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Jiumaojiu International Holdings Limited

九毛九国际控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9922)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Jiumaojiu International Holdings Limited (九毛九国际控股有限公司) (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (together, the “**Group**”) for the six months ended June 30, 2025, together with comparative figures for the six months ended June 30, 2024.

KEY FINANCIAL HIGHLIGHTS

	For the six months ended June 30,	
	2025	2024
	<i>RMB’000</i>	<i>RMB’000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue	2,753,436	3,064,227
Store level operating profit ⁽¹⁾	310,464	392,862
Profit before taxation	77,866	87,928
Profit for the period	58,714	67,970
Profit for the period attributable to equity shareholders of the Company	60,691	72,291
Core operating profit ⁽²⁾	98,140	155,742

Notes:

- (1) The Group defines store level operating profit as revenue for the period deducting the following expenses at store level: (i) raw materials and consumables used, (ii) staff costs, (iii) depreciation of right-of-use assets, (iv) other rentals and related expenses, (v) depreciation and amortization of other assets, (vi) utility expenses, (vii) advertising and promotion expenses and (viii) other expenses, excluding unallocated headquarter expenses.
- (2) The Group defines core operating profit as profit for the period excluding the following: government grants, share of losses of associates, impairment losses of property, plant and equipment, other net income/(losses), and income tax expense.

KEY OPERATIONAL HIGHLIGHTS

	As of/for the six months ended June 30,	
	2025	2024
Number of restaurants⁽¹⁾	729	771
Seat turnover rate⁽²⁾		
Tai Er (<i>self-operated</i>)	2.2	2.7
Song Hot Pot.	1.7	2.0
Jiu Mao Jiu (<i>self-operated</i>)	1.5	1.8
Table turnover rate⁽³⁾		
Tai Er (<i>self-operated</i>)	3.1	3.8
Song Hot Pot.	2.5	2.9
Jiu Mao Jiu (<i>self-operated</i>)	2.5	2.8
Average spending per customer (RMB)⁽⁴⁾		
Tai Er (<i>self-operated</i>)	73	71
Song Hot Pot.	99	110
Jiu Mao Jiu (<i>self-operated</i>)	57	56
Same store sales (RMB'000)⁽⁵⁾		
Tai Er (<i>self-operated</i>)	1,536,302	1,895,818
Song Hot Pot.	288,250	360,624
Jiu Mao Jiu (<i>self-operated</i>)	192,527	240,200
Same store sales growth (%)		
Tai Er (<i>self-operated</i>)	(19.0)	
Song Hot Pot.	(20.1)	
Jiu Mao Jiu (<i>self-operated</i>)	(19.8)	

Notes:

- (1) As of June 30, 2025, the Group had 695 self-operated restaurants and 34 franchised/cooperative model restaurants.
- (2) Calculated by dividing total customer traffic by the product of total restaurant operation days and average seat count during the period.
- (3) Calculated by dividing total tables served by the product of total restaurant operation days and average table count during the period.
- (4) Calculated by dividing revenue generated from the restaurant operations for the period by total customer traffic for the period.
- (5) Same store sales for the period refers to the revenue of all restaurants that qualified as same stores during that period. The Group defines its same store base to be those restaurants that opened for at least 150 days in the first half of both 2024 and 2025.

BUSINESS REVIEW AND OUTLOOK

Overview

In the first half of 2025, the Group continued to adhere to its multi-brand and multi-concept strategy and explored new business opportunities, aiming to further expand its market share and maintain its market position as a leading Chinese cuisine restaurant brand manager and operator in the People's Republic of China (“**PRC**”). Facing the ever-changing and challenging external environment, the Group actively adjusted its business strategies and optimized its restaurant network in the first half of 2025. The Group continued to optimize its portfolio of restaurant brands and focus on brands with greater growth potential. At the same time, the Group accelerated the pace of upgrade and implementation of new store model, and deepened quality and customer experience of the stores through comprehensive improvement in product, space and service, so as to lay a solid foundation for sustainable growth in the future.

As of June 30, 2025, the Group had 695 self-operated restaurants and 34 franchised/cooperative model restaurants, covering 130 cities in the PRC, Singapore, two cities in Canada, one city in Malaysia, one city in Thailand, two cities in the United States and one city in Indonesia.

The Group recorded revenue of RMB2,753.4 million for the six months ended June 30, 2025, representing a decrease of 10.1% compared with revenue of RMB3,064.2 million for the corresponding period in 2024. Profit for the period of the Group decreased by 13.7% from RMB68.0 million for the six months ended June 30, 2024 to RMB58.7 million for the six months ended June 30, 2025.

2025 Interim Business and Financial Performance Review

Restaurant network

The Group opened 10 new restaurants in the first half of 2025, comprising three Tai Er restaurants (including one franchised restaurant), five Song Hot Pot restaurants and two Shanwaimian cooperative model restaurants. In addition, 10 self-operated Tai Er restaurants converted into franchised restaurants. Among all restaurants of the Group, 88⁽¹⁾ restaurants were closed in the first half of 2025, primarily due to (i) the termination of the relevant lease agreements upon expiry, and (ii) unsatisfactory performance of some restaurants.

The table below sets forth a breakdown of restaurants of the Group by brand as of the dates indicated:

	As of June 30,	
	2025	2024
Number of restaurants		
Tai Er	566 ⁽²⁾	614 ⁽²⁾
– <i>Mainland China</i>	535 ⁽²⁾	592 ⁽²⁾
– <i>Others</i>	31	22
Song Hot Pot.	76	73
Jiu Mao Jiu	68 ⁽³⁾	72
Lai Mei Li.	1	4
Fresh Wood.	1	1
Shanwaimian.	17 ⁽⁴⁾	7 ⁽⁴⁾
Total	729	771

Notes:

- (1) Decrease in self-operated restaurants due to the conversion to franchised restaurants is not restaurant closure.
- (2) Including two and 19 Tai Er franchised restaurants as of June 30, 2024 and 2025, respectively.
- (3) Including one Jiu Mao Jiu franchised restaurant.
- (4) Including three and 14 Shanwaimian cooperative model restaurants as of June 30, 2024 and 2025, respectively.

Performance of self-operated restaurants

The table below sets forth the key performance indicators of the Group's self-operated restaurants by brand for the periods indicated:

	For the six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Revenue (RMB'000)		
Tai Er	1,946,432	2,243,816
Song Hot Pot.	416,431	430,986
Jiu Mao Jiu	226,103	291,329
Uncle Chef	–	1,555
Lai Mei Li.	5,083	19,537
Fresh Wood.	7,326	8,346
Shanwaimian.	14,332	11,551
Seat turnover rate⁽¹⁾		
Tai Er	2.2	2.7
– Mainland China	2.2	2.7
– Others.	2.7	3.3
Song Hot Pot.	1.7	2.0
Jiu Mao Jiu	1.5	1.8
Lai Mei Li.	1.7	2.2
Fresh Wood.	1.4	1.4
Shanwaimian.	2.5	3.6
Table turnover rate⁽²⁾		
Tai Er	3.1	3.8
– Mainland China	3.1	3.7
– Others.	3.8	4.7
Song Hot Pot.	2.5	2.9
Jiu Mao Jiu	2.5	2.8
Lai Mei Li.	1.8	2.9
Fresh Wood.	1.8	1.7
Shanwaimian.	3.7	5.5
Average spending per customer⁽³⁾ (RMB)		
Tai Er	73	71
– Mainland China	66	66
– Others.	155	163
Song Hot Pot.	99	110
Jiu Mao Jiu	57	56
Lai Mei Li.	162	84
Fresh Wood.	498	582
Shanwaimian.	90	82

Notes:

- (1) Calculated by dividing total customer traffic by the product of total restaurant operation days and average seat count during the period.
- (2) Calculated by dividing total tables served by the product of total restaurant operation days and average table count during the period.
- (3) Calculated by dividing revenue generated from restaurant operations for the period by total customer traffic for the period.

The seat turnover rate and table turnover rate of Tai Er, Song Hot Pot and Jiu Mao Jiu decreased in the first half of 2025 primarily due to the decrease in customer traffic as a result of the challenging external environment. The decrease in average spending per customer of Song Hot Pot was a result of the Group's adjustment to menu offerings and food prices, taking into account both internal and external factors such as market conditions and competitive landscape in the industry.

Same store sales

The table below sets forth details of the Group's same store sales of its self-operated restaurants by brand for the periods indicated:

	For the six months ended June 30,			
	2025	2024	2024	2023
Number of same store⁽¹⁾				
Tai Er	473		437	
Song Hot Pot.	53		27	
Jiu Mao Jiu	60		65	
Same store sales⁽²⁾ (RMB'000)				
Tai Er	1,536,302	1,895,818	1,708,563	2,021,142
Song Hot Pot.	288,250	360,624	193,697	296,517
Jiu Mao Jiu	192,527	240,200	253,252	276,885
Same store sales growth (%)				
Tai Er	(19.0)		(15.5)	
Song Hot Pot.	(20.1)		(34.7)	
Jiu Mao Jiu	(19.8)		(8.5)	

Notes:

- (1) The Group defines its same store base to be those restaurants that opened for at least 150 days in the first half of both 2023 and 2024, and in the first half both 2024 and 2025.
- (2) Same store sales for the period refer to the revenue of all restaurants that qualified as same stores during that period.

Outlook

The Group remains fully devoted to providing ultimate dining experience to customers through exquisite dishes, high-quality services and unique dining ambience, and with a view to maintaining a strong market position and enhancing its competitiveness, it will continue to implement the following growth strategies:

- ***Optimizing restaurant network and focusing on excellence.*** The Group has been closely monitoring the external environment and adjusting its expansion plan of restaurant network under different brands as and when appropriate. Taking into account the changes in the external environment, the Group mainly focused on the optimization and upgrading of store model in the first half of 2025. By adopting a more prudent restaurant opening strategy, decisively closing the under-performing restaurants and focusing its resources on core high-quality restaurants, the Group strived to build a more prosperous business for a longer period of time.
- ***Create a wonderful hour with excellent cuisine.*** In the first half of 2025, the Group continued to optimize its products, environment and services, steadily promote the upgrade of new store model, deepen store quality and customer experience, and strengthen its brand competitiveness. The Group adheres to the core principles of “Delicious, Affordable, and Safe (好吃、不貴、安全)” and regards product quality as its lifeline. The Group provides customers with a one-hour dining experience of deliciousness, comfort and sincere service. In terms of new store model, Tai Er launched the “fresh and lively 5.0 model” in the first half of the year, focusing on the three major signature dishes of “live fish, fresh chicken and fresh beef (活魚、鮮雞、鮮牛肉)”, with richer hot dishes combination and a warmer and more comfortable dining environment, and achieved its brand upgrade and earned good market feedback and data verification.

- ***Continue to strengthen support capabilities of the Group's supply chain driven by the dual operation model of "stores + external sales (門店+外銷)".*** The Group continued to advance the construction of the supply chain centers. Among them, the Guangzhou Nansha Supply Chain Center has been put into trial operation in the first half of 2025. The new facility has covered the primary processing of ingredients for the Group's core brands and the production of products for external sales, which will effectively reduce the capacity pressure on the Group's existing supply chain, ensuring a stable supply of key ingredients and better minimizing food safety risks. In addition, supply chain centers also expand sales channels in the external market, including the established supermarket sales business and online retail business, while ensuring the high-quality supply of the Group's catering brands.
- ***Making digital and intelligent transformation the core driving force for future development.*** The Group is committed to achieving the goal of "providing customers with delicious, affordable, and safe dining experiences" through digital and intelligent empowerment. On the supply chain side, the Group utilizes digital and intelligent systems to meticulously plan and schedule every aspect of the supply chain process, improving supply chain turnover speed, reducing inventory levels, lowering food material loss rates, while ensuring the freshness of ingredients. At the restaurant level, the Group delves into existing data to imbue the operational system with a smart brain, enhancing restaurant management efficiency and better responding to customer needs.
- ***Expanding into global markets to gain international market share.*** The Group currently operates Tai Er restaurants in countries such as Singapore, Malaysia, Canada, the United States, Thailand and Indonesia, as well as a Lai Mei Li restaurant in Singapore. The Group will continue to prudently evaluate and select suitable locations for its expansion to gain international market share. In the future expansion of the Group, priority will be given to countries and cities with a large number of Chinese, such as North America, Southeast Asia, Oceania and other overseas Chinese communities.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

The Group's revenue decreased by 10.1% from RMB3,064.2 million for the six months ended June 30, 2024 to RMB2,753.4 million for the same period in 2025.

Revenue by segment

The Group generates revenue from four segments, including the operation of Tai Er, Song Hot Pot, Jiu Mao Jiu and others (including the operation of other brands such as Fresh Wood and Shanwaimian, as well as the operation of all other businesses of the Group). The following table sets forth a breakdown of the Group's revenue by brand for the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
Tai Er	1,948,593	70.8	2,248,397	73.4
Song Hot Pot.	416,521	15.1	431,395	14.1
Jiu Mao Jiu	226,232	8.2	292,111	9.5
Others	162,090	5.9	92,324	3.0
Total.	<u>2,753,436</u>	<u>100.0</u>	<u>3,064,227</u>	<u>100.0</u>

Revenue from Tai Er decreased by 13.3% from RMB2,248.4 million for the six months ended June 30, 2024 to RMB1,948.6 million for the same period in 2025, primarily due to the decrease in the number of Tai Er self-operated restaurants from 612 as of June 30, 2024 to 547 as of June 30, 2025 as well as the decrease in same store sales of the Group's Tai Er restaurants. As a result, revenue from Tai Er as a percentage of total revenue decreased from 73.4% for the six months ended June 30, 2024 to 70.8% for the same period in 2025.

Revenue from Song Hot Pot decreased slightly by 3.5% from RMB431.4 million for the six months ended June 30, 2024 to RMB416.5 million for the same period in 2025, primarily due to the decreases in table turnover rate and average spending per customer of the Song Hot Pot restaurants in view of the challenging external environment. Revenue from Song Hot Pot as a percentage of total revenue increased from 14.1% for the six months ended June 30, 2024 to 15.1% for the same period in 2025, primarily due to the increase in the number of Song Hot Pot restaurants from 73 as of June 30, 2024 to 76 as of June 30, 2025.

Revenue from Jiu Mao Jiu decreased by 22.6% from RMB292.1 million for the six months ended June 30, 2024 to RMB226.2 million for the same period in 2025, primarily due to the decreases in the number of restaurants and table turnover rate of the Group's Jiu Mao Jiu restaurants. Revenue from Jiu Mao Jiu as a percentage of total revenue decreased slightly from 9.5% for the six months ended June 30, 2024 to 8.2% for the same period in 2025.

Revenue from others increased by 75.6% from RMB92.3 million for the six months ended June 30, 2024 to RMB162.1 million for the same period in 2025, primarily due to (i) revenue contribution of Shanwaimian as a result of the increase in the number of Shanwaimian restaurants, and (ii) the increase in revenue generated from selling goods to third parties. As a result, revenue from others as a percentage of total revenue increased from 3.0% for the six months ended June 30, 2024 to 5.9% for the same period in 2025.

Revenue by service line

Services provided by the Group or activities it engages in currently comprise (i) restaurant operations, (ii) delivery business, (iii) sales of goods, and (iv) others, mainly including franchised/cooperative model revenue. The following table sets forth a breakdown of the Group's revenue from each service line for the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
Restaurant operations	2,115,998	76.9	2,496,886	81.5
Delivery business	499,055	18.1	510,163	16.6
Sales of goods	132,210	4.8	54,962	1.8
Others	6,173	0.2	2,216	0.1
Total	<u>2,753,436</u>	<u>100.0</u>	<u>3,064,227</u>	<u>100.0</u>

Revenue from restaurant operations decreased by 15.3% from RMB2,496.9 million for the six months ended June 30, 2024 to RMB2,116.0 million for the same period in 2025, primarily due to the decreases in the number of restaurants and same store sales of the Group's restaurants mainly attributable to the persistent consumption pressure brought by the external environment. As a result, revenue from restaurant operations as a percentage of total revenue decreased from 81.5% for the six months ended June 30, 2024 to 76.9% for the same period in 2025.

Revenue from delivery business decreased by 2.2% from RMB510.2 million for the six months ended June 30, 2024 to RMB499.1 million for the same period in 2025, primarily attributable to the decrease in the number of restaurants. Revenue from delivery business as a percentage of total revenue increased from 16.6% for the six months ended June 30, 2024 to 18.1% for the same period in 2025, primarily due to the decrease in revenue from restaurant operations.

Revenue from sales of goods increased by 140.4% from RMB55.0 million for the six months ended June 30, 2024 to RMB132.2 million for the same period in 2025, primarily due to the increase in revenue generated from selling goods to third parties. Revenue from sales of goods as a percentage of total revenue increased from 1.8% for the six months ended June 30, 2024 to 4.8% for the same period in 2025.

Revenue from others increased by 181.8% from RMB2.2 million for the six months ended June 30, 2024 to RMB6.2 million for the same period in 2025, primarily due to the increase in revenue from franchise/cooperative management services following the increase in the number of franchised/cooperative model restaurants of the Group. Revenue from others as a percentage of total revenue remained relatively stable 0.1% and 0.2% for the six months ended June 30, 2024 and 2025, respectively.

Other Revenue

The Group's other revenue decreased by 19.2% from RMB33.3 million for the six months ended June 30, 2024 to RMB26.9 million for the same period in 2025, primarily due to the decrease in interest income as a result of (i) decreased interest rates, and (ii) decreased bank balances.

Raw Materials and Consumables Used

The Group's raw materials and consumables used decreased by 10.7% from RMB1,097.2 million for the six months ended June 30, 2024 to RMB980.2 million for the same period in 2025, primarily in line with the decrease in revenue as a result of the decrease in the number of restaurants. Raw materials and consumables used as a percentage of revenue remained relatively stable at 35.8% and 35.6% for the six months ended June 30, 2024 and 2025, respectively.

Staff Costs

The Group's staff costs decreased by 7.3% from RMB894.1 million for the six months ended June 30, 2024 to RMB829.1 million for the same period in 2025, primarily due to the decrease in the number of store level employees as a result of the Group's reduced number of self-operated restaurants. Staff costs as a percentage of revenue increased from 29.2% for the six months ended June 30, 2024 to 30.1% for the same period in 2025, primarily due to the decrease in revenue.

Depreciation of Right-of-use Assets

Depreciation of right-of-use assets decreased by 6.5% from RMB286.7 million for the six months ended June 30, 2024 to RMB268.1 million for the same period in 2025, primarily due to the decrease in the number of the Group's self-operated restaurants. Depreciation of right-of-use assets as a percentage of revenue increased from 9.4% for the six months ended June 30, 2024 to 9.7% for the same period in 2025, primarily due to the decrease in revenue.

Other Rentals and Related Expenses

The Group's other rentals and related expenses decreased by 17.2% from RMB66.3 million for the six months ended June 30, 2024 to RMB54.9 million for the same period in 2025, primarily due to a decrease in variable rent payments as a result of the decrease in same store sales of the Group's restaurants. Other rentals and related expenses as a percentage of revenue remained relatively stable at 2.2% and 2.0% for the six months ended June 30, 2024 and 2025, respectively.

Depreciation and Amortization of Other Assets

Depreciation and amortization of other assets increased by 4.8% from RMB140.3 million for the six months ended June 30, 2024 to RMB147.0 million for the same period in 2025, primarily due to the increase in the depreciation of the property, plant and equipment with the completion of Guangzhou Nansha Supply Chain Center. As a result, depreciation and amortization of other assets as a percentage of revenue increased from 4.6% for the six months ended June 30, 2024 to 5.3% for the same period in 2025.

Utility Expenses

The Group's utility expenses decreased by 10.0% from RMB123.4 million for the six months ended June 30, 2024 to RMB111.0 million for the same period in 2025, primarily due to the decrease in the number of the Group's self-operated restaurants. Utility expenses as a percentage of revenue remained relatively stable at 4.0% for the six months ended June 30, 2024 and 2025.

Travelling and Related Expenses

The Group's travelling and related expenses decreased by 35.8% from RMB13.7 million for the six months ended June 30, 2024 to RMB8.8 million for the same period in 2025, primarily because the Group's staff traveled less frequently for daily operations. Travelling and related expenses as a percentage of revenue remained relatively stable at 0.4% and 0.3% for the six months ended June 30, 2024 and 2025.

Advertising and Promotion Expenses

The Group's advertising and promotion expenses decreased by 23.6% from RMB47.1 million for the six months ended June 30, 2024 to RMB36.0 million for the same period in 2025, primarily due to a decrease in advertisement placement. Advertising and promotion expenses as a percentage of revenue remained relatively stable at 1.5% and 1.3% for the six months ended June 30, 2024 and 2025.

Other Expenses

The Group's other expenses decreased by 12.6% from RMB217.1 million for the six months ended June 30, 2024 to RMB189.8 million for the same period in 2025, primarily due to (i) a decrease in professional service fees of RMB12.4 million, and (ii) a decrease in expenses for opening new restaurants of RMB13.6 million.

Share of Losses of Associates

The Group's share of losses of associates increased by 76.5% by RMB1.7 million for the six months ended June 30, 2024 to RMB3.0 million for the same period in 2025, primarily due to the increase in losses incurred by the associates invested by the Group.

Other Net Income/(Losses)

The Group recognized other net income of RMB15.7 million for the six months ended June 30, 2025, while the Group incurred other net loss of RMB29.5 million for the same period in 2024, primarily due to a net foreign exchange gain of RMB26.2 million for the six months ended June 30, 2025, as compared with a net foreign exchange loss of RMB13.9 million for the same period in 2024.

Finance Costs

The Group's finance costs increased slightly by 3.4% from RMB53.3 million for the six months ended June 30, 2024 to RMB55.1 million for the same period in 2025, primarily due to an increase in interest accrual in expense on bank loans of RMB3.7 million due to the increase in the amount of bank loans, partially offset by a decrease in interest on lease liabilities of RMB2.0 million due to termination of leases as a result of the decrease in the number of the Group's self-operated restaurants.

Impairment Losses of Property, Plant and Equipment

Impairment losses of property, plant and equipment and right-of-use assets decreased by 10.4% from RMB39.4 million for the six months ended June 30, 2024 to RMB35.3 million for the same period in 2025, primarily because the Group had prudently made provisions for impairment of assets considering the unsatisfactory performance of some restaurants.

Income Tax

The Group's income tax expenses decreased by 4.0% from RMB20.0 million for the six months ended June 30, 2024 to RMB19.2 million for the same period in 2025, primarily due to the decrease of taxable income.

Profit for the Period

As a result of the foregoing, profit for the period decreased by 13.7% from RMB68.0 million for the six months ended June 30, 2024 to RMB58.7 million for the same period in 2025.

Other Comprehensive Income for the Period

The Group holds equity investments in several entities in the PRC. The entities are mainly engaged in the catering industry. The Group recorded profit resulting from equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling) of RMB29.5 million for the six months ended June 30, 2025 primarily due to certain equity investments in the catering industry held by the Group has risen in value through stable operation, as compared with RMB1.9 million for the six months ended June 30, 2024, primarily due to the relatively low valuation of its investments as a result of challenging macroeconomic environment in the period.

The Group recorded exchange differences on translation of financial statements of operations outside the mainland China of RMB29.8 million for the six months ended June 30, 2025 as other comprehensive expenses, as compared with RMB16.6 million for the six months ended June 30, 2024 as other comprehensive income, primarily due to exchange rate fluctuations.

Non-IFRS Measures

The Group adopts the store level operating profit and core operating profit, which are not required by or presented in accordance with IFRS as important financial measures to supplement its consolidated financial statements.

Store Level Operating Profit and Store Level Operating Profit Margin

The Group believes that store level operating profit helps shareholders of the Company (the “Shareholders”) and investors better understand its multi-brand and multi-concept strategy by directly illustrating the profitability of its different brands at store level, and that it is frequently used by analysts, investors and other interested parties in the evaluation of companies in the industry.

The Group defines store level operating profit as revenue for the period deducting the following expenses at store level: (i) raw materials and consumables used, (ii) staff costs, (iii) depreciation of right-of-use assets, (iv) other rentals and related expenses, (v) depreciation and amortization of other assets, (vi) utility expenses, (vii) advertising and promotion expenses and (viii) other expenses, excluding unallocated headquarter expenses. The following table illustrates the Group’s store level operating profit and store level operating profit margin by brands for the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	Store Level Operating Profit RMB’000 (Unaudited)	Store Level Operating Profit Margin (%)	Store Level Operating Profit RMB’000 (Unaudited)	Store Level Operating Profit Margin (%)
Tai Er	262,000	13.4	310,619	13.8
Song Hot Pot.	14,893	3.6	36,899	8.6
Jiu Mao Jiu	28,789	12.7	49,457	16.9
Other brands	4,782	15.9	(4,113)	(9.8)
Total.	310,464	11.8	392,862	13.0

Core Operating Profit and Core Operating Profit Margin

The presentation of core operating profit facilitates comparisons of operating performance from period to period and company to company, by eliminating potential impacts of items that the management does not consider indicative of the Group’s operating performance. The Group believes that the core operating profit is frequently used by other interested parties when evaluating the performance of a company.

The Group defines core operating profit as profit for the period excluding the following: government grants, share of losses of associates, impairment losses of property, plant and equipment, other net income/(losses), and income tax expense. The following table illustrates a reconciliation from profit for the period to core operating profit for the periods indicated:

	For the six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Profit for the period	58,714	67,970
<i>Net of the following gains/(losses)</i>		
Government grants	2,346	2,689
Share of losses of associates	(3,012)	(1,652)
Impairment losses of property, plant and equipment	(35,277)	(39,356)
Other net income/(losses)	15,669	(29,495)
Income tax expense	(19,152)	(19,958)
Core operating profit	98,140	155,742
Revenue	2,753,436	3,064,227
Core operating profit margin (%)	3.6	5.1

Inventories

The Group's inventories mainly represented its (i) food ingredients, (ii) condiment product, (iii) beverage and (iv) other materials used in restaurant operations. The following table set forth a breakdown of the Group's inventories as of the dates indicated:

	As of June 30, 2025	As of December 31, 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Food ingredients	55,114	69,304
Condiment product	31,990	29,105
Beverage	2,758	2,494
Other materials	12,297	14,553
Total	102,159	115,456

The Group's inventories decreased by 11.5% from RMB115.5 million as of December 31, 2024 to RMB102.2 million as of June 30, 2025 generally in line with the decrease in revenue.

The Group's inventory turnover days for the year ended December 31, 2024 and for the six months ended June 30, 2025, being the average of the beginning and ending balances of inventories for that year/period divided by raw materials and consumables used for the same year/period and multiplied by the number of days in that year/period, remained relatively stable at 20.9 days and 20.0 days, respectively.

Right-of-use Assets

The Group's right-of-use assets, which represented the leases for its restaurant premises, headquarters offices, central kitchens and certain kitchen equipment, decreased by 19.5% from RMB2,089.6 million as of December 31, 2024 to RMB1,682.2 million as of June 30, 2025, primarily due to the decrease in the number of self-operated restaurants of the Group attributable to its restaurant network optimization.

Trade Debtors

Trade debtors of the Group primarily consisted of (i) bills settled through third party payment platforms such as Alipay or WeChat Pay, which were normally settled within a short period of time, (ii) bills for its delivery business settled through third party delivery service platforms, which were settled within three calendar days, and, to a lesser extent, (iii) bills received by shopping malls on behalf of the Group for certain restaurants, which were normally settled within one month, (iv) bills generated from selling goods to third-party, which were normally settled within two months. Trade debtors of the Group increased by 52.6% from RMB56.5 million as of December 31, 2024 to RMB86.2 million as of June 30, 2025, primarily due to the expansion of sales of goods to third parties. The Group's trade debtors turnover days, being the average of the beginning and ending balances of trade debtors for that year/period divided by revenue for the same year/period and multiplied by the number of days in that year/period, increased from 2.8 days for the year ended December 31, 2024 to 4.7 days for the six months ended June 30, 2025, primarily due to the increase in debtors generated from selling goods.

Trade Payables

Trade payables of the Group primarily consisted of payables to suppliers. Trade payables of the Group decreased by 11.4% from RMB213.1 million as of December 31, 2024 to RMB188.9 million as of June 30, 2025, primarily due to the decrease in procurement scale in line with the decrease in revenue. The Group's trade payables turnover days, being the average of the beginning and ending balances of trade payables for that year/period divided by raw materials and consumables used for the same year/period and multiplied by the number of days in that year/period, remained relatively stable at 35.7 days and 36.9 days for the year ended December 31, 2024 and for the six months ended June 30, 2025, respectively.

Loans and Advances to Associates

As of June 30, 2025, the Group's loans and advances to associates amounted to RMB118.0 million (as of December 31, 2024: RMB124.1 million). Such loans and advances were mainly provided to associates that supplied food ingredients to the Group to secure stable supply of key food ingredients.

Other Non-current Financial Assets

Other non-current financial assets of the Group include investments in unlisted and listed equity securities, investments in limited partnership enterprises, investments in funds and key management insurance contracts. Other non-current financial assets of the Group increase from RMB400.5 million as of December 31, 2024 to RMB437.4 million as of June 30, 2025, primarily due to the certain equity investments in the catering industry held by the Group has risen in value through stable operation.

Capital Structure

The Group's total assets decreased from RMB6,488.6 million as of December 31, 2024 to RMB6,006.4 million as of June 30, 2025. The Group's total liabilities decreased from RMB3,337.5 million as of December 31, 2024 to RMB2,841.7 million as of June 30, 2025. Liabilities-to-assets ratio decreased from 51.4% as of December 31, 2024 to 47.3% as of June 30, 2025.

The current ratio, being current assets divided by current liabilities as of the respective dates, increased from 1.45 as of December 31, 2024 to 1.56 as of June 30, 2025.

Liquidity, Capital Resources and Gearing

The Group adopts a prudent funding and treasury policy with a view to optimize its financial position. The Group regularly monitors its funding requirements to support its business operations and perform ongoing liquidity review. For the six months ended June 30, 2025, the Group financed its operations primarily through cash generated from operations and proceeds from the Subscription (as defined in the announcement of the Company dated July 16, 2020 in relation to the subscription for new Shares under the general mandate). The Group mainly used Renminbi, Hong Kong dollars and US dollars to make borrowings and loans and to hold cash and cash equivalents. The Group mainly utilized its cash on procurement of food ingredients, consumables and equipment, supply chain construction and restaurant renovations. The Group's cash and cash equivalents decreased by 19.4% from RMB607.0 million as of December 31, 2024 to RMB489.4 million as of June 30, 2025, primarily attributable to (i) the placement of more cash in fixed deposit account and (ii) the repayment of bank loans.

The Group's gearing ratio, being interest-bearing bank loans divided by total equity as of the respective dates and multiplied by 100%, decreased from 12.0% as of December 31, 2024 to 11.1% as of June 30, 2025, primarily due to the decrease in the balance of bank loans.

Capital Expenditures

The Group's capital expenditures, which refer to the payment for purchases of property, plant and equipment and right-of-use assets, are incurred primarily for opening new restaurants, procuring property, plant and equipment for new restaurants, renovating existing restaurants and purchasing furniture and equipment used in the Group's restaurant operations and construction of supply chain. The Group's total capital expenditures decreased by 31.9% from RMB217.9 million for the six months ended June 30, 2024 to RMB148.3 million for the same period in 2025.

Indebtedness

Bank Loans

The analysis of the repayment schedule of bank loans is as follows:

	As of June 30, 2025 <i>RMB'000</i> <i>(Unaudited)</i>	As of December 31, 2024 <i>RMB'000</i>
Within one year or on demand		
– unsecured and unguaranteed	100,000	30,000
– secured	191,426	275,817
	291,426	305,817
After one year but within two years		
– secured	60,901	73,608
	352,327	379,425

As of 30 June 2025, bank loans of RMB312.3 million were with floating-interest rates (as of December 31, 2024: RMB239.4 million), and bank loans of RMB40.0 million were with fixed-interest rate (as of December 31, 2024: RMB140.0 million).

Lease Liabilities

The Group's lease liabilities decreased by 19.2% from RMB2,183.1 million as of December 31, 2024 to RMB1,763.5 million as of June 30, 2025, primarily due to the decrease in the number of self-operated restaurants of the Group attributable to its restaurant network optimization.

Contingent Liabilities

As of June 30, 2025, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group that was likely to have a material and adverse effect on the Group's business, financial condition or results of operations.

Pledge of Assets

As of June 30, 2025, bank deposits of RMB286.9 million were pledged as securities for bank loans (as of December 31, 2024: RMB295.4 million).

Save as disclosed above, as of June 30, 2025, the Group did not have any pledge on its assets.

Significant Events After the Reporting Period

There are no material events subsequent to June 30, 2025 which could have a material impact on the Group's operating and financial performance as of the date of this announcement.

Foreign Exchange Risk and Hedging

The Group mainly operates in the PRC with most of the transaction denominated and settled in Renminbi. However, the Group has cash and deposits denominated in other currencies which are exposed to foreign currency exchange risks. The Group has not hedged its foreign currency exchange risks, but will closely monitor the exposure and take additional measures when necessary to make sure the foreign exchange risks are manageable.

Material Acquisitions, Disposals and Future Plans for Major Investment

During the six months ended June 30, 2025, the Group did not conduct any material investments, acquisitions or disposals. In addition, save for the intended use of proceeds from the Subscription as disclosed in the Company's announcements dated July 16, 2020, July 23, 2020 and July 30, 2020, the Group has no specific plan for major investment or acquisition for major capital assets or other businesses. However, the Group will continue to identify new opportunities for business development.

Interim Dividend

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

Company Information

The Company was incorporated in the Cayman Islands on February 1, 2019 as an exempted company with limited liability, and the Shares were listed on the Main Board of the Stock Exchange on January 15, 2020.

Employees

As of June 30, 2025, the Group had a total of 20,437 employees (including outsourced personnel). For the six months ended June 30, 2025, staff costs (including Directors' emoluments) of the Group amounted to RMB829.1 million (for the six months ended June 30, 2024: RMB894.1 million).

The Group's success depends on its ability to attract, retain and motivate qualified personnel. The remuneration package for employees of the Group generally includes salary and bonuses. The Group determines employee remuneration based on factors such as qualifications and years of experience. Employees also receive welfare benefits, including medical care, retirement benefits, occupational injury insurance and other miscellaneous items. The Group makes contributions to mandatory social security funds for employees to provide for retirement, medical, work-related injury, maternity and unemployment benefits.

No Material Changes

Since the publication of the Group's annual report for the year ended December 31, 2024 on April 29, 2025, there has been no material change to the Group's business.

Use of Proceeds

Use of Proceeds from the Subscription

The following table sets forth the status of the use of net proceeds from the Subscription which is consistent with the intentions previously disclosed:

Intended use of proceeds.	Percentage of intended use of proceeds (%)	Intended use of proceeds from the Subscription (In HKD millions)	Percentage of used amount as of August 10, 2025 (%)	Percentage of unused balance as of August 10, 2025 (%)	Timeframe for the unused balance
Invest in suppliers for key raw material and other companies in the catering industries. . .	70.0	581.0	66.3	33.7	By the end of 2026
General working capital	30.0	249.0	100.0	–	–
Total.	100.0	830.0	76.4	23.6	By the end of 2026

Note: The figures in the table are approximate figures.

SHARE OPTION SCHEME

A share option scheme was conditionally approved and adopted by the Shareholders on December 6, 2019 (the “**Share Option Scheme**”) and its implementation is conditional on the Listing. The purpose of the Share Option Scheme is to provide the Company with a means of incentivizing any director or employee of the Group who has contributed or will contribute to the Group and retaining employees, and to encourage employees to work towards enhancing the value of the Company and promote the long-term growth of the Company. The Share Option Scheme will link the value of the Company with the interests of the participants, enabling the participants and the Company to develop together and promote the Company’s corporate culture.

The Share Option Scheme remains valid for a period of ten years commencing on December 6, 2019. As at June 30, 2025, the remaining life of the Share Option Scheme is approximately four years and five months.

The table below sets out the details of share options granted and outstanding during the period from January 1, 2025 to June 30, 2025 under the Share Option Scheme:

Name of grantee				Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at June 30, 2025	Exercise price (HKD per Share)	Weighted average Closing closing price price immediately immediately before the before the date of date of exercise of grant options during the period			Fair value of Shares at the date of grant during the period	Vesting period	Exercise period	
	Outstanding	Granted													
	as at	during the	Date of												
	January 1,	period	grant												
	2025														
Directors of the Company															
Guan Yihong	250,000	–	Nov 14, 2022	–	–	–	250,000	16.04	–	–	–	Nov 14, 2022 – Nov 13, 2023	Nov 14, 2023 – Nov 13, 2025		
	900,000	–	Oct 30, 2024	–	–	–	900,000	3.44	–	–	–	Oct 30, 2024 – Oct 29, 2025	Oct 30, 2025 – Oct 29, 2029		
He Chengxiao	538,000	–	Nov 14, 2022	–	–	–	538,000	16.04	–	–	–	Nov 14, 2022 – Nov 13, 2023	Nov 14, 2023 – Nov 13, 2025		
	607,000	–	Nov 3, 2023	–	–	–	607,000	8.35	–	–	–	Nov 3, 2023 – Nov 2, 2024	Nov 3, 2024 – Nov 2, 2026		
	1,336,000	–	Oct 30, 2024	–	–	–	1,336,000	3.44	–	–	–	Oct 30, 2024 – Oct 29, 2025	Oct 30, 2025 – Oct 29, 2029		
Cui Longyu	422,000	–	Nov 14, 2022	–	–	–	422,000	16.04	–	–	–	Nov 14, 2022 – Nov 13, 2023	Nov 14, 2023 – Nov 13, 2025		
	476,000	–	Nov 3, 2023	–	–	–	476,000	8.35	–	–	–	Nov 3, 2023 – Nov 2, 2024	Nov 3, 2024 – Nov 2, 2026		
	913,000	–	Oct 30, 2024	–	–	–	913,000	3.44	–	–	–	Oct 30, 2024 – Oct 29, 2025	Oct 30, 2025 – Oct 29, 2029		
Su Danman	56,000	–	Nov 14, 2022	–	–	–	56,000	16.04	–	–	–	Nov 14, 2022 – Nov 13, 2023	Nov 14, 2023 – Nov 13, 2025		
	155,000	–	Nov 3, 2023	–	–	–	155,000	8.35	–	–	–	Nov 3, 2023 – Nov 2, 2024	Nov 3, 2024 – Nov 2, 2026		
	375,000	–	Oct 30, 2024	–	–	–	375,000	3.44	–	–	–	Oct 30, 2024 – Oct 2025	Oct 30, 2025 – Oct 29, 2029		

Name of grantee	Outstanding as at January 1, 2025	Granted during the period	Date of grant	Exercised during the period	Cancelled during the period	Lapsed during the period	Outstanding as at June 30, 2025	Exercise price (HKD per Share)	Weighted average Closing closing price price immediately immediately before the before the date of date of exercise of grant options during the grant			Fair value of Shares at the date of grant	Vesting period	Exercise period
									the period	the period	the period			
									(HKD per Share)	(HKD per Share)	(HKD per Share)	(HKD)		
Employees of the Group														
Employees of the Group	3,102,000	-	Nov 14, 2022	-	-	(272,000)	2,830,000	16.04	-	-	-	-	Nov 14, 2022 – Nov 13, 2023	Nov 14, 2023 – Nov 13, 2025
	4,481,000	-	Nov 3, 2023	-	-	(332,000)	4,149,000	8.35	-	-	-	-	Nov 3, 2023 – Nov 2, 2024	Nov 3, 2024 – Nov 2, 2026
	11,431,000	-	Oct 30, 2024	-	-	(1,011,000)	10,420,000	3.44	-	-	-	-	Oct 30, 2024 – Oct 29, 2025	Oct 30, 2025 – Oct 29, 2029
Total	25,042,000	-		-	-	(1,615,000)	23,427,000							

As of January 1, 2025, the number of Shares available for further grant under the Share Option Scheme was 107,196,300. As of June 30, 2025, the number of Shares available for further grant under the Share Option Scheme was 108,811,300, representing 7.79% of the total number of Shares in issue at that date. As of June 30, 2025, the number of Shares in respect of which options had been granted and remained outstanding under the Share Option Scheme was 23,427,000, representing 1.68% of the total number of Shares in issue at that date. The number of Shares that may be issued in respect of share options granted under the Share Option Scheme as of June 30, 2025 divided by weighted average number of Shares in issue for the six months ended June 30, 2025 is 1.68%.

ROUNDING

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*for the six months ended 30 June 2025 – unaudited**(Expressed in Renminbi)*

	<i>Note</i>	Six months ended 30 June	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3	2,753,436	3,064,227
Other revenue		26,857	33,257
Raw materials and consumables used		(980,183)	(1,097,211)
Staff costs		(829,141)	(894,059)
Depreciation of right-of-use assets		(268,080)	(286,672)
Other rentals and related expenses		(54,865)	(66,346)
Depreciation and amortisation of other assets		(146,962)	(140,268)
Utility expenses		(110,964)	(123,403)
Travelling and related expenses		(8,770)	(13,652)
Advertising and promotion expenses		(35,974)	(47,071)
Other expenses		(189,755)	(217,066)
Share of losses of associates		(3,012)	(1,652)
Other net income/(losses)		15,669	(29,495)
Finance costs		(55,113)	(53,305)
Impairment losses of property, plant and equipment		(35,277)	(39,356)
Profit before taxation		77,866	87,928
Income tax	5	(19,152)	(19,958)
Profit for the period		58,714	67,970
Attributable to:			
Equity shareholders of the Company		60,691	72,291
Non-controlling interests		(1,977)	(4,321)
Profit for the period		58,714	67,970
Earnings per share			
Basic (RMB)	6	0.04	0.05
Diluted (RMB)	6	0.04	0.05

Details of dividends payable to equity shareholders of the Company are set out in note 11(a).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2025 – unaudited

(Expressed in Renminbi)

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Profit for the period	58,714	67,970
Other comprehensive income for the period:		
<i>Item that will not be reclassified to profit or loss:</i>		
Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)	29,483	1,923
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of operations outside the Chinese Mainland	(29,792)	16,617
Other comprehensive income for the period	(309)	18,540
Total comprehensive income for the period	58,405	86,510
Attributable to:		
Equity shareholders of the Company	60,382	90,831
Non-controlling interests	(1,977)	(4,321)
Total comprehensive income for the period	58,405	86,510

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*at 30 June 2025 – unaudited**(Expressed in Renminbi)*

		At 30 June 2025	At 31 December 2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets			
Property, plant and equipment		1,114,151	1,189,710
Right-of-use assets		1,682,245	2,089,621
Intangible assets		28,610	26,386
Interests in associates		25,733	28,745
Other non-current financial assets		437,394	400,502
Deferred tax assets		158,890	161,602
Rental deposits		116,479	127,407
Other non-current assets		170,931	155,396
		3,734,433	4,179,369
Current assets			
Inventories		102,159	115,456
Trade and other receivables	7	837,893	769,965
Restricted bank deposits	8	286,851	306,504
Deposits with banks with original maturity date over three months	8	555,608	510,355
Cash and cash equivalents	8	489,425	606,974
		2,271,936	2,309,254
Current liabilities			
Trade and other payables	9	614,417	622,597
Contract liabilities		11,874	19,767
Lease liabilities		508,389	601,523
Bank loans		291,426	305,817
Current taxation		26,595	43,032
		1,452,701	1,592,736
Net current assets		819,235	716,518

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*at 30 June 2025 – unaudited (continued)**(Expressed in Renminbi)*

		At 30 June 2025	At 31 December 2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities			
Bank loans		60,901	73,608
Lease liabilities		1,255,088	1,581,548
Provisions		48,242	51,531
Derivative financial liabilities		4,830	27,551
Deferred tax liabilities		19,958	10,497
		1,389,019	1,744,735
NET ASSETS		3,164,649	3,151,152
CAPITAL AND RESERVES			
Share capital	<i>11(b)</i>	1	1
Reserves		3,170,225	3,151,685
Total equity attributable to equity shareholders of the Company		3,170,226	3,151,686
Non-controlling interests		(5,577)	(534)
TOTAL EQUITY		3,164,649	3,151,152

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

This unaudited interim financial information was extracted from the interim financial report of Jiumaojiu International Holdings Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) for the six months ended 30 June 2025.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard (“**IAS**”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“**IASB**”). It was authorised for issue on 22 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains 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 Jiumaojiu International Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards (“**IFRSs**”).

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are restaurant operations, delivery business and sales of goods.

Disaggregation of revenue

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

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15:		
Restaurant operations	2,115,998	2,496,886
Delivery business	499,055	510,163
Sales of goods	132,210	54,962
Others	6,173	2,216
	2,753,436	3,064,227

Note: Revenue was mainly recognised at point in time when control over a product or service was transferred to the customer.

No revenue from individual customer contributing over 10% of total revenue of the Group for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

(b) Segment Reporting

The Group manages its businesses by restaurant brands. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments.

- Tai Er: this segment mainly includes operating restaurants featuring signature dish Chinese sauerkraut fish and delivery business under Tai Er brand.
- Song Hot Pot: this segment operates restaurants featuring hot pot under Song Hot Pot brand.
- Jiu Mao Jiu: this segment operates restaurants and delivery business offering family-oriented food under Jiu Mao Jiu brand.
- Others: this segment mainly includes operating restaurants in other brands such as Fresh Wood and Shandeshanwaimian, and the operation of the Group's all other businesses.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of interest in associates, other non-current financial assets, deferred tax assets and other headquarter assets. Segment liabilities include lease liabilities, provisions, trade and other payables and contract liabilities attributable to the restaurant operations activities of the individual segments and bank borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "Non-GAAP Operating Profit", i.e. revenue deducting the following expenses (i) raw materials and consumables used, (ii) staff costs, (iii) depreciation of right-of-use assets, (iv) other rentals and related expenses, (v) depreciation and amortisation of other assets, (vi) utility expenses, (vii) advertising and promotion expenses and (viii) other expenses, excluding unallocated headquarter expenses.

In addition to receiving segment information concerning Non-GAAP Operating Profit, management is provided with segment information concerning inter segment sales, expense from borrowings managed directly by the segments, net losses on disposal of property, plant and equipment and right-of-use assets.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

For the six months ended 30 June	Tai Er		Song Hot Pot		Jiu Mao Jiu		Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Reportable segment revenue										
Revenue from external customers	1,948,593	2,248,397	416,521	431,395	226,232	292,111	162,090	92,324	2,753,436	3,064,227
Reportable segment profit (Non-GAAP Operating Profit)	262,000	310,619	14,893	36,899	28,789	49,457	24,092	11,138	329,774	408,113
Finance costs	(38,042)	(37,861)	(9,661)	(9,726)	(4,009)	(4,261)	(3,401)	(1,457)	(55,113)	(53,305)
Gain/(losses) on disposal of property, plant and equipment and right-of-use assets, net	420	(2,071)	(7,072)	1,407	(112)	1,071	(3,196)	(3,775)	(9,960)	(3,368)
Impairment losses of property, plant and equipment and right-of-use assets	(14,401)	(15,907)	(16,891)	(20,590)	(1,353)	(1,304)	(2,632)	(1,555)	(35,277)	(39,356)
As at 30 June/31 December										
Reportable segment assets	2,933,514	2,880,189	617,385	621,101	1,011,708	1,031,508	147,121	102,900	4,709,728	4,635,698
Additions to non-current segment assets during the period	57,570	314,264	18,042	112,678	1,173	65,141	97	35,645	76,882	527,728
Reportable segment liabilities	2,497,113	2,645,059	805,407	759,627	507,697	528,865	125,510	89,623	3,935,727	4,023,174

(ii) **Reconciliations of reportable segment profit or loss**

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Reportable segment profit (Non-GAAP Operating Profit)	329,774	408,113
Other revenue	26,857	33,257
Travelling and related expenses	(8,770)	(13,652)
Share of losses of associates	(3,012)	(1,652)
Other net income/(losses)	15,669	(29,495)
Finance costs	(55,113)	(53,305)
Impairment losses of property, plant and equipment	(35,277)	(39,356)
Unallocated headquarter expenses	(192,262)	(215,982)
	<u>77,866</u>	<u>87,928</u>
Consolidated profit before taxation	<u>77,866</u>	<u>87,928</u>

4 SEASONALITY OF OPERATIONS

The Group's restaurant operations business is subject to seasonal factors. Customer traffic in restaurants is usually higher during the Chinese New Year holidays, peak summer season and National Day holidays than the rest of the year. Any decrease in customer traffic in restaurants during these periods may have an adverse impact on revenue. For the twelve months ended 30 June 2025, the Group reported revenue of RMB5,762,853,000 (twelve months ended 30 June 2024: RMB6,170,655,000).

5 INCOME TAX

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Current tax		
Provision for the period		
– PRC income tax	7,410	37,941
– PRC withholding tax (note (v))	208	393
– Other jurisdictions	9,208	4,772
(Over-provision)/under provision for the PRC income tax in respect of prior years	(252)	231
	<u>16,574</u>	<u>43,337</u>
Deferred tax		
Origination and reversal accumulated tax loss and temporary differences	2,578	(23,379)
	<u>19,152</u>	<u>19,958</u>

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024: 16.5%) to the six months ended 30 June 2025, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

- (iii) Taxable income for the Group’s subsidiaries in the PRC are subject to PRC income tax rate of 25% for the six months ended 30 June 2025 (six months ended 30 June 2024: 25%), unless otherwise specified below.

Certain subsidiaries met the criteria for enterprises/branches in catering industry established in Hainan Province in the PRC and were entitled to the preferential income tax rate of 15% from 2020 to 2027.

Certain subsidiaries met the criteria required for preferential income tax rate granted to small and low profit-making enterprise in the PRC, and were entitled to a preferential income tax rate of 5% on taxable income for the first RMB3,000,000.

A subsidiary met the criteria required for preferential income tax rate granted to the encouraged industry that operates in Nansha district, Guangzhou in the PRC, and was entitled to a preferential income tax rate of 15% from 2023 to 2026.

A subsidiary met the criteria for software enterprises encouraged in the PRC, and was entitled to be exempted from income tax from 2022 to 2023 and a 50% reduction in income tax from 2024 to 2026.

- (iv) Taxation for overseas subsidiaries is similarly calculated using the statutory annual effective rates of taxation that are expected to be applicable in the relevant countries.
- (v) According to the Corporate Income Tax Law and its implementation rules, dividends and interest receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008. The withholding tax rate of 10% was applicable for the Group for the six months ended 30 June 2025 (six months ended 30 June 2024: 10%).
- (vi) From 1 January 2025, the Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

6 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2025 is based on the profit attributable to equity shareholders of the Company of RMB60,691,000 (six months ended 30 June 2024: RMB72,291,000) and the weighted average of 1,397,633,700 shares (six months ended 30 June 2024: 1,434,953,420 shares) in issue during the interim period.

	Six months ended 30 June	
	2025	2024
	<i>shares</i>	<i>shares</i>
Issued shares at 1 January	1,397,633,700	1,436,567,700
Effect of shares repurchased	–	(1,614,280)
	<hr/>	<hr/>
Weighted average number of shares at 30 June	1,397,633,700	1,434,953,420
	<hr/> <hr/>	<hr/> <hr/>

(b) Diluted earnings per share

The effect of share options of the Group were anti-dilutive for the six months ended 30 June 2025.

7 TRADE AND OTHER RECEIVABLES

	At 30 June 2025	At 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade debtors	86,163	56,542
Input value-added tax recoverable	453,802	435,173
Deposits	85,452	82,981
Other receivables	42,429	40,174
Prepayments to vendors	53,877	54,954
Prepayments to an associate	20,980	223
Amounts due from related parties	95,190	99,918
	<hr/>	<hr/>
	837,893	769,965
	<hr/> <hr/>	<hr/> <hr/>

All of the trade and other receivables are expected to be recovered or recognised as expense within one year or are recovered on demand.

Ageing analysis:

As at the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the revenue recognition date, is as follows:

	At 30 June 2025	At 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 month	58,033	44,530
1 to 2 months	22,919	10,635
2 to 3 months	1,329	1,377
Over 3 months	3,882	–
	<hr/>	<hr/>
	86,163	56,542
	<hr/> <hr/>	<hr/> <hr/>

Trade debtors are due within 30-45 days from the date of revenue recognition.

8 CASH AND CASH EQUIVALENTS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Cash on hand	36	35
Cash at bank	1,331,848	1,423,798
Less: restricted bank deposits	(286,851)	(306,504)
Less: deposits with banks with original maturity date over three months	(555,608)	(510,355)
	<u>489,425</u>	<u>606,974</u>
Cash and cash equivalents in the consolidated statement of financial position and the consolidated cash flow statement	<u>489,425</u>	<u>606,974</u>

As at the end of the reporting period, the deposits with bank of RMB286,851,000 were pledged as securities for bank loans (31 December 2024: RMB295,442,000).

9 TRADE AND OTHER PAYABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade payables	188,885	213,116
Construction fee payables	97,508	120,268
Staff cost payable	123,411	130,027
Accrued charges	75,551	76,850
Other taxes payables	6,632	8,534
Other payables	67,426	68,462
Amounts due to related parties	48	1,510
Dividend payable	54,956	3,830
	<u>614,417</u>	<u>622,597</u>

As at the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 year	<u>188,885</u>	<u>213,116</u>

10 EQUITY SETTLED SHARE-BASED PAYMENTS

The Company has a share option scheme which was adopted on 6 December 2019 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options at predetermined consideration to subscribe for shares of the Company. The options vest after one year from the date of grant and are then exercisable within a period of certain years. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

The number and weighted average exercise prices of share options are as follows:

	2025		2024	
	Weighted average exercise price <i>HKD</i>	Number of options	Weighted average exercise price <i>HKD</i>	Number of options
Outstanding at 1 January	6.76	25,042,000	13.44	14,071,200
Forfeited during the period	6.57	(1,615,000)	12.71	(916,500)
Outstanding at 30 June	<u>6.76</u>	<u>23,427,000</u>	<u>13.49</u>	<u>13,154,700</u>
Exercisable at 30 June	11.67	9,483,000	17.62	7,287,700
Non vested at 30 June	<u>3.44</u>	<u>13,944,000</u>	<u>8.35</u>	<u>5,867,000</u>

The weighted-average remaining contractual life of outstanding share options are as follows:

	At 30 June 2025	At 31 December 2024
Weighted-average remaining contractual life of share options	<u>3.0 years</u>	<u>3.5 years</u>

The Group recognised share option expenses of RMB9,784,000 during the six months ended 30 June 2025 (six months ended 30 June 2024: RMB9,184,000).

11 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

- (i) No interim dividends were proposed to equity shareholders of the Company attributable to the interim period after the end of the reporting period (six months ended 30 June 2024: nil).
- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period.

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Final dividend in respect of the previous financial year, approved during the following interim period, of HKD0.02 per ordinary share (six months ended 30 June 2024: HKD0.15 per ordinary share)	25,813	192,678
Special dividend in respect of the previous financial year, approved during the following interim period, of HKD0.02 per ordinary share (six months ended 30 June 2024: nil)	25,813	—
	51,626	192,678

No final dividend in respect of the previous financial year were paid during the six months ended 30 June 2025 (six months ended 30 June 2024: Nil) and unpaid dividends of RMB51,626,000 (31 December 2024: RMB1,400,000) were accrued and presented in “Trade and other payables” as at 30 June 2025.

(b) Share capital

(i) Issued share capital

	Six months ended 30 June 2025			Six months ended 30 June 2024		
	No. of shares	Nominal value of fully paid shares USD	Nominal value of fully paid shares RMB	No. of shares	Nominal value of fully paid shares USD	Nominal value of fully paid shares RMB
Ordinary shares, issued and fully paid:						
At 1 January	1,397,633,700	139.77	945	1,436,567,700	143.66	973
Shares repurchased and cancelled (note 11(b)(ii))	—	—	—	(4,184,000)	(0.42)	(3)
At 30 June	1,397,633,700	139.77	945	1,432,383,700	143.24	970

The ordinary shares of the Company have a par value of USD0.0000001 each.

(ii) Purchase of own shares

During the six months ended 30 June 2025, no ordinary shares of the Company on The Stock Exchange of Hong Kong Limited were repurchased or cancelled.

During the six months ended 30 June 2024, the Company repurchased 21,459,000 shares, on the Stock Exchange of Hong Kong Limited for an aggregate price of HKD93,183,000 (equivalent to RMB84,917,000). 4,184,000 shares repurchased during the six months ended 30 June 2024 were cancelled on 20 June 2024 and resulted in a decrease in the Company's share capital and share premium of RMB19,027,000. The remaining shares repurchased during the six months ended 30 June 2024 were cancelled in the second half of 2024.

(c) Reserves

Acquisition of non-controlling interests

During the six months ended 30 June 2024, the Group acquired additional 20.1% equity interests in Guangzhou Xi Qin Catering Management Co., Ltd.* ("**Xi Qin Catering**", 廣州西芹餐飲有限公司) for RMB10,000 and held 100% equity interests of Xi Qin Catering in aggregate upon completion of the acquisition. The carrying amount of Xi Qin Catering's net assets on the date of the acquisition was RMB5,954,000. The Group recognised a decrease in non-controlling interests of RMB1,197,000 and an increase in retained earnings of RMB1,187,000.

12 COMMITMENTS

Capital commitments outstanding at 30 June 2025 not provided for in the interim financial report

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Contracted for acquisition of property, plant and equipment and right-of-use assets	347,843	327,235

OTHER INFORMATION

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

During the six months ended June 30, 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sale of treasury shares) of the Company.

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company has applied the principles as set out in the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules.

The Board is of the view that the Company has complied with all the code provisions as set out in the CG Code during the six months ended June 30, 2025.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors, all Directors confirmed that they have strictly complied with the Model Code during the six months ended June 30, 2025.

The Board has also established written guidelines on terms no less exacting than the Model Code (the "**Guidelines**") for securities transactions by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code. No incident of non-compliance with the Guidelines by the Company's relevant employees has been noted during the six months ended June 30, 2025 after making reasonable enquiry.

Audit Committee and Review of Financial Statements

The Company established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the CG Code. As of the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely Ms. Wang Xiaomei (Chairman), Ms. Tang Zhihui and Ms. Zhu Rui (with Ms. Wang Xiaomei possessing the appropriate professional qualifications and accounting and related financial management expertise). The main duties of the Audit Committee are to assist the Board in providing an independent review of the completeness, accuracy and fairness of the financial information of the Group, as well as the efficiency and effectiveness of the Group's operations and internal controls.

The Audit Committee have reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters including the review of the unaudited interim results of the Group for the six months ended June 30, 2025.

The unaudited interim results of the Group for the six months ended June 30, 2025 have been reviewed by the Company's external auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants.

Publication of Interim Results Announcement and Interim Report

This interim results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.jiumaojiu.com). The interim report of the Company for the six months ended June 30, 2025 containing all the information required by the Listing Rules will be dispatched (if requested) to the Shareholders and made available on the same websites in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, suppliers and customers of the Company for their continued support and trust. The Board would also like to thank all the employees and management team for executing the Group's strategies with professionalism, integrity and dedication.

By order of the Board
Jiumaojiu International Holdings Limited
Guan Yihong
Chairman

Hong Kong, August 22, 2025

As at the date of this announcement, the Board comprises Mr. Guan Yihong as chairman and executive Director, Mr. He Chengxiao as chief executive officer and executive Director, Ms. Cui Longyu and Mr. Su Danman as executive Directors, and Ms. Tang Zhihui, Ms. Zhu Rui and Ms. Wang Xiaomei as independent non-executive Directors.