. Xu holds both positions as it helps to maintain the operational efficiency of the Company. The Board also meets on a regular basis to review the operations of the Company led by Ms. Xu. Accordingly, the Board believes that such arrangement will not affect the balance of power and authority between the Board and management of the Company. The Company will continue reviewing and enhancing its corporate governance practices to ensure compliance with the CG Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding Directors’ and Supervisors’ securities transactions. Specific enquiries have been made to all Directors and Supervisors, and each of the Directors and Supervisors has confirmed that he/she has complied with the standard requirements set out in the Model Code during the six months ended 30 June 2025.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including any sale of treasury shares). As of 30 June 2025, the Company did not hold any treasury shares.

## AUDIT COMMITTEE

The Board has established an audit committee (the “**Audit Committee**”) currently consisting of two independent non-executive Directors, namely Mr. Cai Chun Fai (chairman) and Mr. Lv Tingjie, and one non-executive Director, namely Ms. Pan Anran.

The Audit Committee, together with the management of the Company, have reviewed the unaudited interim condensed consolidated results of the Group for the six months ended 30 June 2025 and this interim report.

## CHANGES TO INFORMATION IN RESPECT OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

Ms. Xu Jili, an executive Director, stepped down as chairwoman, director, and general manager of Zhuhai Huafa Multi-Business Development Co., Ltd. (珠海華發綜合發展有限公司) (“**Huafa Multi-Business Development**”), a director of Zhuhai Huafa Investment Holdings Group Co., Ltd. (珠海華發投資控股集團有限公司) and chairwoman of Zhuhai Huafa Trade Holdings Limited (珠海華發商貿控股有限公司) (“**Huafa Trade**”) with effect from June 2025.

Ms. Xu Liping, an executive Director, stepped down as a general manager and an executive director of Zhuhai Chuanghua International Trade Co., Ltd. (珠海創華國際商貿有限公司) and Zhuhai Zhihua International Trading Co., Ltd. (珠海致華國際商貿有限公司). She has been appointed as chairwoman of Huafa Trade with effect from June 2025 and a director of Huafa Multi-Business Development with effect from July 2025.

## OTHER INFORMATION *(Continued)*

Mr. Jia Zhaojie, a non-executive Director, stepped down as an executive director and a general manager of Shanghai Zhaohua International Trade Co., Ltd. (上海昭華國際商貿有限公司) and Nantong Yaohua International Trade Co., Ltd. (南通曜華國際商貿有限公司) with effect from May 2025. He has been appointed as a director of Huafa Trade with effect from July 2025.

Ms. Pan Anran, a non-executive Director, has been appointed as a director of Huafa Trade with effect from July 2025.

Save as disclosed above and as at the date of this report, there is no change in any information of the Directors, Supervisors and Chief Executive which was required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## ACKNOWLEDGEMENT

The Company would like to express its sincere gratitude to its customers and shareholders for their continued support and trust, and would like to take this opportunity to thank the Board, the management team and staff of the Group for their outstanding contributions and tireless efforts.

By order of the Board

**Xu Jili**

*Chairwoman*

Beijing, 27 August 2025



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

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
	Notes	Unaudited RMB'000	Unaudited RMB'000
<b>REVENUE</b>	5	<b>8,219,463</b>	9,535,821
Cost of sales		(7,920,957)	(9,201,551)
Gross profit		<b>298,506</b>	334,270
Other income and gains	5	<b>42,697</b>	29,125
Selling and distribution expenses		(211,827)	(194,333)
Administrative expenses		(87,414)	(96,217)
Impairment losses on financial assets		(19,149)	(23,884)
Other expenses		(2,269)	342
Finance costs		(96,104)	(76,497)
Share of profits and losses of:			
Joint ventures		<b>567</b>	(3,886)
Associates		<b>2,772</b>	3,518
<b>LOSS BEFORE TAX</b>	6	<b>(72,221)</b>	(27,544)
Income tax expense	7	(1,201)	(1,533)
<b>LOSS FOR THE PERIOD</b>		<b>(73,422)</b>	(29,077)
Attributable to:			
Owners of the parent		(76,644)	(29,267)
Non-controlling interests		<b>3,222</b>	190
		<b>(73,422)</b>	(29,077)
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted (RMB/share)			
For loss for the period	8	<b>(0.09)</b>	(0.03)



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	Unaudited	Unaudited
	RMB'000	RMB'000
<b>(LOSS) FOR THE PERIOD</b>	<b>(73,422)</b>	<b>(29,077)</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Share of other comprehensive income/(loss) of a joint venture	<b>51</b>	<b>(4,666)</b>
Exchange differences on translation of foreign operations	<b>—</b>	<b>(24)</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX</b>	<b>51</b>	<b>(4,690)</b>
<b>TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD</b>	<b>(73,371)</b>	<b>(33,767)</b>
Attributable to:		
Owners of the parent	<b>(76,593)</b>	<b>(33,957)</b>
Non-controlling interests	<b>3,222</b>	<b>190</b>
	<b>(73,371)</b>	<b>(33,767)</b>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		30 June 2025 Unaudited RMB'000	31 December 2024 Audited RMB'000
	Notes		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	49,207	46,987
Right-of-use assets		176,400	194,829
Other intangible assets		1,852	1,857
Investments in joint ventures		31,998	29,174
Investments in associates		39,215	38,647
Equity investments designated at fair value through other comprehensive income		22,957	22,957
Total non-current assets		321,629	334,451
<b>CURRENT ASSETS</b>			
Inventories		441,834	386,526
Trade and bills receivables	10	1,618,952	1,510,741
Prepayments, other receivables and other assets		1,296,387	1,363,993
Financial assets at fair value through profit or loss		191,251	204,466
Due from related parties	17	963,365	1,150,994
Pledged deposits	11	2,964,052	2,135,073
Cash and cash equivalents	11	1,680,601	3,309,731
Total current assets		9,156,442	10,061,524
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	13	324,131	927,001
Other payables and accruals		755,977	470,484
Interest-bearing bank and other borrowings	12	4,824,850	3,662,093
Lease liabilities		91,113	95,162
Due to related parties	17	3,345,493	4,946,004
Tax payable		26,750	26,718
Total current liabilities		9,368,314	10,127,462
<b>NET CURRENT LIABILITIES</b>		<b>(211,872)</b>	<b>(65,938)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>109,757</b>	<b>268,513</b>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

30 June 2025

		30 June 2025 Unaudited RMB'000	31 December 2024 Audited RMB'000
	Notes		
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings	12	–	72,800
Deferred tax liabilities		842	842
Lease liabilities		91,028	103,613
Total non-current liabilities		91,870	177,255
<b>NET ASSETS</b>		17,887	91,258
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent:</b>			
Issued capital	14	886,460	886,460
Reserves		(2,283,091)	(2,206,498)
		(1,396,631)	(1,320,038)
<b>Non-controlling interests</b>		1,414,518	1,411,296
<b>TOTAL EQUITY</b>		17,887	91,258

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent								Non-controlling interests	Total equity
	Share capital	Capital reserve	Share-based payment reserve	Statutory reserve funds	Retained profits	Fair value reserve of financial assets at fair value through other comprehensive income	Exchange fluctuation reserve	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Six months ended 30 June 2025:</b>										
At 31 December 2024 (Audited)	886,460	736,429	25,295	313,765	(3,223,779)	(36,489)	(21,719)	(1,320,038)	1,411,296	91,258
(Loss) for the period	–	–	–	–	(76,644)	–	–	(76,644)	3,222	(73,422)
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations	–	–	–	–	–	–	–	–	–	–
Share of other comprehensive income of a joint venture	–	–	–	–	–	–	51	51	–	51
Total comprehensive (loss) for the period	–	–	–	–	(76,644)	–	51	(76,593)	3,222	(73,371)
At 30 June 2025 (Unaudited)	886,460	736,429	25,295	313,765	(3,300,423)	(36,489)	(21,668)	(1,396,631)	1,414,518	17,887

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the six months ended 30 June 2025

	Attributable to owners of the parent									
	Share capital	Capital reserve	Share-based payment reserve	Statutory reserve funds	Retained profits	Fair value reserve of financial assets at fair value through other comprehensive income	Exchange fluctuation reserve	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Six months ended 30 June 2024:</b>										
At 31 December 2023 (Audited)	886,460	750,806	25,295	313,765	(1,849,637)	(38,707)	(17,370)	70,612	(26,632)	43,980
(Loss) for the period	–	–	–	–	(29,267)	–	–	(29,267)	190	(29,077)
Other comprehensive (loss) for the period:										
Exchange differences on translation of foreign operations	–	–	–	–	–	–	(24)	(24)	–	(24)
Share of other comprehensive (loss) of a joint venture	–	–	–	–	–	–	(4,666)	(4,666)	–	(4,666)
Total comprehensive (loss) for the period	–	–	–	–	(29,267)	–	(4,690)	(33,957)	190	(33,767)
At 30 June 2024 (Unaudited)	886,460	750,806	25,295	313,765	(1,878,904)	(38,707)	(22,060)	36,655	(26,442)	10,213

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	Unaudited RMB'000	Unaudited RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) before tax	(72,221)	(27,544)
Adjustments for:		
Finance costs	96,104	76,479
Interest income	(36,304)	(14,605)
Share of profits and losses of joint ventures and associates	(3,339)	329
Impairment and write-down of trade receivables	11,725	14,739
Impairment and write-down of other receivables	10,399	6,219
(Reversal)/impairment of amounts due from related parties	(2,975)	2,926
(Reversal) of inventories	(129)	(5,159)
Fair value (gain) on financial assets at fair value through profit or loss	(1,251)	(3,147)
Depreciation of property, plant and equipment	7,663	7,064
Depreciation of right-of-use assets	58,749	56,028
Amortisation of intangible assets	209	305
Foreign exchange (gain)	—	(3,138)
(Increase) in trade and bills receivables	(120,167)	(140,537)
Decrease/(increase) in prepayments, other receivables and other assets	141,304	(208,040)
(Increase) in inventories	(55,437)	(142,114)
(Decrease)/increase in trade and bills payables	(504,729)	200,200
Increase in other payables and accruals	303,411	153,036
Decrease/(increase) in amounts due from related parties	104,724	(61,502)
(Decrease)/increase in amounts due to related parties	(10,511)	678
Cash (used in) operations	(72,775)	(87,783)
Income tax paid	(1,201)	(1,612)
<b>NET CASH FLOWS (USED IN) OPERATING ACTIVITIES</b>	<b>(73,976)</b>	<b>(89,395)</b>

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	Unaudited	Unaudited
	RMB'000	RMB'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of items of property, plant and equipment	(27,892)	(2,277)
Proceeds from disposal of items of property, plant and equipment	362	87
Sale of financial products by bank	10,000	22,053
Interest received	1,251	8,877
<b>NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>(16,279)</b>	<b>28,740</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New bank loans	4,309,790	4,226,319
Loan from related parties	693,000	887,402
(Increase) in pledged deposits	(1,044,596)	(674,574)
Repayment of bank loans and other borrowings	(3,060,723)	(3,789,305)
Repayment of loan from related parties	(2,283,000)	(935,709)
Principal portion of lease payments	(60,534)	(60,047)
Interest paid	(92,811)	(76,514)
<b>NET CASH FLOWS (USED IN) FINANCING ACTIVITIES</b>	<b>(1,538,874)</b>	<b>(422,428)</b>
<b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,629,129)</b>	<b>(483,083)</b>
Cash and cash equivalents at the beginning of the period	3,309,730	717,266
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1,680,601</b>	<b>234,183</b>

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

## 1. CORPORATE AND GROUP INFORMATION

The Company is a joint stock company with limited liability established in the People's Republic of China (the "PRC"). The registered office of the Company is located at Room 24603, 46th Floor, -4 to 45th Floor 101, Building 1, No. 20 Courtyard, Lize Road, Fengtai District, Beijing, the PRC.

The Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in the sales of mobile telecommunications devices and accessories and the provision of related services.

In the opinion of the directors of the Company, before Zhuhai Huafa Technology Industry Group Co., Ltd. (formerly known as Zhuhai Huafa Industrial Investment Holding Co., Ltd.) and Hong Kong Huafa Investment Holdings Limited (collectively referred to as "Huafa Group") became the controlling shareholders of the Company, the former controlling shareholders of the Company were Mr. Liu Donghai, Mr. Liu Songshan, Ms. Liu Hua, Ms. Liu Wencui, Ms. Liu Yongmei and Ms. Liu Wenli, who are siblings (the "Liu Family"). Huafa Group acquired 67.77% of the Company's equity interests from the Liu Family and other minority shareholders in 2021, and under a concert party agreement with the Liu Family, controlled a total voting rights of 90.76% of the Company therefrom.

During the reporting period, Huafa Group held approximately 56.00% of the Company's equity interests in total, and together with a concert party agreement entered into between Zhuhai Huafa Technology Industry Group Co., Ltd., Digital Science & Technology Group Limited and Mr. Liu Donghai on 8 April 2024, jointly controlled approximately 74.99% of the total voting rights of the Company.

## 2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

## 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21

*Lack of Exchangeability*

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.



30 June 2025

#### 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments which are:

- 1) Traditional-based operation – mobile-related: the sales of mobile telecommunications devices and accessories and related services; and
- 2) New developed operation – others: the sales of vehicles, photovoltaic equipment and others.

##### Information about major customers

During the reporting period, the Group had no customers from whom the revenue was earned individually contributing to more than 10% of the Group's total revenue for the reporting period.

#### 5. REVENUE, OTHER INCOME AND GAINS

##### (a) Revenue

An analysis of revenue is as follows:

##### Segments

	For the six months ended	
	30 June	
	2025	2024
	Unaudited	Unaudited
	RMB'000	RMB'000
<b>Types of goods or services</b>		
Sales of mobile telecommunications devices and accessories	7,234,052	9,109,805
Including:		
Retail of mobile telecommunications devices and accessories	1,794,662	2,422,652
Sales of telecommunications devices and accessories to franchisees	140,858	244,983
Wholesales of mobile telecommunications devices and accessories	5,298,532	6,442,170
Sales of photovoltaic equipment	665,487	59,143
Sales of vehicles	–	35,833
Service income from mobile carriers	117,179	111,578
Revenue from provision of online and offline sales and marketing services*	51,747	58,113
Other service fee income	150,998	161,349
Total revenue from contracts with customers	8,219,463	9,535,821

\* The Group generated service income for providing services to Huafa Group.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

30 June 2025

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### (a) Revenue (Continued)

An analysis of revenue is as follows: (Continued)

##### Segments (Continued)

	For the six months ended 30 June	
	2025	2024
	Unaudited RMB'000	Unaudited RMB'000
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	7,899,539	9,204,781
Services transferred over time	319,924	331,040
Total revenue from contracts with customers	8,219,463	9,535,821
<b>Geographical market</b>		
Mainland China	8,219,463	9,535,821
Total revenue from contracts with customers	8,219,463	9,535,821

#### (b) Other income and gains

	For the six months ended 30 June	
	2025	2024
	Unaudited RMB'000	Unaudited RMB'000
<b>Other income</b>		
Interest income	36,304	14,605
Government grants (Note (a))	2,507	3,617
Others	3,886	10,903
	42,697	29,125

Note (a): The amount represents grants received from local PRC government authorities by the Group's subsidiaries in connection with certain financial subsidies and tax refunds to support local businesses. There are no unfulfilled conditions and other contingencies attached to the government grants.

30 June 2025

**6. LOSS BEFORE TAX**

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

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Cost of inventories sold and services provided	7,920,957	9,201,551
Depreciation of property, plant and equipment	7,663	7,065
Amortisation of intangible assets	209	305
Depreciation of right-of-use assets	58,749	56,027
Interest on lease liabilities	4,665	4,019
Impairment of financial assets:		
Impairment and write-down of trade receivables	11,725	14,739
Impairment and write-down of other receivables	10,399	6,219
(Reversal)/impairment of amounts due from related parties	(2,975)	2,926
Fair value gain on financial assets at fair value through profit or loss	(1,251)	(3,147)
Impairment/(reversal) of inventories	129	(516)
Loss on disposal of property, plant and equipment	153	13

**7. INCOME TAX**

The provision for current income tax is based on a statutory rate of 25% of the assessable profits of the Group as determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008, except for Sichuan Yijialong Communication Technology Chain Co., Ltd., a subsidiary of the Company, which was subject to tax at preferential rate of 15% for the six months ended 30 June 2025. The major components of income tax expense are as follows:

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>Unaudited</b>	<b>Unaudited</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Current:		
Charge for the period	1,201	1,612
Deferred tax	—	(79)
Total tax expense for the period	1,201	1,533

*Note:* For losses in the prior period, tax credit is recognised up to the recoverable amount which represent unpaid tax provision brought forward. No deferred tax assets and accordingly tax credit was recognized for the losses in excess of the amount in the prior period. In the opinion of the directors, it is not probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized.

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

The calculation of the basic loss per share amount is based on the loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the reporting periods.

The Group had no potentially dilutive ordinary shares in issue during the reporting periods. The calculation of the basic loss per share is based on:

	For the six months ended 30 June	
	2025	2024
	Unaudited RMB'000	Unaudited RMB'000
<b>Loss</b>		
Loss attributable to ordinary equity holders of the parent used in the basic loss per share calculation	(76,644)	(29,267)
	Number of shares	
	2025	2024
<b>Shares</b>		
Weighted average number of ordinary shares	886,460,400	886,460,400

## 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment with a cost of RMB27,892,000 (for the six months ended 30 June 2024: RMB17,476,000).

Property, plant and equipment with a net book value of RMB515,000 were disposed of by the Group during the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB194,000), resulting in a net loss on disposal of RMB153,000 (for the six months ended 30 June 2024: a net loss on disposal of RMB35,000).

30 June 2025

**10. TRADE AND BILLS RECEIVABLES**

	<b>30 June 2025 Unaudited RMB'000</b>	<b>31 December 2024 Audited RMB'000</b>
Trade receivables	<b>2,733,484</b>	2,732,370
Bills receivable	<b>122,673</b>	3,620
Less: impairment of trade receivables	<b>(1,237,205)</b>	(1,225,249)
	<b>1,618,952</b>	1,510,741

The Group grants different credit periods to customers. The Group's retail sales to consumers are cash sales. Credit periods are offered to customers of volume sales of telecommunications devices and accessories. The credit periods offered to customers of volume sales are considered on a case-by-case basis.

The Group maintains strict control over and closely monitors its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An ageing analysis of the balance of trade and bills receivables as at the end of the reporting periods, based on the invoice date and net of provisions, is as follows:

	<b>30 June 2025 Unaudited RMB'000</b>	<b>31 December 2024 Audited RMB'000</b>
Within 90 days	<b>178,306</b>	351,596
91 to 180 days	<b>280,573</b>	331,957
Over 180 days	<b>1,160,073</b>	827,188
	<b>1,618,952</b>	1,510,741

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

30 June 2025

### 11. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprised of the following:

	30 June 2025 Unaudited RMB'000	31 December 2024 Audited RMB'000
Cash and bank balances	1,680,601	3,309,731
Pledged time deposits	2,964,052	2,135,073
	<b>4,644,653</b>	<b>5,444,804</b>
Less: Pledged time deposits		
Pledged for bank borrowings	—	40,000
Pledged for bank acceptance notes	2,325,722	2,093,532
Other pledged deposits	638,330	1,541
	<b>1,680,601</b>	<b>3,309,731</b>
Cash and cash equivalents, denominated in RMB	<b>1,680,601</b>	<b>3,309,731</b>

30 June 2025

**12. INTEREST-BEARING BANK AND OTHER BORROWINGS**

	<b>30 June 2025 Unaudited RMB'000</b>	<b>31 December 2024 Audited RMB'000</b>
<b>Current</b>		
<b>Bank loans:</b>		
Unsecured, repayable within one year	<b>1,547,550</b>	1,396,893
Secured, repayable within one year	<b>3,277,300</b>	1,563,200
<b>Other loans:</b>		
Unsecured, repayable within one year	—	80,000
Secured, repayable within one year	—	622,000
	<b>4,824,850</b>	<b>3,662,093</b>
<b>Non-current</b>		
Unsecured, repayable after one year	—	72,800
	<b>4,824,850</b>	<b>3,734,893</b>

*Note (a):* The bank and other loans bear interest at rates ranging from 1.30% to 3.60% (2024: 1.08% to 4.50%) per annum.

*Note (b):* The Group's bank loans are secured by pledged deposits, which had an aggregate carrying value of RMB2,964,052,000 (2024: RMB2,133,532,000), and financial assets at fair value through profit or loss, which had a carrying value of RMB191,251,000 (2024: RMB201,466,000).

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

30 June 2025

### 13. TRADE AND BILLS PAYABLES

	30 June 2025 Unaudited RMB'000	31 December 2024 Audited RMB'000
Trade payables	150,071	145,844
Bills payables	174,060	781,157
	<b>324,131</b>	<b>927,001</b>

An ageing analysis of the balance of trade and bills payables as at the end of the reporting periods, based on the invoice date, is as follows:

	30 June 2025 Unaudited RMB'000	31 December 2024 Audited RMB'000
Within 90 days	174,349	503,580
91 to 180 days	1,501	364,156
Over 180 days	148,281	59,265
	<b>324,131</b>	<b>927,001</b>

### 14. SHARE CAPITAL

	30 June 2025 Unaudited RMB'000	31 December 2024 Audited RMB'000
Registered, issued and fully paid: 886,460,400 ordinary shares of RMB1 each (2024: 886,460,400 shares)	<b>886,460</b>	<b>886,460</b>

### 15. CONTINGENCY

At the end of the reporting period, the Group had no material contingencies.



30 June 2025

**16. COMMITMENTS**

At the end of the reporting period, the Group had no significant capital commitments.

**17. RELATED PARTY TRANSACTIONS**

- (a) The Group had the following main transactions with related parties during the reporting periods. The transaction prices were determined based on prices at which the Group transacted with independent third party customers and suppliers.

	For the six months ended	
	30 June	
	2025	2024
	Unaudited	Unaudited
	RMB'000	RMB'000
<b>Companies controlled/significantly influenced by</b>		
<b>Huafa Group:</b>		
Sales of goods	109,067	61,266
Revenue from provision of online and offline sales and marketing services	51,747	58,113
Financing received (Note (i))	693,000	896,528
Financing repaid (Note (i))	2,283,000	935,709
<b>Joint ventures:</b>		
Guangzhou Zhongqi Energy Technology Co., Ltd.		
Purchases of goods	10,157	17,496
Sales of goods	23,565	35,735

Note (i): The interest rate ranged from 2.15% to 6.00%, which approximates the market interest rate.

30 June 2025

## 17. RELATED PARTY TRANSACTIONS (Continued)

## (b) Major outstanding balances with related parties:

	30 June 2025 Unaudited RMB'000	31 December 2024 Audited RMB'000
<b>Trade in nature balances</b>		
<b>Due from:</b>		
Companies controlled/significantly influenced by Huafa Group (Note (ii))	676,488	767,726
Companies controlled/significantly influenced by the Liu Family	2,910	1,462
Guangzhou Zhongqi Energy Technology Co., Ltd.	67,045	71,345
Other associates and joint ventures	550	1,977
<b>Total</b>	<b>746,993</b>	<b>842,510</b>
<b>Due to:</b>		
Companies controlled/significantly influenced by Huafa Group	42	87
Companies controlled/significantly influenced by the Liu Family	—	9
<b>Total</b>	<b>42</b>	<b>96</b>
<b>Financing in nature balances</b>		
<b>Due to:</b>		
Companies controlled by Huafa Group (Note (ii))	3,101,000	4,691,000
<b>Other non-trade in nature balances</b>		
<b>Due from:</b>		
Companies controlled/significantly influenced by Huafa Group	285	285
Companies controlled/significantly influenced by the Liu Family	216,087	304,103
Guangzhou Zhongqi Energy Technology Co., Ltd.	—	4,096
<b>Total</b>	<b>216,372</b>	<b>308,484</b>
<b>Due to:</b>		
Companies controlled/significantly influenced by Huafa Group	159	—
Companies controlled/significantly influenced by the Liu Family	244,292	254,908
<b>Total</b>	<b>244,451</b>	<b>254,908</b>

Note (ii): Other than the loan from Huajin International Commercial Factoring (Zhuhai) Co., Ltd. and Zhuhai Huafa Group Finance Co., Ltd., all other related party balances are unsecured, interest free, and payable on demand.

## 18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The fair values of cash and cash equivalents, pledged deposits, financial assets at fair value through profit or loss, trade receivables, financial assets included in prepayments, other receivables and other assets, amounts due from related parties, the current portion of interest-bearing bank and other borrowings, trade and bills payables, financial liabilities included in other payables and accruals, and amounts due to related parties approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the non-current portion of lease liabilities and interest-bearing loans and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 30 June 2025 were assessed to be insignificant.

The fair values of unlisted equity investments which had recent history of share transactions are based on observable market transaction prices. The fair values of other unlisted equity investments designated at fair value through other comprehensive income have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the Directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, such as enterprise value to sales (EV/Sales) multiple and price to book value (P/B) multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the unlisted equity investments to measure the fair value. The Directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the interim condensed consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

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## 18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 June 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Equity investments designated at fair value through other comprehensive income	–	–	22,957	22,957
Financial assets at fair value through profit or loss	–	191,251	–	191,251
Bills receivable	–	122,673	–	122,673
	–	313,924	22,957	336,881

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Equity investments designated at fair value through other comprehensive income	–	–	22,957	22,957
Financial assets at fair value through profit or loss	–	204,466	–	204,466
Bills receivable	–	3,620	–	3,620
	–	208,086	22,957	231,043

## **19. DIVIDENDS**

The Board did not propose an interim dividend for the six months ended 30 June 2025.

## **20. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

The interim condensed consolidated financial information was approved and authorised for issue by the Board on 27 August 2025.