

# China Golden Classic Group Limited 中國金典集團有限公司

( Incorporated in the Cayman Islands with limited liability )

Stock Code: 8281



## Interim Report 2025

## **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

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*This report, for which the directors (the “Directors”) of China Golden Classic Group Limited (the “Company” and together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

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## Corporate Information

### BOARD OF DIRECTORS

#### Executive Directors

Ms. Li Qiuyan (*Chairman*)  
Mr. Tong Xing (*Chief Executive Officer*)  
Ms. Du Yongwei

#### Independent Non-executive Directors

Mr. Ye Jingzhong  
Mr. Pan Qingwei  
Mr. Tang Wai Yau

#### AUDIT COMMITTEE

Mr. Tang Wai Yau (*Chairman*)  
Mr. Ye Jingzhong  
Mr. Pan Qingwei

#### REMUNERATION COMMITTEE

Mr. Ye Jingzhong (*Chairman*)  
Mr. Pan Qingwei  
Ms. Li Qiuyan

#### NOMINATION COMMITTEE

Ms. Li Qiuyan (*Chairman*)  
Mr. Ye Jingzhong  
Mr. Pan Qingwei

#### AUTHORISED REPRESENTATIVES

Ms. Du Yongwei  
Mr. Xiang Dongliang

#### COMPLIANCE OFFICER

Ms. Li Qiuyan

#### COMPANY SECRETARY

Mr. Xiang Dongliang

#### REGISTERED OFFICE

Windward 3  
Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

#### HEAD OFFICE IN THE PRC

No. 34, 35 Yingbin Road  
Xiake Town, Jiangyin City  
Jiangsu Province  
PRC

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat B, 19/F  
Times Media Centre  
133 Wan Chai Road  
Wan Chai  
Hong Kong

#### PRINCIPAL BANK

Jiangyin Rural Commercial Bank  
Co., Limited  
Qiaoqi Sub-branch

#### REGISTERED PIE AUDITOR

SHINEWING (HK) CPA Limited

#### LEGAL ADVISER

Seyfarth Shaw  
*as to Hong Kong law*

#### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited  
Windward 3  
Regatta Office Park  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

#### COMPANY WEBSITE

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

#### STOCK CODE

8281

## Interim Results

### Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	3	119,066	110,456
Cost of sales		(77,720)	(72,180)
Gross profit		41,346	38,276
Other income and gain, net		2,218	3,017
Selling and distribution costs		(20,219)	(20,747)
Administrative expenses		(25,260)	(26,612)
Finance costs		(101)	(89)
Loss before tax		(2,016)	(6,155)
Income tax expenses	4	(1,068)	–
Loss for the period	5	(3,084)	(6,155)
Other comprehensive expense for the period <i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation of foreign operations		(97)	(493)
Total comprehensive expense for the period		(3,181)	(6,648)
Loss per share			
Basic and diluted (RMB cents)	6	(0.31)	(0.62)

## Interim Results

### Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	8	132,105	138,336
Right-of-use assets	9	18,594	19,580
Intangible assets		–	–
Deposits paid for acquisition of property, plant and equipment		3,180	371
Deferred tax assets		447	447
		<b>154,326</b>	158,734
<b>Current assets</b>			
Inventories		30,677	29,566
Trade and other receivables	10	47,862	63,968
Financial assets at fair value through profit or loss ("FVTPL")	11	–	–
Pledged bank deposits		–	725
Cash and cash equivalents		67,887	82,120
		<b>146,426</b>	176,379
<b>Current liabilities</b>			
Trade and other payables	12	22,767	37,298
Contract liabilities	12	15,447	25,882
Lease liabilities		1,821	1,958
Tax payable		649	805
Bank borrowing	13	–	5,000
		<b>40,684</b>	70,943
<b>Net current assets</b>		<b>105,742</b>	105,436
<b>Total assets less current liabilities</b>		<b>260,068</b>	264,170

## Interim Results

### Condensed Consolidated Statement of Financial Position

As at 30 June 2025

		30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
	Note		
<b>Non-current liabilities</b>			
Lease liabilities		932	1,854
		<b>259,136</b>	262,316
<b>Capital and reserves</b>			
Share capital	14	8,606	8,606
Accumulated losses		<b>250,530</b>	253,710
		<b>259,136</b>	262,316

## Interim Results

### Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	PRC statutory reserve RMB'000	Translation reserve RMB'000	Retained profits RMB'000	Total RMB'000
At 1 January 2025 (audited)	8,606	65,586	15	42,898	2,684	142,527	262,316
Loss for the period	-	-	-	-	-	(3,084)	(3,084)
Other comprehensive expense for the period:							
Exchange difference arising on translation of foreign operations	-	-	-	-	(97)	-	(97)
Total comprehensive expense for the period	-	-	-	-	(97)	(3,084)	(3,181)
At 30 June 2025 (unaudited)	8,606	65,586	15	42,898	2,587	139,443	259,136
At 1 January 2024 (audited)	8,606	69,386	15	42,898	3,219	139,558	263,682
Loss for the period	-	-	-	-	-	(6,155)	(6,155)
Other comprehensive expense for the period:							
Exchange difference arising on translation of foreign operations	-	-	-	-	(493)	-	(493)
Total comprehensive expense for the period	-	-	-	-	(493)	(6,155)	(6,648)
Dividend recognised as distribution	-	(3,800)	-	-	-	-	(3,800)
At 30 June 2024 (unaudited)	8,606	65,586	15	42,898	2,726	133,403	253,234



## Interim Results

### Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Net cash used in operating activities	<b>(4,176)</b>	(13,100)
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	<b>(5,175)</b>	(4,836)
Other investing cash flows (net)	<b>778</b>	507
Net cash used in investing activities	<b>(4,397)</b>	(4,329)
<b>FINANCING ACTIVITIES</b>		
Repayment of bank borrowing	<b>(5,000)</b>	(5,000)
Placement of bank borrowing	<b>–</b>	5,000
Dividend Paid	<b>–</b>	(3,548)
Settlement of lease liabilities	<b>(1,059)</b>	(946)
Other financing cash flows (net)	<b>(229)</b>	16
Net cash used in financing activities	<b>(6,288)</b>	(4,478)
Net decrease in cash and cash equivalents	<b>(14,861)</b>	(21,907)
Cash and cash equivalents at beginning of the period	<b>82,845</b>	77,932
Effect of foreign exchange rate changes	<b>(97)</b>	(360)
Cash and cash equivalents at end of the period, representing bank balances and cash	<b>67,887</b>	55,665

### Notes to the Condensed Consolidated Interim Financial Information

*For the six months ended 30 June 2025*

#### 1. BASIS OF PREPARATION AND PRESENTATION OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

China Golden Classic Group Limited (the “Company”) is an investment holding company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in the manufacture and trading of oral care, leather care and household hygiene products.

The Company was incorporated in the Cayman Islands on 29 July 2015 as an exempted company with limited liability under the Cayman Companies Law, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of its registered office and principal place of business is Flat B, 19/F, Times Media Centre, 133 Wan Chai Road, Wan Chai, Hong Kong. The Company’s shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The immediate holding company and the ultimate controlling party of the Company is ChongBo Mary Investment Limited, a company incorporated in the British Virgin Islands (the “BVI”) and Ms. Li Qiuyan (“Ms Li”), an executive director of the Company, respectively.

The unaudited condensed consolidated financial information (“Financial Information”) of the Company and its subsidiaries (collectively as the “Group”) for the six months ended 30 June 2025 have been prepared in accordance with the applicable disclosure provisions of Chapter 18 of the GEM Listing Rules and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The Financial Information of the Group should be read in conjunction with the annual audited consolidated financial statements of the Group for the year ended 31 December 2024. The accounting policies adopted in preparing the unaudited condensed consolidated interim financial statements were consistent with those applied for the financial statements of the Group for the year ended 31 December 2024.

The functional currency of the Company and the Group’s principal subsidiaries is Renminbi (“RMB”). As the Group mainly operates in the People’s Republic of China (“PRC”), the directors of the Company (“Directors”) consider that it is appropriate to present the Financial Information in RMB.

# Interim Results

## Notes to the Condensed Consolidated Interim Financial Information

*For the six months ended 30 June 2025*

### 2. PRINCIPAL ACCOUNTING POLICIES

The Financial Information has been prepared on the historical cost basis.

The accounting policies used in the Financial Information are consistent with those followed in the preparation of the annual audited consolidated financial statements of the Group for the year ended 31 December 2024, except as described below.

#### **Application of amendments to HKFRS Accounting Standards**

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning on 1 January 2025:

HKFRS 16

Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these Financial Information.

### Notes to the Condensed Consolidated Interim Financial Information

*For the six months ended 30 June 2025*

#### 3. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- (1) Oral care products segment reports manufacture and sales of oral care products including functional toothpaste, mouthwash, oral spray and toothbrush.
- (2) Leather care products segment reports manufacture and sales of leather care products including leather shoe care products and leather clothing care products.
- (3) Household hygiene products segment reports manufacture and sales of household hygiene products including surface cleaners, laundry care products, toilet care products and mould proof products.

##### (a) Segment revenue

Segment revenue represents revenue derived from the sales of oral care, leather care and household hygiene products.

During the six months ended 30 June 2025 and 2024, all revenue were recognised at a point in time upon delivery.

# Interim Results

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

#### (a) Segment revenue (Continued)

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

#### For the six months ended 30 June 2025 (unaudited)

	Oral care products RMB'000	Leather care products RMB'000	Household hygiene products RMB'000	Total RMB'000
Segment revenue from external customers	23,785	4,437	90,844	119,066
Segment profit	8,366	1,639	31,341	41,346
Unallocated income				2,218
Unallocated expenses				(45,479)
Finance costs				(101)
Loss before tax				(2,016)

#### For the six months ended 30 June 2024 (unaudited)

	Oral care products RMB'000	Leather care products RMB'000	Household hygiene products RMB'000	Total RMB'000
Segment revenue from external customers	33,116	5,641	71,699	110,456
Segment profit	11,849	1,965	24,462	38,276
Unallocated income				3,017
Unallocated expenses				(47,359)
Finance costs				(89)
Loss before tax				(6,155)

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

**3. REVENUE AND SEGMENT INFORMATION (Continued)****(a) Segment revenue (Continued)**

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of selling and distribution expenses, administrative expenses, other income and finance costs. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

**(b) Segment assets and liabilities**

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

**Segment assets**

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Jointly-shared by sales of oral care products, leather care products and household hygiene products	<b>170,484</b>	185,876
Unallocated	<b>130,268</b>	149,237
Total assets	<b>300,752</b>	335,113

**Segment liabilities**

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Jointly-shared by sales of oral care products, leather care products and household hygiene products	<b>40,478</b>	67,797
Unallocated	<b>1,138</b>	5,000
Total liabilities	<b>41,616</b>	72,797

# Interim Results

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

### 4. INCOME TAX EXPENSES (CREDIT)

Income tax in the condensed consolidated statement of profit or loss and other comprehensive income is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Current tax</b>		
PRC Enterprise Income Tax	1,068	(380)
Withholding tax on dividend	–	380
<b>Deferred tax</b>	–	–
	<b>1,068</b>	–

- (a) Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI.
- (b) No provision for Hong Kong Profits Tax had been made for the six months ended 30 June 2025 (2024: nil) as the Group did not have any assessable profits arising in Hong Kong.
- (c) Under the Law of the People's Republic of China on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries registered in the PRC is 25%.
- (d) One of the Group's subsidiaries registered in the PRC is recognised as a High and New-technology Enterprise which has been granted tax concessions by the local tax bureau and is entitled to PRC Enterprise Income Tax at concessionary rate of 15% for the six months ended 30 June 2025 (2024: 15%).
- (e) One of the Group's subsidiaries registered in the PRC is recognised as a Small and Low Profit Enterprise which has been granted tax concessions by the local tax bureau and is entitled to PRC Enterprise Income Tax at concessionary rate of 5% for the six months ended 30 June 2025 (2024: 5%).

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

**5. LOSS FOR THE PERIOD**

Loss for the period has been arrived at after charging:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cost of inventories recognised as expenses	<b>77,720</b>	72,180
Depreciation of property, plant and equipment	<b>8,458</b>	10,396
Depreciation of right-of-use assets	<b>987</b>	1,004
Loss on disposal of property, plant and equipment	<b>–</b>	9

**6. LOSS PER SHARE**

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

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Loss attributable to owners of the Company	<b>(3,084)</b>	(6,155)

**Number of shares**

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>'000</b>	<b>'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Weighted average number of ordinary shares in issue	<b>1,000,000</b>	1,000,000

Note: No diluted loss per share is presented for the six months ended 30 June 2025 and for the corresponding periods in 2024 as the Group had no potential ordinary shares outstanding.



# Interim Results

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

### 7. DIVIDEND

The Board did not recommend the payment of an interim dividend for the Period.

During the six months ended 30 June 2024, the shareholders of the Company approved the payment of a final dividend of HK0.38 cents per ordinary share in respect of the year ended 31 December 2023 at the annual general meeting of the Company.

### 8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, additions to the Group's property, plant and equipment were approximately RMB5,175,000 (30 June 2024: approximately RMB4,836,000).

### 9. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025 and 2024, the Group did not enter into any new lease agreement for the use of assets with lease term more than 12 months.

### 10. TRADE AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables		
– Third parties	24,342	33,983
Less: allowance for impairment of trade receivables	(223)	(223)
	24,119	33,760
Deposits and other receivables	3,631	2,098
Advances to employees	838	21
Loan to employees	258	258
Less: allowance for impairment of other receivables	(660)	(660)
	4,067	1,717
Prepayments	20,039	28,854
Less: allowance for impairment of prepayments	(363)	(363)
	19,676	28,491
	47,862	63,968

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

**10. TRADE AND OTHER RECEIVABLES (Continued)**

The Group allows a credit period of 0 to 60 days to its trade customers. The following is an aged analysis of trade and bills receivables presented based on the invoice dates, which approximated the respective revenue recognition dates, at the end of the reporting period.

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
0–30 days	<b>21,280</b>	31,672
31–60 days	<b>219</b>	819
61–90 days	<b>536</b>	41
Over 3 months but less than 6 months	<b>1,479</b>	377
Over 6 months but less than 1 year	<b>605</b>	851
	<b>24,119</b>	33,760

Movement in the impairment on trade receivables:

	<b>Lifetime ECL (not credit- impaired) RMB'000 (Unaudited)</b>	<b>Lifetime ECL (credit- impaired)</b>	<b>Total RMB'000 (Audited)</b>
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	223	–	223

Trade and bills receivables that were not past due relate to customer for whom there was no recent history of default.

# Interim Results

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

### 11. FINANCIAL ASSETS AT FVTPL

As at 30 June 2025 and 31 December 2024, financial assets at FVTPL represented wealth management products placed at a financial institute with maturity date in 2024.

In the opinion of the Directors, the recoverability of the principal amount and the return on the wealth management product was remote because the underlying issuer of the product encountered serious financial difficulties and failed to pay any principal amount and return on the wealth management product within the time limit stipulated under the relevant agreements upon the expiry of the term of the wealth management product in 2024. The fair value of such financial assets at FVTPL became nil as at 31 December 2024.

No repayment schedule had been provided to the Group up to date. The Directors consider the recoverability of the principal amount and the return on the wealth management product remains remote. Therefore, the fair value of such financial assets at FVTPL remain nil as at 30 June 2025.

### 12. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
Trade and bills payables	<b>15,380</b>	24,529
Accruals and other payables	<b>6,678</b>	11,921
Payables for property, plant and equipment	<b>709</b>	848
	<b>22,767</b>	37,298
Contract liabilities	<b>15,447</b>	25,882

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

**12. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES (Continued)**

The following is an aged analysis of trade and bills payables presented based on the invoice date.

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>31 December 2024 RMB'000 (Audited)</b>
0–30 days	<b>9,140</b>	14,520
31–60 days	<b>2,237</b>	5,247
61–90 days	<b>1,228</b>	1,171
Over 3 months but less than 6 months	<b>1,316</b>	2,249
Over 6 months but less than 1 year	<b>498</b>	582
Over 1 year but less than 2 years	<b>297</b>	298
Over 2 years but less than 5 years	<b>664</b>	462
	<b>15,380</b>	24,529

The average credit period on purchases of goods is 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

**13. BANK BORROWING**

The Group did not obtain any new bank borrowing during the six months ended 30 June 2025 (31 December 2024: RMB10,000,000) and the Group repaid bank borrowing of RMB5,000,000 (31 December 2024: RMB20,000,000) during the six months ended 30 June 2025.

# Interim Results

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

### 14. SHARE CAPITAL

	Number of shares '000	Nominal value of ordinary shares '000
<b>Authorised:</b>		
Ordinary shares		
At 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	2,000,000	20,000
<b>Issued and fully paid:</b>		
Ordinary shares		
At 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	1,000,000	10,000
Equivalent to RMB'000		8,606

### 15. CAPITAL COMMITMENTS

Capital commitments in respect of acquisition of plant and equipment at the end of the reporting period were as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Contracted but not provided for	4,023	2,918

## Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2025

**16. RELATED PARTY TRANSACTIONS**

Save as disclosed elsewhere in the Financial Information, the Group has the following transactions with its related parties:

- (a) During the six months ended 30 June 2025, the Group had a two years lease in respect of an office from Shanghai Fumeizi, a related company controlled by Mr. Tong Huaizhou, a close family member of the executive director of the Company, Ms. Li Qiuyan. As at 30 June 2025, the aggregate carrying amounts of such lease liabilities is approximately RMB2,753,000 (31 December 2024: RMB3,812,000). During the six months ended 30 June 2025, the Group has made lease payment of approximately RMB1,100,000 (31 December 2024: RMB1,600,000) including interest expense on lease liabilities.
- (b) During the six months ended 30 June 2025, the Group rented an office premise from Ms. Li Qiuyan, a director of the Company, at nil consideration (2024: nil).
- (c) As at 30 June 2025, banking facility of RMB80,000,000 (31 December 2024: RMB80,000,000) was guaranteed by Ms. Li Qiuyan.

**(d) Key management compensation**

The remuneration of directors and other members of key management during the period are as follows:

	<b>30 June 2025 RMB'000 (Unaudited)</b>	<b>30 June 2024 RMB'000 (Unaudited)</b>
Salaries and other benefits in kind	<b>977</b>	672
Retirement benefits scheme contributions	<b>60</b>	55
	<b>1,037</b>	727

# Business Review and Prospects

## BUSINESS REVIEW

For the six months ended 30 June 2025 (the “Period”), the Group recorded a turnover of approximately RMB119.1 million, which increased by approximately 7.8% as compared to the six months ended 30 June 2024 (the “Last Corresponding Period”). Such increase was mainly attributed to the increased turnover from household hygiene products and offset by the decreased turnover from oral care products.

The turnover of household hygiene products increased by approximately RMB19.1 million or 26.7% from approximately RMB71.7 million for the Last Corresponding Period to approximately RMB90.8 million for the Period. Such increase was mainly due to the increase in brand awareness and the enhancement of promotional efforts. On the other hand, the sales volume of the Group’s oral care products decreased by approximately 28.2% from approximately RMB33.1 million for the Last Corresponding Period to approximately RMB23.8 million for the Period. The main reason for the decrease was that the offline supermarkets, being the main sales channel for the Group’s oral care products, have experienced shrinking sales due to reduced foot traffic. The turnover from the Group’s leather care products decreased by approximately RMB1.2 million or 21.3% to approximately RMB4.4 million for the Period, as compared with approximately RMB5.6 million for the Last Corresponding Period. The reason is similar to that of the decline in oral care products. The Group recorded a net loss of approximately RMB3.1 million in the Period compared to the net loss of RMB6.2 million in the Last Corresponding Period, representing a decrease of approximately 49.9%.

During the Period, the Group’s net loss margin was approximately 2.6% as compared to the net loss margin of approximately 5.6% in the Last Corresponding Period, representing a decrease of approximately 2.6%. On the other hand, the Group’s overall gross profit margin was approximately 34.7% in the Period, which remained stable as the Last Corresponding Period.

## PROSPECTS AND OUTLOOK

In the second half of 2025, the Group will still face numerous challenges while also encountering certain opportunities.

On one hand, the mitigation of China-U.S. relations has created a favorable external environment for the Group to continue its original equipment manufacturing (“OEM”) business for more developed countries such as those in Europe, America and Japan. On the other hand, the gradual recovery of the domestic economy will boost consumers’ confidence in spending and drive the overall development of the industry.

The Directors believe that efforts in the following aspects will also help enhance the Group's overall competitiveness:

- (1) The dedicated production line for toilet cleaning products, with an investment of nearly RMB5 million, will be put into operation in the third quarter of 2025, thereby significantly improving the Group's supply capacity of toilet cleaning products.
- (2) The intelligent transformation of the oil-stain remover product (the Group's core product) will also be completed in the second half of 2025. By then, the production volume and quality assurance of the Group's oil-stain remover products will be further strengthened.
- (3) After three years of unremitting efforts, the green and high-efficiency carbon dot material synthesized from vegetable oils, jointly developed by the Group and the research team of Jiangnan University, can now be widely applied to the Group's household hygiene products. The new green and efficient oil cleaner developed by this technology meets the national standard for oil-stain removal rate without adding solvents and features a skin-friendly pH value. It has been identified as a "domestic initiative" by the China National Light Industry Council (中國輕工聯合會). After its official launch, this product is expected to lead the development of the high-end oil-stain remover market.
- (4) Given that Hangzhou has become a gathering area for e-commerce, the Group will set up an office in Hangzhou to further enhance the competitiveness of its products in the e-commerce sector.
- (5) In view of the upsurge in national sports enthusiasm triggered by the Suchao Matches (Amateur Football Matches in Jiangsu), the Group's marketing department plans to increase investment in the sports field to further enhance the Group's brand awareness.

However, the current market competition is becoming increasingly fierce, and counterfeit and shoddy products are common. Therefore, the Directors will put more efforts to create greater value for shareholders.

\* For identification purpose only



# Management Discussion and Analysis

## RESULTS OF OPERATION

The Group's turnover for the Period was approximately RMB119.1 million, representing an increase of approximately 7.8% as compared to approximately RMB110.5 million for the Last Corresponding Period. During the Period, the Group incurred a loss attributable to owners of the Company of approximately RMB3.1 million, while the Group incurred a net loss of approximately RMB6.2 million for the Last Corresponding Period. The basic loss per share of the Group was RMB0.31 cents for the Period compared to the basic loss per share of RMB0.62 cents for the Last Corresponding Period.

### Turnover

The Group recorded a turnover of approximately RMB119.1 million for the Period, representing an increase of approximately 7.8% as compared to approximately RMB110.5 million for the Last Corresponding Period. The higher turnover was mainly due to the increased sales volume of the Group's household hygiene products, which resulted in an increased turnover in this segment from approximately RMB71.7 million for the Last Corresponding Period to approximately RMB90.8 million for the Period. The main reason for the increase was the increase in brand awareness and the enhancement of promotional efforts. On the other hand, the turnover of oral care products recorded a decrease of approximately RMB9.3 million or 28.2% from approximately RMB33.1 million for the Last Corresponding Period to approximately RMB23.8 million for the Period. The main reason was that the offline supermarkets, being the main sales channel for the Group's oral care products, have experienced shrinking sales due to reduced foot traffic.

### Cost of sales

The Group's cost of sales increased from approximately RMB72.2 million for the Last Corresponding Period to approximately RMB77.2 million for the Period, representing an increase of approximately RMB5.5 million or 7.7%, which was mainly due to the increase in sales volume.

### Gross profit and gross profit margin

The Group's gross profit increased from approximately RMB38.3 million in the Last Corresponding Period to approximately RMB41.3 million in the Period, representing an increase of approximately RMB3.1 million or 8.0%. The Group's gross profit margin was approximately 34.7%, which remained stable as the Last Corresponding Period.

# Management Discussion and Analysis

## Selling and distribution costs

The selling and distribution costs decreased by approximately RMB0.5 million or 2.5%, from approximately RMB20.7 million for the Last Corresponding Period to approximately RMB20.2 million for the Period. The decrease was mainly attributable to the decreased promotional expenses during the Period.

## Administrative expenses

For the Period, approximately RMB25.3 million of administrative expenses were incurred as compared to approximately RMB26.6 million for the Last Corresponding Period. The decrease of approximately RMB1.4 million or 5.1% was mainly due to the decreased business entertainment expenses, amortization expenses, repair expenses, and other related costs.

## Finance costs

The interest expenses incurred by the Group for the Period were approximately RMB0.01 million, which remain stable as compared to approximately RMB0.09 million for the Last Corresponding Period.

## Loss for the Period

As a result of the foregoing, the Group incurred a net loss of approximately RMB3.1 million for the Period, which a decrease by approximately RMB3.1 million or 49.9% from the net loss of approximately RMB6.2 million for the Last Corresponding Period. Meanwhile, the net loss margin for the Period was approximately 2.6%, representing a decrease by approximately 3.0% from the net loss margin of 5.6% for the Last Corresponding Period.

## INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' equity of the Group as at 30 June 2025 was approximately RMB259.1 million (RMB262.3 million at 31 December 2024). As at 30 June 2025, the Group owned current assets of approximately RMB146.4 million (RMB176.4 million at 31 December 2024) and current liabilities of approximately RMB40.7 million (RMB70.9 million at 31 December 2024). The current ratio was approximately 3.60 as at 30 June 2025 and 2.49 as at 31 December 2024.

## Management Discussion and Analysis

During the Period, the Group generally financed its operations with internally generated cash flow. The Group had no outstanding bank borrowings as at 30 June 2025 (31 December 2024: RMB5.0 million). As at 30 June 2025, the Group maintained bank balances and cash of approximately RMB67.9 million (RMB82.1 million at 31 December 2024). The Group's net cash-to-equity ratio (total bank borrowings net of cash and cash equivalents over shareholders' equity) was approximately 0.26 and 0.29 as at 30 June 2025 and 31 December 2024, respectively. The Group's gearing ratio (total debt over shareholders' equity) was approximately 16.1% and 27.8% as at 30 June 2025 and 31 December 2024, respectively.

The Group possesses sufficient cash and banking facilities to meet its commitments and working capital requirements.

### CHARGE OVER ASSETS OF THE GROUP

The Group did not have any charge over its assets as at 30 June 2025.

### CAPITAL COMMITMENTS

As at 30 June 2025, the Group had approximately RMB4.0 million (31 December 2024: approximately RMB2.9 million) of capital commitments. The capital commitments mainly arose from contracts for unpaid equipment and construction in progress.

### SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, there were no other significant investments held, nor material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period and there are no plans for material investments or capital assets as at 30 June 2025.

### CONTINGENT LIABILITIES

As at 30 June 2025 and 31 December 2024, the Group had no material contingent liabilities.

## Management Discussion and Analysis

### EMPLOYMENT AND REMUNERATION POLICY

As at 30 June 2025, the Group had 278 full-time employees. The Group's staff cost for the Period amounted to approximately RMB12.9 million as compared to RMB13.9 million for the Last Corresponding Period. The Group had maintained good relationships with its employees by providing them with training programmes, competitive compensation packages and incentives. Staff remuneration is awarded based on the job nature, scope of duty, work performance and professional experience of the particular staff, having taken the prevailing market situation into account. The Group's remuneration to employees includes salaries and discretionary annual bonuses.

### SUBSEQUENT EVENT

Since the end of the Period and up to the date of this report, there was no material event or change in the operation or financial conditions of the Group.

### EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGE

Most of the Group's business transactions are settled in RMB since the operations of the Group are mainly carried out in the PRC. The reporting currency of the Group is in RMB.

The Group's cash and bank deposits are predominantly in RMB. Based on the aforesaid, the Group did not enter into any agreement to hedge against the foreign exchange risk. The Company will pay dividends in HK\$ if dividends are declared and it will continue to monitor the fluctuation of RMB closely and will introduce suitable measures as and when appropriate.

## Other Information

### CHANGE IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

The changes in the information of the Directors and the senior management which are required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules are as follows:

Mr. Tang Wai Yau, being an independent non-executive Director, has been appointed as an independent non-executive director of Capital Finance Holdings Limited, a company whose shares are listed on the GEM of the Stock Exchange (stock code: 8239), in June 2025.

Save as disclosed above, there is no change in the information of the Directors and the senior management required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules.

### DIRECTORS' AND THE CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which are taken or deemed to have taken under such provisions of the SFO), or be required to be entered in the register referred to therein pursuant to section 352 of the SFO, or be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, are as follows:

#### Long position in the ordinary shares of the Company

Name of Director	Capacity/nature of interest	Number of shares or underlying shares	Approximate percentage of interest in the Company
Ms. Li Qiuyan ("Ms. Li")	Interest of a controlled corporation ( <i>Note 1</i> )	593,625,000	59.36%
Mr. Tong Xing ("Mr. Tong")	Interest of a controlled corporation ( <i>Note 2</i> )	106,875,000	10.69%

*Notes:*

1. Ms. Li beneficially owns the entire issued share capital of ChongBo Mary Investment Limited ("ChongBo Mary"). Therefore, for the purposes of the SFO, Ms. Li is taken or deemed to be interested in the shares of the Company held by ChongBo Mary. Ms. Li is a director of ChongBo Mary.
2. Mr. Tong beneficially owns the entire issued share capital of Tong Xing Holding Group Limited ("Tong Xing Holding"). Therefore, for the purposes of the SFO, Mr. Tong is taken or deemed to be interested in the shares of the Company held by Tong Xing Holding. Mr. Tong is a director of Tong Xing Holding.

### Long position in the shares of the associated corporation

Name of Director	Name of associated corporation	Capacity/nature of interest	Number of shares or underlying shares	Approximate percentage of interest in the company
Ms. Li	ChongBo Mary	Beneficial owner	1	100%

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

## Other Information

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, so far as the Directors are aware, the following persons (not being Directors or chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under section 336 of the SFO and/or who are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

#### Long position in the ordinary shares of the Company

Name	Capacity/nature of interest	Number of shares or underlying shares	Approximate percentage of interest in the Company
ChongBo Mary	Beneficial owner	593,625,000	59.36%
Tong Xing Holding	Beneficial owner	106,875,000	10.69%
Ms. Zhang Li	Interest of spouse (Note 1)	106,875,000	10.69%

Note:

1. Ms. Zhang Li is the spouse of Mr. Tong. Accordingly, Ms. Zhang Li is deemed, or taken to be, interested in the shares of the Company held by Mr. Tong for the purposes of the SFO.

Save as disclosed above, as at 30 June 2025, the Directors are not aware of any other persons who had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under section 336 of the SFO, and/or who are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") has been adopted pursuant to the written resolutions of the shareholders of the Company passed on 17 June 2016. The purpose of the Scheme is to enable the Company to grant options to reward or provide incentives to selected participants for their contribution to the Company. The Scheme will remain in force for a period of 10 years from the date of adoption of such scheme and will expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by the shareholders of the Company at the general meeting. No share options have been granted pursuant to the Scheme since its adoption. As no options were granted under the Scheme and thus there is no specific vesting period of the options granted. The number of options available for grant under the Scheme as at 1 January 2025 and 30 June 2025 is 100,000,000 and 100,000,000, respectively. No service provider sub-limit was set under the Scheme.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Period, had any rights been granted to any Directors or their spouse or children (under 18 years of age) to acquire benefits by means of acquisition of shares or debentures of the Company, or had any such rights been exercised by them, or had the Company, its holding company, any of its subsidiaries and fellow subsidiaries been a party to any arrangements enabling the Directors to acquire such rights in any other body corporate.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period and up to the date of this report.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of dealings pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules. All members of the Board have confirmed, following specific enquiry by the Company, that they have complied with the required standard of dealings and the code of conduct adopted by the Company for the Period and up to the date of this report.



## Other Information

### NON-COMPETITION UNDERTAKINGS

Each of the controlling shareholders of the Company, namely Ms. Li and ChongBo Mary (collectively as the “Controlling Shareholders”), has entered into a deed of non-competition with the Company on 17 June 2016 (the “Deed of Non-competition”). The details of the Deed of Non-competition are set out in the section headed “Relationship with Controlling Shareholders” in the prospectus of the Company dated 30 June 2016 and the non-competition undertaking has become effective from the date of listing of the shares of the Company on GEM (the “Listing Date”). As far as the Directors are aware, as at the date of this report, the Controlling Shareholders have not breached any terms under the Deed of Non-competition.

### COMPETING INTERESTS

As far as the Directors are aware, during the Period and up to the date of this report, none of the Directors or the Controlling Shareholders and their respective close associates (as defined under the GEM Listing Rules) has any interests in a business which competes or may compete with the business of the Group or have any other conflict of interest with the Group.

### AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee include, among other things, to make recommendations to the Board on the appointment, reappointment and removal of the Company’s external auditor; review the financial information of the Company; and oversee the Company’s financial reporting, risk management and internal control systems. The Audit Committee comprises of three independent non-executive Directors, namely, Mr. Tang Wai Yau (chairman of the Audit Committee), Mr. Ye Jingzhong and Mr. Pan Qingwei.

The Audit Committee has reviewed the unaudited condensed consolidated results of the Group for the Period and this report with the management and is of the opinion that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures has been made.

### CORPORATE GOVERNANCE CODE

The Company has adopted the principles and the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the GEM Listing Rules. The Board and the management of the Company are committed to maintaining and achieving a high standard of corporate governance practices.

To the best knowledge, information and belief of the Directors, the Company had complied with the code provisions in the CG Code for the Period.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float since the Listing Date and up to the date of this report, as required under the GEM Listing Rules.

### PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement and interim report of the Company (for the six months ended 30 June 2025) are available for viewing on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) and on Company’s website at [www.goldenclassicbio.com](http://www.goldenclassicbio.com).

By order of the Board of  
**China Golden Classic Group Limited**  
**Li Qiuyan**  
Chairman

Hong Kong, 22 August 2025

*As at the date of this report, the executive Directors are Ms. Li Qiuyan, Mr. Tong Xing and Ms. Du Yongwei; and the independent non-executive Directors are Mr. Ye Jingzhong, Mr. Pan Qingwei and Mr. Tang Wai Yau.*