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**SHIFANG HOLDING LIMITED**

**十方控股有限公司**

*(incorporated in the Cayman Islands and re-domiciled and continued in Bermuda with limited liability)*

**(Stock code: 1831)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of ShiFang Holding Limited (the “**Company**”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 December 2025 together with the comparative figures for the corresponding period on 31 December 2024.

The condensed consolidated interim financial information has not been audited or reviewed by the Company’s auditors, but has been reviewed by the Company’s audit committee (the “**Audit Committee**”).

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*AS AT 31 DECEMBER 2025*

		<b>31 December</b>	30 June
		<b>2025</b>	2025
	<i>Notes</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>13,911</b>	14,009
Investment properties		<b>26,500</b>	26,500
Right-of-use assets		<b>2,694</b>	2,829
Intangible assets		<b>3,849</b>	3,974
Prepayments, deposits and other receivables		<b>20,586</b>	20,586
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>67,540</b>	67,898
		<hr/>	<hr/>
<b>Current assets</b>			
Inventories		<b>152,609</b>	410
Properties held for sale		<b>15,097</b>	15,097
Trade receivables	3	<b>160,518</b>	17,623
Deposits, prepayments and other receivables		<b>179,761</b>	56,138
Restricted cash		<b>42</b>	42
Cash and bank balances		<b>5,281</b>	2,786
		<hr/>	<hr/>
		<b>513,308</b>	92,096
Assets classified as held for sale		–	–
		<hr/>	<hr/>
<b>Total current assets</b>		<b>580,848</b>	159,994
		<hr/>	<hr/>
<b>Current liabilities</b>			
Trade payables	4	<b>60,247</b>	12,460
Accruals, other payables and deposits received		<b>424,115</b>	110,561
Amounts due to related parties		<b>23,867</b>	24,642
Loan from a shareholder		<b>5,552</b>	5,052
Lease liabilities		<b>2,061</b>	1,156
Income tax payable		–	2,515
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>515,842</b>	156,386
		<hr/>	<hr/>
<b>Net current liabilities</b>		<b>64,825</b>	(64,290)
		<hr/>	<hr/>

	<b>31 December 2025 RMB'000 (Unaudited)</b>	30 June 2025 RMB'000 (Audited)
<b>Non-current liabilities</b>		
Lease liabilities	—	3,209
	<hr/>	<hr/>
<b>Total non-current liabilities</b>	—	3,209
	<hr/>	<hr/>
<b>Net assets</b>	<b>65,006</b>	399
	<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	261,865	261,865
Reserves	(296,893)	(295,095)
	<hr/>	<hr/>
	(35,028)	(33,230)
<b>Non-controlling interests</b>	<b>97,692</b>	33,629
	<hr/>	<hr/>
<b>Total equity</b>	<b>65,006</b>	399
	<hr/> <hr/>	<hr/> <hr/>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2025**

	<i>Notes</i>	<b>Six months ended 31 December 2025 RMB'000 (Unaudited)</b>	<b>Six months ended 31 December 2024 RMB'000 (Unaudited)</b>
<b>Revenue</b>	2	<b>365,372</b>	54,404
Cost of sales		<u>(364,276)</u>	<u>(50,990)</u>
<b>Gross profit</b>		<b>1,827</b>	3,414
Other income and gains (loss), net		2	–
Selling and marketing expenses		(1,065)	(517)
General and administrative expenses		<u>(1,831)</u>	<u>(8,072)</u>
Loss before tax	5	<b>(1,798)</b>	(5,175)
Income tax credit		<u>–</u>	<u>32</u>
Loss for the period attributable to owners of the Company		<u><b>(1,798)</b></u>	<u>(5,175)</u>
Attributable to:			
Owners of the parent		<b>(1,482)</b>	(4,293)
Non-controlling interests		<b>(316)</b>	(914)
		<u><b>(1,798)</b></u>	<u>(5,207)</u>
Loss per share attributable to ordinary equity holders of the parent			
– Basic and diluted (RMB per share)		<u><b>(0.0014)</b></u>	<u>(0.004)</u>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1.1 GENERAL INFORMATION

ShiFang Holding Limited (the “**Company**”) is an investment holding company which, together with its subsidiaries (collectively, the “**Group**”), are principally engaged in the business of publishing and advertising (the “**Publishing and Advertising Businesses**”) in the People’s Republic of China (the “**PRC**”). The Group has been focusing on restructuring its Publishing and Advertising Businesses by consolidating with cultural media and film media business in PRC and diversifying into tourism and integrated developments.

The Company was incorporated in the Cayman Islands on 9 December 2009 as an exempted company with limited liability under the Companies Law (2009 Revision as amended, supplemented or otherwise modified) of the Cayman Islands. With effect from 18 March 2019 (Bermuda time), the Company changed its domicile of Company from the Cayman Islands to Bermuda by way of discontinuation in the Cayman Islands and continuation as an exempted company under the laws of Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda after the change of domicile.

The Company’s shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information for the six months ended 31 December 2025 is unaudited but has been reviewed by the Audit Committee of the Company. This condensed consolidated interim financial information is presented in thousands of units of Renminbi (“**RMB’000**”), unless otherwise stated.

This condensed consolidated interim financial information has been approved for issue by the Board on 2 March 2026.

## 1.2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 31 December 2025 has been prepared in accordance with International Accounting Standards (“**IAS**”) 34, ‘Interim financial reporting’. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the twelve months ended 30 June 2025, which have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”).

### Going Concern

For the six months ended 31 December 2025, the Group reported a net loss of approximately RMB1.79 million. As at 31 December 2025, the Group’s current liabilities lowed its current assets by RMB44.37 million while the Group had cash and cash equivalents of approximately RMB5.28 million. The above conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern.

The directors of the Company have assessed the appropriateness of adopting the going concern basis for the preparation of the interim condensed consolidated financial statements for the six months ended 31 December 2025. In order to improve the Group’s liquidity and financial position, the directors of the Company have been implementing various measures as follows:

- (i) The Group has successfully obtained a borrowing facility of RMB20,000,000 from a company wholly-owned by a major shareholder of the company on 1 August 2021. RMB1,500,000 had been drawn in 2021 and a further RMB2,919,000 had also been drawn in 2022. The borrowing will be repayable in two years from the date of drawdown with an interest rate of 5% per annum. On 6 March 2023, the repayment period of facility was extended from repayable in two years to repayable in four years from

the date of drawdown. In addition, the major shareholder has issued a letter of financial support to the Company for a period of eighteen months from 30 June 2024 to enable the Group to meet its liabilities as and when they fall due and to carry on its business without a significant curtailment of operations;

- (ii) The Group has obtained written confirmations from the directors of the Company and related parties which confirmed that they will not demand the Group for repayment of the amounts due by the Group in aggregate of RMB28,354,000 for the next twelve months from 31 December 2024;
- (iii) The Group is in negotiation with certain potential investors to raise fund to finance the capital investments for its tourism and integrated development projects;
- (iv) The Group is maximising its efforts to dispose its properties held for sales with a carrying amount of approximately RMB15,097,000 as at 31 December 2024 and expected to collect the sales proceeds within the cashflow forecast period;
- (v) The Group will continue to take initiatives to implement cost control measures, including adjustment to management remuneration and streamlining administrative costs; and
- (vi) The Group will continue its efforts to implement measures to strengthen its operating cash flows and working capital position, including expediting collection of outstanding trade receivables, obtaining additional sources of financing and deferring discretionary capital expenditures, where necessary.

The directors of the Company, after making due enquiries and considering the basis of management's cashflow forecast described above and after taking into account the reasonably possible changes in the operation performance, believe there will be sufficient financial resources available to the Group at least in the coming twelve months after the reporting date to meet its financial obligations as and when they fall due. Accordingly, the directors of the Company consider that it is appropriate to prepare the interim condensed consolidated financial statements on a going concern basis.

Notwithstanding the above, a material uncertainty exist as to whether management of the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows through achieving the below plans and measures:

- (i) Successful draw down of financial resources from the above-mentioned (i) borrowing facility from the company wholly-owned by the major shareholder and (ii) financial support from the major shareholder, as and when required;
- (ii) Successful completion of fund raising to finance the Group's capital investments for its tourism and integrated development projects;
- (iii) Successful in disposal of its properties held for sale and collection of sales proceeds as planned;
- (iv) Successful implementation of measures to control operating costs, expedite collection from customers, obtain additional sources of financing when needed and deferring discretionary capital expenditures where necessary, so as to improve the Group's cash flow position; and
- (v) Successful obtaining of additional sources of financing as and when needed.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the interim condensed consolidated financial statements.

### 1.3 ACCOUNTING POLICIES

- (a) New or amended standards adopted by the Group.

There are a number of new or amended standards and interpretations that become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adoption these standards.

- (b) New standards and amendments to standards have been issued but are not yet early adopted by the Group.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for this reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

### 1.4 ESTIMATES

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

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements for the twelve months ended 30 June 2025.

## 2. SEGMENT AND REVENUE INFORMATION

The Group identifies its operating segments and prepared segment information based on the regular internal financial information reported to the Group's executive directors, being the chief operating decision maker ("CODM") for the purpose of resources allocation to the Group's business components and review of these components' performance.

The Group is organised into business units based on their products and services, and has reportable operating segments as follows:

- a. Publishing and advertising segment, which mainly included provision of the advertising services, marketing and consulting services, printing services and commissions from the sale of various industrial and construction raw materials; and
- b. Tourism and integrated developments segment, which mainly included provision of tourism and integrated services through its media, resort and eco-tourism integrated development projects and sales of agricultural products, including the Yongtai Distinctive Town Project and Cooperative Project in YongFu Town.

The Executive Directors assess the performance of the operating segments based on a measure of earnings before interest, other income and other gains, net and income tax. This measurement basis excludes the effects of non-recurring expenditure from operating segments. Loss on conversion of shareholder loan to contingent convertible loan, gain on conversion of convertible bond to shareholder loan, fair value change of contingent convertible loan, share of results of investments accounted for using the equity method, fair value loss on financial assets at FVTPL, interest income and finance costs are not allocated to segment. No analysis of segment assets and liabilities is regularly provided to the CODM.

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

### Segment revenue and segment results

The table below shows the segment results and other segment items provided to the CODM for the reportable segments for the six months ended 31 December 2025.

	<b>Publishing and advertising RMB'000 (Unaudited)</b>	<b>Tourism and integrated developments RMB'000 (Unaudited)</b>	<b>Total RMB'000 (Unaudited)</b>
Segment revenue from external customers	<u>4,774</u>	<u>360,598</u>	<u>365,372</u>
<b>Timing of revenue recognition:</b>			
– At a point in time	<u>4,774</u>	<u>360,598</u>	<u>365,372</u>
Segment results	4,774	360,598	365,372
Loss before tax	–	(1,798)	(1,798)
Income tax expenses			<u>–</u>
Loss for the period		(1,798)	<u><u>(1,798)</u></u>

The table below shows the segment results and other segment items provided to the CODM for the reportable segments for the six months ended 31 December 2024.

	<b>Publishing and advertising RMB'000 (Unaudited)</b>	<b>Tourism and integrated developments RMB'000 (Unaudited)</b>	<b>Total RMB'000 (Unaudited)</b>
Segment revenue from external customers	<u>296</u>	<u>54,108</u>	<u>54,404</u>
<b>Timing of revenue recognition</b>			
– At a point in time	<u>296</u>	<u>54,108</u>	<u>54,404</u>
Segment results	296	54,108	<u>54,404</u>
Loss before tax	(1,782)	(3,393)	(5,175)
Income tax expenses			<u>(32)</u>
Loss for the period			<u><u>(5,207)</u></u>

	<b>Six months ended</b>	
	<b>31 December 2025 RMB'000 (Unaudited)</b>	31 December 2024 RMB'000 (Unaudited)
Revenue from contracts with customers:		
– Newspaper and public vehicles advertising	–	–
– Marketing and consulting services	4,774	259
– Printing services	–	–
– Sales of agricultural products	360,598	54,108
– Others	–	37
	<b>365,372</b>	<b>54,404</b>

### 3. TRADE RECEIVABLES –NET

	<b>As at 31 December 2025 RMB'000 (Unaudited)</b>	As at 30 June 2025 RMB'000 (Audited)
Receivables at amortised cost comprised:		
Trade receivables	160,519	26,540
Less: allowance for impairment of trade receivables	(8,026)	(8,917)
	<b>152,493</b>	<b>17,623</b>

The Group allows credit period ranging from 30 to 365 days to its trade customers. The following is an aging analysis of trade receivables net of allowance for impairment of trade receivables presented based on the invoice date, at the end of the reporting period.

	<b>As at 31 December 2025 RMB'000 (Unaudited)</b>	As at 30 June 2025 RMB'000 (Audited)
0 to 30 days	15,784	–
31 to 60 days	78,921	2,571
61 to 180 days	97,301	10,103
181 to 365 days	23,676	–
Over 1 year	2,677	13,866
	<b>160,519</b>	<b>26,540</b>
Less: provision for impairment of trade receivables	(8,026)	(8,917)
	<b>57,493</b>	<b>17,623</b>

The Group does not hold any collateral as security.

#### 4. TRADE PAYABLES

	As at 31 December 2025 <i>RMB'000</i> (Unaudited)	As at 30 June 2025 <i>RMB'000</i> (Audited)
Trade payables	<u>60,247</u>	<u>12,460</u>

The credit period is generally ranging from 30 to 365 days. The following is an aging analysis of trade payables presented based on the invoice date at the end of the reporting period.

	As at 31 December 2025 <i>RMB'000</i> (Unaudited)	As at 30 June 2025 <i>RMB'000</i> (Audited)
0 to 30 days	49,620	2,057
31 to 90 days	6,936	660
Over 90 days	<u>3,691</u>	<u>9,743</u>
	<u>60,247</u>	<u>12,460</u>

#### 5. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

	Six months ended	
	31 December 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Unaudited)
Employee benefit expenses (including directors' emoluments)	<u>805</u>	<u>805</u>
Auditor's remuneration	75	150
Cost of inventories recognised as expenses	–	–
– Cost of services and inventories sold	361,718	50,990
Amortisation of intangible assets	125	363
Depreciation of property, plant and equipment	98	357
Depreciation of right-of-use assets	135	128
Net change in provision for impairment of trade receivables	891	–
Lease charges:		
– Short-term leases (leases with lease term shorter than 12 months)	<u>76</u>	<u>–</u>

## 6. INCOME TAX

Income tax has been recognised in profit or loss as following:

	Six months ended	
	31 December 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Unaudited)
Current tax		
– PRC	–	32
– Hong Kong	–	–
	<hr/>	<hr/>
	–	32
Deferred income tax	–	–
Income tax credit	–	32
	<hr/> <hr/>	<hr/> <hr/>

The Group has no assessable income arising in or derived from Hong Kong during the six months ended 31 December 2025 and the six months ended 31 December 2024.

## 7. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following:

	Six months ended	
	31 December 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Unaudited)
<b>Loss</b>		
Loss attributable to owners of the Company	(1,798)	(4,293)
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share (thousands)	<hr/> <b>1,075,450</b> <hr/>	<hr/> 1,070,703 <hr/>

For the six months ended 31 December 2025, both diluted loss per share and basic loss per share decreased as compared to the six months ended December 31, 2024. This was due to the fact that the calculation of diluted loss per share did not assume the exercise of the Company's share options, as the exercise of such options would have an anti-dilutive effect on loss per share, combined with a certain improvement in performance following the Company's change in the categories of agricultural products sold.

## 8. DIVIDENDS

No dividend has been declared by the Company for the period ended 31 December 2025 (31 December 2024: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY REVIEW

According to data released on January 30, 2026, cultural enterprises achieved operating revenue of RMB15,213.5 billion in 2025, representing a year-on-year increase of 7.4% based on comparable calibers. Among this, the 16 industry sub-categories with distinctive characteristics of new cultural business formats achieved operating revenue of RMB6,825.3 billion, a year-on-year increase of 14.3%, outpacing the growth rate of all cultural enterprises above designated size by 6.9 percentage points.

Analysed by industry type, the cultural manufacturing sector achieved operating revenue of RMB4,105.8 billion, a year-on-year increase of 0.6%; the cultural wholesale and retail sector achieved RMB2,526.7 billion, an increase of 4.0%; the cultural service sector achieved RMB8,581.1 billion, an increase of 12.0%.

Analysed by area, the core cultural domain achieved operating revenue of RMB10,318.1 billion, a year-on-year increase of 11.5%; the related cultural domain achieved RMB4,895.5 billion, a decrease of 0.4%.

Analysed by industry category, news and information services achieved operating revenue of RMB2,126.9 billion, a year-on-year increase of 13.2%; content creation and production achieved RMB3,499.1 billion, an increase of 13.5%; creative design services achieved RMB2,737.7 billion, an increase of 12.3%; cultural communication channels achieved RMB1,681.4 billion, an increase of 5.0%; cultural investment and operation achieved RMB63.2 billion, an increase of 8.6%; cultural entertainment and leisure services achieved RMB209.9 billion, an increase of 7.4%; cultural auxiliary production and intermediary services achieved RMB1,607.3 billion, a decrease of 2.5%; cultural equipment manufacturing achieved RMB752.7 billion, an increase of 6.6%; cultural consumer terminal production achieved RMB2,535.5 billion, a decrease of 0.9%.

Analysed by region, cultural enterprises in the eastern region achieved operating revenue of RMB12,129.8 billion, a year-on-year increase of 7.6%; the central region achieved RMB1,709.4 billion, an increase of 5.5%; the western region achieved RMB1,248.6 billion, an increase of 8.2%; the northeastern region achieved RMB125.6 billion, a decrease of 0.9%.

In 2025, cultural enterprises achieved total profits of RMB1,376.3 billion, a year-on-year increase of 6.5%; the profit margin on operating revenue was 9.05%, basically flat compared with the previous year. At the end of 2025, total assets of cultural enterprises were RMB22,989.8 billion, a year-on-year increase of 7.0%; operating revenue per hundred yuan of assets was RMB68.6, an increase of RMB0.3 year-on-year.

### PROSPECTS

According to detailed classification data from the National Bureau of Statistics, the prices of the eight major categories of goods and services for the full year 2025 showed a structure of “6 increases and 2 decreases”.

Categories with price increases:

- Other Supplies and Services: Increased by 9.3% year-on-year, the highest increase.
- Clothing: Increased by 1.5% year-on-year.
- Articles for Daily Use and Services: Increased by 0.9% year-on-year.
- Education, Culture and Entertainment: Increased by 0.8% year-on-year.
- Healthcare: Increased by 0.8% year-on-year.
- Residence: Increased by 0.1% year-on-year.

Categories with price decreases:

- Transportation and Communication: Decreased by 2.6% year-on-year.
- Food, Tobacco and Liquor: Decreased by 0.7% year-on-year.

Based on the data above, the industries covered by the Group's business scope all fall within the categories experiencing price increases. Therefore, there is reason to believe that the Group will see sustained positive developments in its operations.

## **Human Resources**

As at 31 December 2025, the Group had 110 employees (31 December 2024: 110). Total staff costs including directors' remuneration for the six months ended were RMB0.775 million (six months ended 31 December 2024: RMB0.8 million).

The remuneration of the directors is evaluated by the remuneration committee, which also makes recommendations to the Board. In addition, the remuneration committee reviews the performance, and determines the remuneration structure, of the Group's senior management.

## **BUSINESS REVIEW**

For the six months ended 31 December 2025, the Group recorded revenue of approximately RMB365.37 million from its principal business (six months ended 31 December 2024: approximately RMB54 million). The gross profit was RMB1.09 million (six months ended 31 December 2024: approximately RMB3.4 million). The gross profit margin increased from 6.2% in 2024 to 6.7% in 2025. The net loss after taxation was approximately RMB1.79 million (six months ended 31 December 2024: approximately RMB5.2 million).

## **Newspapers and Public Vehicles Advertising Services**

With the rapid advancement of technology and speedy changes in the market environment, the advertising industry is swiftly changing its placement model. Traditional media such as newspapers, radio, and television are gradually declining, while the mobile Internet and new media are beginning to dominate a strong lead in the advertising industry. Overall speaking, throughout the period, performance of this part of the business continued to deteriorate, due to adverse operating environment. For the six months ended 31 December 2025, newspapers and public vehicles advertising contributed RMBNil (six months ended 31 December 2024: approximately RMB0 million) to the Group's revenue.

## **Marketing and Consulting Services and Printing Services**

For the six months ended 31 December 2025, the Group's revenue from marketing and consulting services was approximately RMB4.77 million, representing an increase of 92.11% as compared with the corresponding period in 2024. The revenue from the printing services decreased to RMBNil, compared to approximately RMB0 million for the corresponding period in 2024.

## **Sales of Agricultural Products**

For the six months ended 31 December 2025, the Group's revenue from sales of agricultural products was approximately RMB360.6 million (six months ended 31 December 2024: approximately RMB54 million). The sales of agricultural products of the Group mainly focus on ornamental plants.

## **Internet and Other Services**

During the period under review, the Group was still conducting market survey to decide the business models of [www.dnkb.com.cn](http://www.dnkb.com.cn) and [www.duk.cn](http://www.duk.cn) and as such, the Internet services segment has yet to contribute any revenue to the Group.

## **Tourism and Integrated Developments Segment**

In line with the national policy of distinctive town construction, development and investment with an aim to promoting China regional development and rural revitalisation, the Group entered into a framework agreement with the government of Yongtai County of Fuzhou to undertake the project of "Yongtai Kungfu Distinctive Town" with a theme of film and cultural entertainment. The first phase of the project has completed most of its construction works and features a 60-Chinese mu eco-friendly greenhouse farm and ecologic forests with a total area of over 10,000 Chinese mu. The Group intends to develop this part of the project into a fullchain ecological production center that integrates seed production, plantation, processing and sales of agricultural products.

To further develop our eco-agricultural business, in 2019, the Company commenced a cooperation project in Yongfu County, Longyan City, Fujian Province. Under this cooperation project, qualified cultivators joined the Company's cooperatives to form an eco-agricultural demonstration base. Cultivators under the cooperation will be responsible for planting agricultural products, and the Company will be responsible for sourcing seeds, soil, fertilizers, auxiliary materials and other productive materials. Moreover, the Company will provide all-round technical guidance and latest industrial information to cultivators under the cooperation. The Company will procure the

agricultural products produced by cultivators and sell them through various marketing channels. Since 2019, the Company established an O2O website, mobile APP and WeChat Mini Programs to promote online and offline sales of these agricultural products. In 2025, the Group's revenue from the sales of agricultural products was approximately RMB365.37 million.

## **FINANCIAL REVIEW**

### **Revenue**

The total revenue of the Group increased from RMB54 million for the six months ended 31 December 2024 to RMB365.37 million for the six months ended 31 December 2025, principally due to the increase in revenue from sales of agricultural products. The Group's revenue from the sales of agricultural products for the six months ended 31 December 2025 was RMB360.6 million (the six months ended 31 December 2024: approximately RMB54 million).

### **Gross profit and gross profit margin**

The Group recorded a gross profit of RMB1.09 million for the six months ended 31 December 2025, compared to RMB3.4 million for the six months ended 31 December 2024. The gross profit margin increased from 6.27% for the six months ended 31 December 2024 to 6.7% for the six months ended 31 December 2025, primarily due to the change in the Group's marketing strategy in 2025, adopting a model where customers pay a smaller proportion of the prepayment before the Group dispatches the goods. Additionally, the categories of agricultural products sold have been shifted towards those with broader applications and greater market demand. The sales team was concurrently streamlined and replaced with more experienced management and frontline staff, and their compensation system was completely overhauled to a performance-based commission model tied to contract completion. Regarding the agricultural products sold in previous years, specifically floral products, the Group did not actively market these in the current year. These were inventoried after paying partial prepayments to farmers. Furthermore, most of the saleable assets from the Jinhua Base within the Kung Fu Town Project and the Bird and Rain Forest were also converted into inventory. The Group plans to market these in 2026 when market conditions are favorable, aiming to maximize profits.

### **Overall expenses**

The Group's overall expenses was RMB2.89 million for the six months ended 31 December 2025, compared to approximately RMB8.6 million for the corresponding period in 2024, principally due to the Group's investment in its business development.

### **Results for the period**

The Group recorded a net loss of RMB1.79 million for the six months ended 31 December 2025 (six months ended 31 December 2024: net loss of RMB5.2 million), primarily due to the change in the Group's marketing strategy in 2025, adopting a model where customers pay a smaller proportion of the prepayment before the Group dispatches the goods. Additionally, the categories of agricultural products sold have been shifted towards those with broader applications and greater market demand. The sales team was concurrently streamlined and replaced with more experienced management and frontline staff, and their compensation system was completely overhauled to a performance-based commission model tied to contract completion. Regarding the agricultural

products sold in previous years, specifically floral products, the Group did not actively market these in the current year. These were inventoried after paying partial prepayments to farmers. Furthermore, most of the saleable assets from the Jinhua Base within the Kung Fu Town Project and the Bird and Rain Forest were also converted into inventory. The Group plans to market these in 2026 when market conditions are favorable, aiming to maximize profits.

### Capital expenditures

During the six months ended 31 December 2025 and 31 December 2024, the Group incurred capital expenditures mainly for construction costs related to property, plant and equipment, purchase of leasehold improvements and office equipment. No capital expenditures were recorded for the six months ended 31 December 2025 and no capital expenditures for the six months ended 31 December 2024, respectively.

### Trade receivables – net

The following table sets out the aging analysis of the Group’s trade receivables based on invoice date:

	<b>As at 31 December 2025 RMB’000 (Unaudited)</b>	<b>As at 30 June 2025 RMB’000 (Audited)</b>
Aging analysis of trade receivables		
1–30 days	15,784.2	–
31–60 days	78,921	2,571
61–90 days	97,301.5	10,103
181–365 days	23,676.3	–
Over 1 year	2,677	13,866
	<b>160,519</b>	<b>26,540</b>
<i>Less: provision for impairment of trade receivables</i>	<b>(6,051)</b>	<b>(8,917)</b>
Trade receivables – net	<b>152,493</b>	<b>17,623</b>

### Properties held for sale

	<b>As at 31 December 2025 RMB’000 (Unaudited)</b>	<b>As at 30 June 2025 RMB’000 (Audited)</b>
Properties held for sale	<b>15,097</b>	<b>15,097</b>

Properties are classified as properties held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable.

### Trade payables

	<b>As at 31 December 2025 RMB'000 (Unaudited)</b>	<b>As at 30 June 2025 RMB'000 (Audited)</b>
Aging analysis of trade payables based on invoice date		
1–30 days	–	2,057
31–90 days	<b>56,556</b>	660
Over 90 days	<b>3,691</b>	9,743
	<b>60,247</b>	12,460

### Liquidity and Financial Resources

As at 31 December 2025, net current liabilities of the Group were approximately RMB44.37 million. The bank and cash balances were approximately RMB5.28 million.

As at 31 December 2025, the Group has outstanding liabilities of approximately RMB516.25 million comprising (i) trade payables of approximately RMB49.63 million, (ii) accruals, other payables and deposits received of approximately RMB437.12 million, (iii) Amounts due to related parties of approximately RMB29.5 million, and (iv) other liabilities of approximately RMB29.5 million.

As at 31 December 2025, the Group had no outstanding bank borrowings (31 December 2024: Nil).

The current ratio, being the ratio of current assets to current liabilities, was approximately one time as at 31 December 2025 (31 December 2024: approximately 0.65 times).

The Group did not carry out any fund raising activities by issuing new shares of the Company during the Period.

### Share Capital and Capital Structure of the Company

As at 31 December 2025, the Company had 1,075,449,549 ordinary shares of HK\$0.01 each (the “Shares”) in issue (31 December 2024: 1,075,449,549 Shares).

### Significant Investments, Acquisitions And Disposals

During the six months ended 31 December 2025, the Group had no material acquisitions and disposals of subsidiaries. As at 31 December 2025, the Group had no material investment.

## Pledge of Group's assets

The Group did not have any charge on assets for the Period (30 June 2025: Nil).

## Foreign Exchange Exposure

The Group's monetary assets, liabilities and transactions are mainly denominated in Hong Kong dollars and Renminbi. The Group is mainly exposed to foreign exchange risk with respect to Renminbi which may affect the Group's performance. The Group regularly reviews the balances of assets and liabilities and the currencies in which the transactions are denominated so as to minimise the Group's exposure to foreign currency risk. During the Period, no financial instruments had been used for hedging purpose. The Directors are of the view that the transactional exposure of the Group in currencies other than the functional currencies is maintained at an acceptable level.

## Gearing ratio

Gearing ratio, being proportion of the Group's total borrowings to total assets, was 100.2% as at 31 December 2025 (31 December 2024: 83%).

## Commitments

### (a) Operating lease commitments – as a lessor

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

	<b>As at 31 December 2025 RMB'000 (Unaudited)</b>	<b>As at 30 June 2025 RMB'000 (Audited)</b>
Not later than 1 year	–	1,409
Later than 1 year and not later than 5 years	<u>2,875</u>	<u>1,466</u>
	<u><b>2,875</b></u>	<u><b>2,875</b></u>

### (b) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities amounted to RMB3 million in respect of property, plant and equipment as at 31 December 2025 and 30 June 2025.

## **Contingent liabilities**

The Group follows the guidance of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” to determine when should contingent liabilities be recognised, which requires significant judgement.

A contingent liability will be disclosed when a possible obligation has arisen, but its existence has to be confirmed by future events outside the Group’s control, or when it is not possible to calculate the amount. Realisation of any contingent liabilities currently not recognised or disclosed could have a material impact on the Group’s financial position.

The Group reviews for any significant outstanding litigations in order to assess the need for provisions. Among the factors considered are the nature of the litigation, legal processes and potential level of damages, the opinions and views of the legal counsel, and the management’s intentions to respond to the litigations. To the extent the estimates and judgements do not reflect the actual outcome, this could materially affect the results for the year and the financial position.

As at 31 December 2025 and 31 December 2024, the Group had no material contingent liabilities.

## **CHANGES IN DIRECTORS AND COMPANY SECRETARY**

- (i) On 3 April 2025, Mr. Chan Yik Pun was removed from the position of the company secretary of the Company;
- (ii) On 3 April 2025, Mr. Chan Kwong Leung Eric was appointed as the company secretary of the Company;
- (iii) On 25 April 2025, Mr. Lee Kam Wing Victor was appointed as an Independent Non-executive Director;
- (iv) On 16 May 2025, Mr. Chan Kwong Leung Eric resigned as the company secretary of the Company.

## **INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend for the six months ended 31 December 2025 (six months ended 31 December 2024: Nil).

## **CORPORATE GOVERNANCE CODE**

The Company recognises the importance and value of achieving high standards of corporate governance practices. The Board believes that good corporate governance is an essential element in maintaining and promoting shareholder value and investor confidence.

The Company has adopted the code provisions on Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance since the date of the listing of the shares of the Company on the Main Board of the Stock Exchange on 3 December 2010 (the “**Listing Date**”), which shall also be revised from time to time in accordance with the Listing Rules. Save as disclosed below, the Board considers the Company has complied with the code provisions as set out in the CG Code.

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. During the period under review, Mr. Chen Zhi is the chairman and the CEO of the Company, which deviates from code provision C.2.1. However, the management conveyed the latest business developments to the Directors to enable them to communicate regularly to consider and review the major and appropriate issues which may affect the operations of the Company arising from the overlap of chairman and CEO. As such, the Board considers that the sufficient measures had been taken and the overlap of chairman and CEO should not impair the balance of power and authority between the Board and the management.

Under Code Provision D.1.2, management should provide all members of the Board with monthly updates on the issuer’s performance, position and prospects, which may include monthly management accounts and material variance between projections and actual results. During the period under review, although management accounts were not circulated to Board members on monthly basis, regular verbal updates were given by management to Directors on working level meetings from time to time, which the management and the Board consider to be sufficient and appropriate in the circumstances in giving a balanced and understandable assessment of the Group’s performance and enabling Directors to discharge their duties.

The Board shall continue to monitor and review the Company’s corporate governance practices to ensure compliance of the CG Code.

## **MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix C3 of the Listing Rules as its own code of conduct for dealing in securities by the directors of the Company. Specific enquiries have been made to all the directors of the Company and all of them confirmed and declared that they have complied with the required standards as set out in the Model Code during the six months ended 31 December 2025 and up to the date of this announcement.

## **AUDIT COMMITTEE**

The Audit Committee of the Company has been established in compliance with Rules 3.21 and Rules 3.22 of the Listing Rules with written term of reference in compliance with the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. The Audit Committee currently consists of two independent non-executive directors of the Company, namely Mr. Chai Chung Wai and Mr. Wei Hong. Mr. Chai Chung Wai is the chairman of the Audit Committee, who has appropriate

professional qualifications and experience in accounting matters. The Audit Committee has reviewed the Group's condensed consolidated interim financial information for the six months ended 31 December 2025.

#### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES**

The Company has not redeemed any of its listed shares during the six months ended 31 December 2025. Neither the Company nor any of its subsidiaries had purchased, sold or repurchased any of the listed shares of the Company during the six months ended 31 December 2025.

#### **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

The interim results announcement is published on the websites of the Company ([www.shifangholding.com](http://www.shifangholding.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). An interim report of the Company for the six months ended 31 December 2025 containing all the information required by the Listing Rules will be dispatched to shareholders of the Company and made available on the abovementioned websites in due course.

By order of the Board  
**ShiFang Holding Limited**  
**Chen Ye**  
*Co-Chairman of the Board*

Hong Kong, 2 March 2026

*As at the date of this announcement, the executive Directors of the Company are Mr. Chen Zhi (Chairman & Chief Executive Officer) and Mr. Chen Ye; the non-executive Director is Ms. Wang Bao Zhu; and the independent non-executive Directors are Mr. Chai Chung Wai, Mr. Lee Kam Wing Victor and Mr. Wei Hong.*