LONGHUI INTERNATIONAL HOLDINGS LIMITED
龍 輝 國 際 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1007)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

RESULTS

The board (the "**Board**") of directors (the "**Director(s)**") of Longhui International Holdings Limited (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2025, together with comparative figures from the previous corresponding period.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	3	**19,733**	29,403
Foods and beverage and other materials consumables used		**(5,576)**	(8,999)
Employee benefits and related expenses	4	**(12,542)**	(15,240)
Property rentals and related expenses		**(932)**	(2,511)
Utilities expenses		**(680)**	(874)
Depreciation of property, plant and equipment and right-of-use assets		**(2,803)**	(2,905)
Other operating expenses		**(3,965)**	(3,646)
Other income, other gains and losses, net		**(502)**	342
Loss from operating activities	5	**(7,267)**	(4,430)
Finance expenses, net		**(682)**	(1,187)
Loss before tax		**(7,949)**	(5,617)
Income tax credit	6	**—**	—
Loss for the period		**(7,949)**	(5,617)
Loss for the period attributable to:			
Owners of the Company		**(7,949)**	(5,617)
Non-controlling interest		**—**	—
		(7,949)	(5,617)
Loss for the period			
Other comprehensive (expense)/income, net of income tax		**(7,949)**	(5,617)
Item that may not be reclassified subsequently to profit or loss:			
Currency translation differences		**2,169**	(1,787)
Total comprehensive expense for the period		**(5,780)**	(7,404)

	Notes	Six months ended 30 June **2025** ***RMB'000*** **(Unaudited)**	 2024 *RMB'000* (Unaudited)
Total comprehensive expense attributable to:			
Owners of the Company		**(5,780)**	(7,404)
Non-controlling interest		**—**	—
		(5,780)	(7,404)
Loss per share	7		
Basic (RMB)		**(0.04)**	(0.05)
Diluted (RMB)		**(0.04)**	(0.05)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**As at 30 June 2025** ***RMB'000*** **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Assets			
Non-current assets			
Property, plant and equipment		**83**	91
Right-of-use assets	9	**12,004**	15,734
Prepayments, deposits and other receivables	11	**924**	936
		13,011	16,761
Current assets			
Inventories		**4,342**	11,933
Trade receivables	10	**337**	956
Prepayments, deposits and other receivables	11	**8,115**	8,508
Cash and cash equivalents		**2,791**	3,006
		15,585	24,403
Total assets		**28,596**	41,164
Equity			
Capital and reserves			
Share capital	12	**667**	667
Reserves		**(184,003)**	(179,271)
Deficiency attributable to owners of the Company		**(183,336)**	(178,604)
Non-controlling interest		**(2,211)**	(2,211)
Capital deficiency		**(185,547)**	(180,815)

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Liabilities			
Non-current liabilities			
Lease liabilities	9	**12,624**	15,354
		12,624	15,354
Current liabilities			
Trade payables	13	**22,447**	25,198
Other payables and accruals	14	**134,747**	131,088
Contract liabilities		**36,112**	38,029
Lease liabilities	9	**5,213**	8,510
Borrowings		**3,000**	3,800
		201,519	206,625
Total liabilities		**214,143**	221,979
Total equity and liabilities		**28,596**	41,164
Net current liabilities		**(185,934)**	(182,222)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL INFORMATION

Longhui International Holdings Limited is a limited company incorporated in the Cayman Islands on 15 October 2009, and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). According to the register of substantial shareholders maintained by the Company as at 30 June 2025, Shui Chak Group Limited ("**Shui Chak Group**") is the ultimate holding company of the Company. The immediate and ultimate controlling party of Shui Chak Group is Mr. Hung Shui Chak ("**Mr. Hung**").

The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is 6/F., Queen's Road Centre, 152 Queen's Road Central, Central, Hong Kong.

The Company acts as an investment holding company. Its subsidiaries are engaged in restaurant operation located in the PRC.

The condensed consolidated financial statements have been reviewed by the Company's audit committee. It has also been approved for issue by the board of directors (the "**Directors**") on 11 September 2026.

2.1. BASIS OF PREPARATION

These condensed consolidated financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, it should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2024 (the "**2024 Financial Statements**") as set out in 2024 annual report of the Company dated 27 August 2026, which have been prepared in accordance with IFRS Accounting Standards.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board (the "**IASB**") and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The condensed consolidated financial statements for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively referred to as the "**Group**").

The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), and all values are rounded to the nearest thousand ("**RMB'000**") except otherwise indicated. RMB is the Company's presentation currency and the functional currency of the principal operating subsidiaries of the Group. The functional currency of the Company is Hong Kong dollars ("**HK$**"). The Directors consider that choosing RMB as the presentation currency best suits the needs of the shareholders and investors.

Going concern basis

The Group incurred a loss for the period and net cash used in operating activities of approximately RMB7,949,000 and RMB2,351,000, respectively for the six months ended 30 June 2025 and, as of that date, the Group had net current liabilities and capital deficiency of RMB185,934,000 and RMB185,547,000 respectively. As at 30 June 2025, the Group had bank borrowings, amount due to the ultimate controlling shareholder, amount due to former shareholders, amounts due to related parties and loan from independent third parties of RMB3,000,000, RMB23,957,000, RMB25,929,000, RMB2,422,000 and RMB6,500,000, respectively, all of which were recorded under current liabilities, while the Group had cash and cash equivalents of RMB2,791,000. These circumstances indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

During the year, the Directors have taken various measures with an aim to improve the Group's liquidity position. The directors of the Company have prepared a cash flow forecast of the Group for the next twelve months from the date of approval of the consolidated financial statements based on the existing situation, the future events and commitments of the Group. The directors of the Company considered that the Group will have adequate working capital to meet its obligations as and when they fall due, therefore the consolidated financial statements of the Group have been prepared under a going concern basis. Measures taken by the directors of the Company, include but not limited to:

(i) Obtain ongoing financial support from the ultimate substantial shareholder of the Company, who has provided a written undertaking of intent to provide additional financial resources on a timely basis to enable the Group to meet its contractual obligations as and when they fall due;

(ii) Improve the future capacity of cash flow from operating activities through the execution of targeted cost controls programs and portfolio restructuring of operating assets, including moderating capital expenditure for new outlet roll-outs and disposing or discontinuing loss-making operating segment; and

(iii) Secure incremental equity financing by pursuing planned capital-raising transactions, which may encompass rights issues, open offers and private placements, with the objective of augmenting the Group's liquidity base when market and regulatory conditions permit.

Notwithstanding the above, material uncertainty exists as to whether the Group will be able to continue as a going concern which would depend upon (i) the timely provision of additional financial resources by the ultimate substantial shareholder of the Company pursuant to its written undertaking of intent; (ii) the successful execution of cost controls and portfolio restructuring measures to improve operating cash-generating capacity; and (iii) the successful completion of proposed equity financing activities to supplement the Group's liquidity position.

Should these mitigating measures not be realised, the Group may not be able to continue as a going concern. In that event, adjustments would be required to write down the carrying amounts of its assets to their recoverable amounts, to provide for additional liabilities which might arise and to reclassify non-current assets and liabilities to current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than changes in accounting policies resulting from application of new and amendments to International Financial Reporting Standards ("**IFRSs**"), the accounting policies, methods of computation and presentation used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2024, except for those noted in Note 2.2 below.

2.2. APPLICATION OF AMENDMENTS TO IFRSs

(A) Amendments to IFRSs adopted by the Group

In the current interim period, the Group has applied the following new and amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the condensed consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in the condensed consolidated financial statements.

(B) Amendments to IFRSs issued but not yet adopted by the Group

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referring Nature dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11[2]
IFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to IAS21	Translation to a Hyperinflationary Presentation Currency[3]

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after 1 January 2026.

3 Effective for annual periods beginning on or after 1 January 2027

3. REVENUE AND SEGMENT INFORMATION

(A) Segment information

	Six months ended 30 June 2025 (Unaudited)							
	Faigo			Xiao Faigo Hotpot				
	Shanghai	Others	Subtotal	Shanghai	Others	Subtotal	Unallocated	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue	15,472	—	15,472	4,261	—	4,261	—	19,733
Operating loss	(1,304)	—	(1,304)	(1,586)	(677)	(2,263)	(3,700)	(7,267)
Loss before tax	(1,697)	—	(1,697)	(1,844)	(677)	(2,521)	(3,731)	(7,949)
Depreciation of property, plant and equipment and right-of-use assets	(2,284)	—	(2,284)	(213)	—	(213)	(306)	(2,803)

	Six months ended 30 June 2024 (Unaudited)							
	Faigo			Xiao Faigo Hotpot				
	Shanghai	Others	Subtotal	Shanghai	Others	Subtotal	Unallocated	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue	21,568	—	21,568	7,835	—	7,835	—	29,403
Operating loss	592	16	608	(1,595)	—	(1,595)	(3,443)	(4,430)
Loss before tax	(258)	16	(242)	(1,923)	—	(1,923)	(3,452)	(5,617)
Depreciation of property, plant and equipment and right-of-use assets	(2,837)	—	(2,837)	(1)	—	(1)	(67)	(2,905)

(B) Geographical information

The Group's revenue from external customers by location of sales and information about its non-current assets by location of assets are detailed as below:

	Revenue from external customers Six months ended 30 June		Non-current assets	
			As at 30 June	As at 31 December
	2025	2024	2025	2024
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
The PRC	19,733	29,403	11,891	15,292
Hong Kong	—	—	1,120	1,469
	19,733	29,403	13,011	16,761

(C) Information about major customers

The Group's customer base is diversified. No individual customer (six months ended 30 June 2024: Nil) had transactions which exceeded 10% of the Group's aggregate revenue for the six months ended 30 June 2025.

(D) Disaggregation of revenue

Revenue represents the sales value of goods supplied to customers (net of value-added tax, other sales tax and discounts). Disaggregation of revenue from contracts with customers by major product line is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major product line		
— Hotpot business	**19,733**	29,403

The timing of revenue recognition of all revenue from contracts with customers is at a point in time.

4. EMPLOYEE BENEFITS AND RELATED EXPENSES

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Wages and salaries	**4,059**	4,058
Defined contribution retirement plan*(note (a))*	**480**	768
Other social security costs and housing benefits	**108**	161
Other employee benefits	**540**	578
Labour outsourcing expenses*(note (b))*	**7,355**	9,675
	12,542	15,240

Notes:

(a) Employees of the Group established in the PRC are required to participate in a retirement benefit scheme administered and operated by the PRC government. The Group is required to contribute 25.66% to 27.02% (2024: 26.66% to 28.02%) of payroll costs as determined by respective local government authorities to the designated pension fund. The only obligation of the Group with respect to retirement benefits scheme is to make the specific contributions under the scheme.

(b) The Group entered into certain human resources agency agreements. Pursuant to these agreements, the Group outsourced a portion of its low level positions, such as waiters or waitresses, kitchen assistants etc.

5. LOSS FROM OPERATING ACTIVITIES

Loss from operating activities has been arrived at after charging (crediting):

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment[(note (a))]	**16**	23
Depreciation of right-of-use assets[(note (a))]	**2,787**	2,882
Short-term lease payments	**91**	397
Low-value asset lease payments	**71**	219
(Reversal of)/allowance for expected credit loss on trade and other receivables[(note (b))]	**(265)**	16
Cleaning fee[(note (c))]	**162**	218
Transportation and travelling expenses[(note (c))]	**156**	303
Promotion and marketing expenses[(note (c))]	**15**	150
Repair and maintenance fee[(note (c))]	**319**	174
Legal and professional fee[(note (c))]	**1,431**	858

Notes:

(a) These items were included under "depreciation of property, plant and equipment and right-of-use assets".

(b) This item was grouped under "other income, other gains and losses, net".

(c) These items were grouped under "other operating expenses".

6. INCOME TAX CREDIT

The income tax credit of the Group for the periods is analysed as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Deferred tax	**—**	—
Income tax credit	**—**	—

7. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June 2025	Six months ended 30 June 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss		
Loss for the period attributable to owners of the Company for the purpose of calculating basic and diluted loss per share	**(7,949)**	(5,617)

	Six months ended 30 June 2025	Six months ended 30 June 2024
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**189,592,867**	107,109,680

No separate diluted loss per share information has been presented as there was no potential ordinary shares outstanding for the six months ended 30 June 2025 and 2024.

8. DIVIDEND

The Directors do not recommend the payment of any dividend for the six months ended 30 June 2025 (2024: RMBNil).

9. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

	As at 30 June 2025 ***RMB'000*** **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Right-of-use assets:		
Shops	**9,695**	12,501
Offices	**2,309**	2,864
Others	**—**	369
	12,004	15,734

	As at 30 June 2025 ***RMB'000*** **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Lease liabilities:		
Within one year	**5,213**	8,510
More than one year but not more than two years	**4,049**	4,667
More than two years but less than five years	**8,575**	9,369
More than five years	**—**	1,318
	17,837	23,864
Less: Amount due for settlement with 12 months shown under current liabilities	**(5,213)**	(8,510)
Amount due for settlement after 12 months shown under non-current liabilities	**12,624**	15,354

The Group obtains right to control the use of various shops and offices for a period of time through lease arrangements. As at 30 June 2025, rental contracts are typically made for fixed periods of 2 to 8 years (2024: 2 to 8 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

During the six months ended 30 June 2025, total cash outflow for leases (including short-term leases) are approximately RMB5,786,000 (six months ended 30 June 2024: RMB7,338,000).

10. TRADE RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade receivables	**3,223**	4,092
Less: Allowance for expected credit loss	**(2,886)**	(3,136)
	337	956

As at 30 June 2025 and 31 December 2024, the fair values of the trade receivables of the Group approximated their carrying amount.

(a) The aging analysis of trade receivables, based on the invoice date and net of allowance for expected credit loss, was as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 to 30 days	**153**	505
31 to 90 days	**33**	82
91 to 180 days	**82**	123
181 to 360 days	**69**	246
	337	956

The Directors consider trade receivables mainly derived from sales through shopping malls or bills settled with credit cards, WeChat Pay or Alipay, which are generally collectible within 1 month from sales date and without past due history.

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2025 *RMB'000* (Unaudited)	As at 31 December 2024 *RMB'000* (Audited)
Included in non-current assets:		
Lease deposits — non-current portion	**924**	936
Included in current assets:		
Lease and utilities prepayments	**616**	470
Raw materials procurement prepayments	**17**	49
Lease deposits — current portion	**1,072**	1,108
Value-added tax inputs	**5,356**	5,925
Staff advances	**431**	248
Other receivables and prepayments due from related parties	**149**	375
Others	**960**	834
Less: Allowance for expected credit loss	**(486)**	(501)
	8,115	8,508

12. SHARE CAPITAL

Share capital of the Company

	Number of ordinary shares	Amount *HK$'000*	Amount equivalent to *RMB'000*
Authorised:			
As at 1 January 2024, 31 December 2024 (Audited) and 30 June 2025 (Unaudited) of HK$0.004 each	500,000,000	2,000	1,689
Issued and fully paid:			
As at 1 January 2024 of HK$0.004 each	105,372,867	421	358
Placing of shares *(note (a))*	84,220,000	337	309
As at 31 December 2024 (Audited) and 30 June 2025 (Unaudited) of HK$0.004 each	189,592,867	758	667

Note:

(a) On 8 April 2024, the Company entered into a placing agreement for a placing of 63,220,000 shares to not less than six placees at the placing price of HK$0.48 per placing shares. The share placing was completed on 26 June 2024. The net proceed from the share placing amounted to approximately RMB26,303,000, net of transaction costs of shares placing.

On 19 December 2024, the Company entered into a placing agreement for a placing of 21,000,000 shares to not less than six placees at the placing price of HK$0.12 per placing shares. The share placing was completed on 30 December 2024. The net proceed from the share placing amounted to approximately RMB2,254,000, net of transaction costs of shares placing.

13. TRADE PAYABLES

As at 30 June 2025 and 31 December 2024, the aging analysis of the trade payables (including amounts due to related parties of trade nature based on invoice date) was as follows:

	As at 30 June 2025 *RMB'000* **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
0 to 30 days	**409**	899
31 to 90 days	**604**	1,154
91 to 180 days	**823**	1,661
181 to 365 days	**1,913**	3,067
Over 1 year	**18,698**	18,417
	22,447	25,198

14. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2025 *RMB'000* **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Staff costs and welfare accruals	**54,618**	56,215
Leasehold improvements payable	**4,391**	5,598
Payable to payroll related services	**1,803**	2,290
Rental payable	**4,041**	4,243
Professional service expenses	**8,663**	9,095
Utility payable	**88**	88
Business tax and other tax liabilities	**2**	3
Amounts due to former shareholders *(note (a))*	**25,929**	26,825
Amount due to the ultimate controlling shareholder *(note (a) and note (b))*	**23,957**	11,103
Amounts due to related parties *(note (a))*	**2,422**	1,149
Loan from independent third parties *(note (c))*	**6,500**	12,099
Others	**2,333**	2,380
	134,747	131,088

(a) The amounts due to former shareholders, related parties and the ultimate controlling shareholder do not bear any interest and are repayable on demand.

(b) The ultimate controlling shareholder is also a director of the Company.

(c) Loan from independent third parties represented principal amount of RMB6,500,000 (2024: RMB9,398,000), which do not bear any interest and are repayable on demand.

As at 31 December 2024, Loan from Shenzhen DaZhongCheng Investment Co, Ltd. represented principal amount of RMB2,000,000 (2025: RMBNil) and accrued interest of approximately RMB701,000 (2025: RMBNil). The Loan was unsecured, interest bearing at 8% per annum and matured as at year end.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL AND BUSINESS REVIEW

The Group is principally engaged in the hotpot restaurant business in the PRC with the brands of Faigo ("輝哥") and Xiao Faigo Hotpot ("小輝哥火鍋"). The target customers of the restaurants operating under the brand of Faigo ("輝哥") are mainly high-income group while those under the brand of Xiao Faigo Hotpot ("小輝哥火鍋") are mainly middle-income group.

Revenue

For the six months ended 30 June 2025 (the "**Period**"), the Group's revenue decreased by approximately 33.0% to approximately RMB19.7 million from approximately RMB29.4 million in the last corresponding period. The decrease was mainly due to decrease in customer traffic impacted by challenging operating environment in the hotpot industry and the Group has 6 restaurants (six months ended 30 June 2024: 9 restaurants) during the Period.

Foods and beverage and other materials consumables used

The Group's foods and beverage and other materials consumables costs mainly represent the costs of food ingredients for the hotpot business, and were one of the largest components of the Group's operating expenses. The foods and beverage and other materials consumables costs decreased by approximately 37.8% to approximately RMB5.6 million for the Period from approximately RMB9.0 million in the last corresponding period.

Employee benefits and related expenses

The Group's employee benefits and related expenses, being one of the largest components of the operating expenses of the Group, consist of wages and salaries, labour outsourcing expenses, defined contribution plan, other social security costs and housing benefits and other employee benefits.

The employee benefits and related expenses decreased by approximately 17.8% to approximately RMB12.5 million for the Period from approximately RMB15.2 million in the last corresponding period, mainly attributable to the decrease in the number of restaurant as compared to the corresponding period in 2024.

Property rentals and related expenses

Following the decrease in number of restaurants, the Group's property rentals and related expenses decreased by approximately 64% to approximately RMB0.9 million for the Period from approximately RMB2.5 million in the last corresponding period.

Depreciation of property, plant and equipment and right-of-use assets

Following the decrease in number of restaurants, the Group's depreciation of property, plant and equipment and right-of-use assets decreased by approximately 3.4% accordingly to approximately RMB2.8 million for the Period from approximately RMB2.9 million in the last corresponding period.

Other operating expenses

The Group's other operating expenses, which mainly consist of professional services fees, repair and maintenance fee, cleaning fee and transportation and travelling expenses, increased by approximately 11.1% to approximately RMB4.0 million for the Period from approximately RMB3.6 million in the last corresponding period.

Other income, other gains and losses, net

The Group's other income, other gains and losses, net recorded a net loss of approximately RMB0.5 million for the Period, as compared to a net gain of approximately RMB0.3 million in the last corresponding period.

Finance expenses, net

The Group's finance expenses, net mainly represent interest expense on borrowing and interest expense on lease liabilities. The Group's net finance expenses decreased by approximately 41.7% to approximately RMB0.7 million for the Period from approximately RMB1.2 million in the last corresponding period.

Loss for the period

Loss for the period attributable to owners of the Company was RMB7.9 million (six months ended 30 June 2024: approximately RMB5.6 million). Basic loss per share for the Period was approximately RMB0.04 (six months ended 30 June 2024: approximately RMB0.05). The increase in loss was mainly attributable to the decrease in customer traffic impacted by challenging operating environment in the hotpot industry.

PROSPECTS

Taking into account the economic conditions and the consumer market climate in the PRC, the Group anticipates that seat turnover rates and average spending will be difficult to recover to pre-pandemic levels. At the same time, the Group remains committed to implementing cost-saving measures and productivity enhancement strategies in the coming years, while focusing on innovative businesses, to maximize value for shareholders of the Company (the "**Shareholders**").

Furthermore, the Group remains dedicated to maintaining a refined dining atmosphere, delivering attentive service, and sourcing high-quality fresh ingredients. These efforts are crucial in retaining and attracting high-income consumers, thereby preserving the revenue generated by the Group's restaurant network. To remain competitive in an evolving catering market, the Group will continue to enrich its menu offerings through the introduction of seasonal products, premium seafood selections, specially curated set menus and promotional offerings designed to broaden customer appeal and drive customer traffic. Product innovation and menu diversification remain important to the Group's strategy, and management will continue to introduce new food ingredients and flavours while developing differentiated dining experiences to meet changing consumer preferences.

Looking ahead, the Group is exploring a number of initiatives aimed at broadening revenue sources and strengthening its long-term competitiveness. These include potential franchise opportunities for the Group's restaurant brands in the PRC, which could enhance brand recognition, expand market presence and generate recurring franchise and management fee income. The Group is also evaluating alternative restaurant concepts, including one-person hotpot and self-service hotpot formats, and exploring opportunities in the food supply chain sector, including the distribution of seafood, hotpot ingredients and other food products.

The Group is further assessing opportunities to expand into the Hong Kong market and is actively reviewing potential locations for future restaurant openings. Any expansion will be pursued prudently, with a focus on suitable locations and sustainable returns. Meanwhile, management will continue to implement measures to enhance operational efficiency, strengthen cash flow generation and maintain disciplined cost control.

The Directors remain cautiously optimistic about the long-term prospects of the catering industry. Supported by its established brands, industry experience, strengthened corporate governance framework and ongoing business development initiatives, the Group believes it is well positioned to pursue future growth opportunities and create sustainable value for Shareholders.

Expanding Food Ingredients and Flavor Offerings

The hotpot dining experience continues to evolve with the introduction of new food ingredients and flavors. Unlike other cooking styles, hotpot is highly adaptable, making it easy to incorporate a wide variety of ingredients. To keep customer interest high, hotpot restaurants are increasingly embracing innovative food options that go beyond traditional hotpot cuisine, catering to changing consumer preferences and enhancing the overall dining experience.

INTERIM DIVIDEND

The Directors do not recommend the payment of any interim dividend for the Period (six months ended 30 June 2024: Nil).

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 30 June 2025, the Group recorded cash and bank balances amounting to approximately RMB2.8 million (31 December 2024: approximately RMB3.0 million) and the net current liabilities value was approximately RMB185.9 million (31 December 2024: approximately RMB182.2 million).

The net liabilities value per share of the Company was approximately RMB0.98 as at 30 June 2025 (31 December 2024: approximately RMB1.31). The net liabilities value per share was computed based on 189,592,867 and 137,903,905 weighted average number of ordinary shares as at 30 June 2025 and 31 December 2024 respectively.

The Group's gearing ratio as at 30 June 2025 was approximately 2.16 (31 December 2024: approximately 1.33), being a ratio of total debts, including borrowings, amount due to the ultimate controlling shareholder, amounts due to former shareholders, amounts due to related parties and loan from independent third parties of approximately RMB61.8 million (31 December 2024: approximately RMB55.0 million) to the total assets of approximately RMB28.6 million (31 December 2024: approximately RMB41.2 million).

USE OF PROCEEDS FROM PLACING OF SHARES ON 30 DECEMBER 2024

The Company completed a placing of shares on 30 December 2024, pursuant to which the Company has issued and allotted 21,000,000 shares of the Company (the "**Shares**") at a subscription price of HK$0.12 per placing share. The gross proceeds from the placing of shares was HK$2.52 million and the net proceeds after deducting relevant expenses was approximately HK$2.42 million. The net issue price per placing share based on the net proceeds is HK$0.115. The closing price of Shares on 19 December 2024, being the date of the placing agreement, as quoted on the Stock Exchange was HK$0.135.

The intended and actual use of the net proceeds from the placing of Shares is stated as below:

	Intended use of the net proceeds *(HK$ million)*	Amount of the net proceeds utilised as at 30 June 2025 *(HK$ million)*	Balance of the net proceeds unutilised as at 30 June 2025 *(HK$ million)*
General working capital of the Group	2.42	(2.42)	—
	2.42	(2.42)	—

PLEDGE OF ASSETS

As at 30 June 2025, the Company had no charges on its assets (31 December 2024: Nil).

CAPITAL STRUCTURE

Save as disclosed, the Company had no changes in capital structure during the Period.

INVESTMENT POSITION AND PLANNING

Save as disclosed, there was no material acquisition or disposal of subsidiary and associated company or significant investments of the Group, which would have been required to be disclosed under the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") for the six months ended 30 June 2025.

CONNECTED TRANSACTIONS

Save as disclosed, the Company did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Listing Rules for the Period.

EVENTS AFTER REPORTING PERIOD

1. Resumption Progress and Continued Suspension of Trading

On 31 March 2025, at the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 31 March 2025, and will remain suspended until further notice.

The Company has been informed by its auditor, Rongcheng (Hong Kong) CPA Limited (the "**Auditors**"), that they had received a letter containing certain allegations against some Directors, the controlling shareholder of the Company and the Group regarding certain operational and internal control matters of the Group (the "**Allegations**").

As the Allegations may or may not have material impact on the annual results of the Group for the year ended 31 December 2024 (the "**2024 Annual Results**"), the Board has decided, after discussion with the Auditors, to delay publication of the 2024 Annual Results until an investigation into the basis and/or the impact, if any, of the Allegations, has been completed.

The Board has formed an investigation committee (the "**Investigation Committee**") comprising Mr. Tam Bing Chung Benson, Mr. Cheung Ting Pong and Ms. Leung Chee Wai Mochi, all being the three independent non-executive Directors, to investigate and report on various matters and events concerning the Allegations. The Investigation Committee will use its best endeavours to complete such investigation as soon as possible.

On 16 April 2025, the Investigation Committee has appointed Shanghai Acumen CPA Firm (the "**External Consultant**"), an independent third party firm, as an external consultant to assist the Investigation Committee to investigate and report on various matters and events concerning the Allegations, and other related matters (including the internal control deficiencies of the Group, if any) (the "**Investigation**"), and to produce a report of findings on the Investigation to the Investigation Committee.

On 30 April 2025, the Company has been notified by the Stock Exchange of the following guidance for resumption of trading in the shares of the Company (the "**Resumption Guidance**"):

(i) conduct an independent forensic investigation into the Allegations, assess the impact on the Company's business operations and financial position, announce the findings of the investigation and take appropriate remedial actions;

(ii) publish all outstanding financial results required under the Listing Rules and address any audit modifications;

(iii) demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the Group's management and/or any persons with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence;

(iv) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet its obligations under the Listing Rules;

(v) demonstrate the Company's compliance with Rule 13.24 of the Listing Rules; and

(vi) inform the market of all material information for the Company's shareholders and other investors to appraise the Company's position.

The Stock Exchange required the Company to meet all Resumption Guidance, remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume. For this purpose, the Company has the primary responsibility to devise its action plan for resumption. The Stock Exchange also indicated that it may modify or supplement the Resumption Guidance if the Company's situation changes.

In light of the Resumption Guidance, on 22 May 2025, the Investigation Committee appointed Acclime Corporate Advisory (Hong Kong) Limited ("**Acclime**") as the independent forensic accountant to conduct a further investigation on the Allegations (the "**Forensic Investigation**") and, subject to their findings, conduct an independent internal control review on the relevant business cycles and procedures of the Group (the "**Internal Control Review**").

As of the date of this announcement, the Forensic Investigation and the Internal Control Review have been completed, and the findings have been submitted to the regulatory authorities for their review. The Company continues to address any ongoing enquiries from the regulatory authorities received from time to time. The summary of the findings of the Forensic Investigation and the conclusions and recommendations from the Internal Control Review were announced by the Company on 13 August 2026.

The findings of the Forensic Investigation did not identify any evidence substantiating the Allegations raised against the Group and did not identify any fraud, misappropriation of assets, diversion of funds, financial reporting fraud or other material misconduct by the current Directors or management.

Following the findings of the Internal Control Review, certain remedial/enhancement measures were proposed to the Group and the Company has implemented all such measures recommended by the internal control consultant, and the follow-up review confirmed that all findings had been rectified and that no material deficiencies remained within the review scope.

Based on the findings of the Forensic Investigation and Internal Control Review, the Board is not aware of any matter giving rise to reasonable regulatory concern regarding the integrity, competence or character of the current Directors and senior management.

The Company is taking diligent steps to address the remaining conditions set out in the Resumption Guidance. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules to keep its shareholders and potential investors informed of the latest progress of compliance with the Resumption Guidance.

Details were set out in the Company's announcements dated 31 March 2025, 3 April 2025, 17 April 2025, 6 May 2025, 27 May 2025, 30 June 2025, 25 September 2025, 23 December 2025, 23 March 2026, 23 June 2026 and 13 August 2026.

2. Major and Connected Transaction: Proposed Acquisition of 51% Equity Interests in the Target Company

On 29 April 2026, the Company, Team Pacific Holdings Limited (the "**Purchaser**"), a wholly-owned subsidiary of the Company, and Heshun Holdings Company Limited (the "**Vendor**"), entered into the sale and purchase agreement, pursuant to which the Purchaser agreed to acquire, and the Vendor agreed to sell, 51% equity interests in Go Forward Corporation Limited (the "**Target Company**"), a limited liability company incorporated in Hong Kong, for a consideration of HK$6,000,000, which shall be settled by the issue of the promissory note (the "**Promissory Note**") by the Company to the Vendor at completion (the "**Acquisition**").

The Target Company is principally engaged in the operation of two Thai hotpot restaurants in Hong Kong, with net profit after taxation for the two consecutive financial years ended 31 December 2025. The Directors consider that the Acquisition would strengthen the Group's business fundamentals by introducing a differentiated Thai hotpot brand with an established market presence and customer base, broaden the Group's product offering by expanding into the Thai hotpot segment, and enrich its brand portfolio.

The Directors further believe that the Acquisition will provide an immediate contribution to the Group's revenue, operating cash flow and earnings, while strengthening the Group's presence in the Hong Kong market. The Target Company currently operates two Thai hotpot restaurants in Hong Kong under the "四面泰" brand and is evaluating opportunities to expand its restaurant network through additional outlets in Hong Kong. The Target Company is also exploring opportunities for expansion into overseas markets, including Southeast Asia. The Directors believe that the Acquisition will not only broaden the Group's brand portfolio and customer base but will also provide a platform for future regional expansion and long-term growth.

The Acquisition constitutes a major and connected transaction of the Company and is therefore subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

At the extraordinary general meeting of the Company held on 11 September 2026, the proposed resolution to approve, among others, the Acquisition and issue of the Promissory Note was duly passed as an ordinary resolution by the independent shareholders. Completion of the Acquisition took place on the same date and the Target Company became an indirect non-wholly owned subsidiary of the Company. As such, the financial results, assets and liabilities of the Target Company will be consolidated into the accounts of the Group.

Details were set out in the Company's announcements dated 29 April 2026, 30 June 2026 and 11 September 2026, and circular dated 25 August 2026.

Save as disclosed, there are no material subsequent events undertaken by the Company or by the Group after 30 June 2025 and up to the date of this announcement.

FOREIGN CURRENCY RISK

Most of the Group's business transactions, assets and liabilities are denominated in Renminbi and settled in Renminbi, which is the functional currency of respective group companies. The Group's exposure to currency risk is minimal. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate measures to mitigate the exchange risk.

EMPLOYEES AND REMUNERATION POLICIES

The number of employees of the Group as at 30 June 2025 was 187 (31 December 2024: 200). Employees' remuneration is commensurate with their job nature, qualifications and experience. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors. The Group continues to offer competitive remuneration packages and bonus to eligible staff, based on the performance of the Group and the individual employee.

CONTINGENT LIABILITIES

The Company acquired the entire equity interest in Longhui International Catering Management Holdings Limited (the "**Accounting Acquirer**") on 4 July 2018 (the "**Acquisition Date**"). The substance of the acquisition is a reverse acquisition of the Company by the Accounting Acquirer and as a result, the acquisition was accounted for in the condensed consolidated financial statements by applying the principles of reverse acquisition under IFRS 3 "Business Combinations".

On the Acquisition Date, the Group recognised the identifiable assets and liabilities of the Accounting Acquirer, including the recorded accrued expenses and other payables of approximately RMB37,578,000 to the consolidated financial statements in the annual report of the Company for the year ended 31 December 2019.

These recorded accrued expenses and other payables do not include any of the unknown liabilities of the Accounting Acquirer brought forward from 1 January 2018, which included the amount due to a de-consolidated subsidiary of approximately HK$1,028,000 (equivalent to approximately RMB882,000) and unknown Contingent liabilities of approximately HK$17,694,000 (equivalent to approximately RMB15,182,000) (collectively, the "**Contingent liabilities**").

The Company had used its best effort to identify the nature of the Unknown Liabilities including publishing a public notice which invited any potential creditors to inform the Company of any debts or claims.

With the legal advice provided to the Company, according to Section 4(1)(a) of the Hong Kong Limitation Ordinance (Chapter 347) provides that actions founded on simple contract shall not be brought after the expiration of 6 years from the date on which the course of action accrued whereas Section 4(3) states that an action upon a specialty shall not be brought after the expiration of 12 years from the date on which the cause of action accrued.

The Directors considered that the origin of the Unknown Liabilities is unlikely to be created under a deed and among other reasons, given actions founded on simple contract shall not be brought after 6 years from the date on which the cause of actions accrued pursuant to the Hong Kong Limitation Ordinance (Chapter 347), any potential creditors would be statutorily barred from taking action against another person 6 years after the date when the liabilities were due, unless such liabilities were created under deed, in which case, the limitation period shall be 12 years from the date of the liabilities were due. As the Unknown Liabilities were incurred during the years ended 31 December 2012 and 2013, if the amounts were created under simple contract, any claim in respect thereof would ordinarily have been statute-barred as at 31 December 2019, or if the liabilities were created under deed, any claim in respect thereof would generally have been statute-barred will expire as at 31 December 2025.

Besides, the Company had entered into a debt assignment agreement with Global Courage Limited ("**Global Courage**"), a former shareholder of the Company, pursuant to which Global Courage agrees to undertake all outstanding Unknown Liabilities.

Subject to the above matters, the Directors consider that the possibility of outflow of economic resources in the settlement of Unknown Liabilities by the Group is not probable.

CAPITAL COMMITMENTS

As at 30 June 2025, save as disclosed elsewhere in this announcement, the Group had no other significant capital commitments.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the Period, as far as the Company is aware, there were no material breach of or non-compliance with applicable laws and regulations by the Group that had a significant impact on the business and operations of the Group.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Directors recognise the importance of incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability to the Shareholders as a whole.

During the Period, to the best knowledge of the Board, the Company has applied the principles and complied with all the applicable code provisions set out in the Corporate Governance Code to the Appendix C1 of the Listing Rules (the "**CG Code**") in force during the Period except for the deviations as mentioned below.

Code Provision C.1.8

Code Provision C.1.8 provides that the Company should arrange appropriate insurance cover in respect of legal action against its Directors. As disclosed in the Company's annual results announcement for the year ended 31 December 2024, the Company was unable to secure Directors' and officers' liability insurance during the year ended 31 December 2024. The Company continued its efforts and put in place such insurance with effect from February 2025. Save for the short period from 1 January 2025 until the insurance became effective in February 2025, the Company has complied with Code Provision C.1.8 during the six months ended 30 June 2025.

Code Provision C.2.1

Pursuant to the code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The role of the chairman of the Board is performed by Mr. Hung Shui Chak who possesses essential leadership skills and has extensive knowledge in the business of the Group. The Board believes that vesting the role of the chairman in Mr. Hung provides the Company with strong and consistent leadership, facilitates effective and efficient planning, implementation of business decisions and strategies, and ensures the generation of benefits to the Shareholders.

Although the appointment of the chief executive officer of the Company remains outstanding, the overall management of the Company is performed by the executive Directors and the senior management of the Group who have extensive experience in the business of the Group. Their respective areas of profession spearhead the Group's overall development and business strategies.

The Board will examine and review, from time to time, the Company's corporate governance practices and operations in order to meet the relevant provisions under the CG Code and to protect the interest of the Shareholders.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transactions with terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules (the "**Model Code**").

All Directors have confirmed, following the specific enquiry by the Company, that they complied with the required standard set out in the Model Code during the Period and up to the date of this announcement.

AUDIT COMMITTEE

The Company has established the audit committee of the Company (the "**Audit Committee**") with written terms of reference in accordance with the CG Code. The main duties of the Audit Committee are, inter alia, (i) to review half-yearly and annual results of the Group; (ii) to review the risk management and internal control systems, the effectiveness of the internal audit function of the Group; (iii) to ensure the objectivity and credibility of the Company's financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company; and (iv) to review the coverage and effectiveness of the whistleblowing policy of the Company (the "**Whistleblowing Policy**") and to investigate the reports submitted through the channels described in the Whistleblowing Policy.

As at the date of this announcement, the Audit Committee comprises all three independent non-executive Directors, namely Mr. Cheung Ting Pong (Chairman of the Audit Committee), Mr. Tam Bing Chung Benson and Ms. Leung Chee Wai Mochi. The Audit Committee consists of three members comprising three independent non-executive Directors, at least one of whom with appropriate professional qualifications or accounting or related financial management expertise as required in the Listing Rules.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the Period with the management and confirmed that the preparation of such complied with applicable accounting standards and practices adopted by the Company, the requirements under the Listing Rules and other applicable statutory and regulatory requirements, and adequate disclosures had been made.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (https://www.cre8ir.com/zh/01007.html). The interim report of the Company will be despatched to the Shareholders and will be available on websites of the Stock Exchange and the Company in due course.

By order of the Board
Longhui International Holdings Limited
Hung Shui Chak
Chairman and Executive Director

Hong Kong, 11 September 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Hung Shui Chak, Mr. So Kam Chuen and Mr. Yuan Mingjie; and three independent non-executive Directors, namely Mr. Tam Bing Chung Benson, Mr. Cheung Ting Pong and Ms. Leung Chee Wai Mochi.