



途屹控股

TU YI HOLDING COMPANY LIMITED

途屹控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 1701



2025

INTERIM REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive directors

Mr. Yu Dingxin (*chairman*)
Mr. Pan Wei
Mr. Xu Jiong
Mr. An Jiajin

Independent non-executive directors

Mr. Zhao Jianbo
Ms. Zhou Li
Mr. Ying Luming (*Lead Independent non-executive*)

COMPANY SECRETARY

Mr. Yip Ngai Hang, Henry, *FCCA, FCCA*

AUDITOR

McMillan Woods (Hong Kong) CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISOR

As to Hong Kong laws
Jingtian & Gongcheng LLP
Suites 3203-3207
32/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

PRINCIPAL BANKER

Shizuoka Bank (Yamanashi Branch)

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA ("THE PRC")

Room 813, 8/F., Block 4
Hai Chuang Technology Centre
No. 1288 Wenyi West Road
Cangqian Sub-district
Yuhang District
Hangzhou City
Zhejiang Province
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

27th Floor
157 Johnston Road, Wan Chai
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR & TRANSFER OFFICE

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

WEBSITE

<http://www.tuyigroup.com>

STOCK CODE

1701

MANAGEMENT DISCUSSION AND ANALYSIS

Tu Yi Holding Company Limited (the “**Company**”) and its subsidises (the “**Group**”) is a well-established comprehensive travel products and service provider in both the People’s Republic of China (the “**PRC**”) and Japan, focusing on the design, development and sale of Japan outbound travel package tours and day tours and outbound free independent traveller products (the “**FIT Products**”); the provision of visa application processing services and other ancillary travel-related products and services; operation of an online store retailer for Japanese-lifestyle-oriented products and its e-commerce business platform – the online cross-border duty-free shop business under its brand “**Direct Courier from Shop Manager**” (“店長直郵”) (the “**Duty-free Shop Business**”); and the operation of self-owned Shuzenji Onsen Hotel Takitei (the “**Shizuoka Hotel**”) and Hotel Comfact (the “**Tokyo Hotel**”) in Japan (collectively, the “**Hotels Operation**”). During the Period Under Review, the Group continued to leverage on its well-established product capacities and networks in Japan, the strong demand in inbound travel to Japan and growing overseas demand for curated Japan itineraries, and achieved increases for overall revenue and net profit attributable to equity shareholders of the Company by 76.4% and 334% respectively when comparing to the corresponding period of 2024. The sales of day tours business segment has been the Group’s strategic focus and it contributed more than 70% of the Group’s revenue since 2024 and during the Period Under Review, the Group has implemented various measures to increase the gross profit margin sales of day tours and increase the operation capacity of sales of day tours in terms of increasing capacity buffer and the variety of product spectrum. The gross profit margin of sales of day tours increased by approximately 6.4%, from approximately 20.8% in the first half of 2024 to approximately 27.2% in the first half of 2025, which increased the overall gross profit margin by approximately 1%. Despite these positive developments, the Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 in order to retain sufficient liquidity for future growth and expansion.

BUSINESS REVIEW AND PROSPECTS

During the Period Under Review, for the purpose of increasing buffer capacity and broadening the range of day-tour products, the Group procured 36 high-specification tour buses, which materially expanded transport capacity, improved service quality and punctuality, reduced per-passenger transport costs, and decreased reliance on outsourced services and thereby strengthened the Group’s competitiveness in the sales of day tours business segment. Furthermore, for the purpose of diversifying its business spectrum to capture the growth of sales of day tours business segment, the Group entered into food and beverage business by launching a self-operated restaurant near Mt. Fuji, Tokyo, Japan to enrich end-to-end customer experience. The Group’s restaurant in the Mount Fuji area, which commenced operations in the first half of 2025, serves traditional Japanese cuisine to both tour guests and the general public. These strategic initiatives laid a solid foundation for the sales of day tours segment’s growth, driving approximately 70% Period-on-Period revenue growth during the Period under Review. Looking ahead to the second half of 2025, the Group has set forth several strategic goals:

- **Quality-led, differentiated, end-to-end integration.** The Group will deepen our access to high-quality tourism resources in Japan and continue to launch more distinctive, value-added products to lift customer satisfaction and repeat purchase rates.
- **Digital and intelligent operations.** The Group will enhance the online booking experience, strengthen customer data analytics and precision marketing, and apply smart scheduling and capacity planning to improve operating efficiency and market responsiveness.

MANAGEMENT DISCUSSION AND ANALYSIS

- **Strengthening core assets.** The Group will steadily expand self-owned transportation, hotel and food and beverage business assets to build a stable, efficient reception capacity, reduce reliance on external resources, and enhance the resilience of gross margins.
- **Global partnerships and channels.** The Group will deepen collaboration with overseas strategic partners, broaden our international sales network, and further raise brand awareness and influence in global markets.

Backed by an integrated value chain, a solid financial foundation, agile market strategies and a strengthening brand, the Group is well positioned to capture industry growth opportunities in the second half of 2025, deliver higher-quality development, and generate sustained, attractive returns for shareholders and investors.

FINANCIAL REVIEW

Revenue and gross profit margin

The breakdown of revenue, average revenue per traveller ("ART") and gross profit margin by business segment during the periods under review is set forth below:

	For the six months ended 30 June 2025				For the six months ended 30 June 2024			
	Revenue RMB'000 (Unaudited)	ART RMB (Unaudited)	% of revenue (Unaudited)	Gross profit margin (Unaudited)	Revenue RMB'000 (Unaudited)	ART RMB (Unaudited)	% of revenue (Unaudited)	Gross profit margin (Unaudited)
Sales of package tours	13,783	12,691	8.6%	8.8%	12,007	11,923	13.2%	14.8%
Sales of day tours	128,232	279	80.2%	27.2%	66,128	348	73.0%	20.8%
Margin income from sales of FIT products (net basis)	1,447	119	1.0%	100%	1,320	500	1.5%	100%
Margin income from the provision of visa application processing services (net basis)	1,193	32	0.7%	100%	1,220	37	1.3%	100%
Hotels Operation – Japan	13,280	365	8.3%	62.1%	8,670	256	9.6%	91.7%
Duty-free Shop business – Japan and the PRC	1,862	477	1.2%	61.1%	1,240	287	1.4%	41.2%
	159,797		100%	30.2%	90,585		100%	29.2%

Sales of package tours, sales of day tours and margin income from sales of FIT Products and provision of visa application processing services (net basis)

The Group is a well-established and active outbound travel products and service provider in the PRC, focusing on the design, development and sale of Japan outbound travel package tours and day tours and outbound FIT Products, the provision of visa application processing services and other ancillary travel-related products. The Group's package tours generally comprises flights, hotel accommodations, meals, transportation and sight-seeing activities as a bundled package and are accompanied by tour escorts from departure till return to the PRC, and they range from standardised package tours to tailor-made and customised tours for customers with specific requirements. The Group's day tour products generally consist of day tours ranging from one day to six days, which mainly target travellers who are neither package tours nor FIT Product customers and have purchased air tickets/hotel accommodations separately, but wish to participate in local day tours. The FIT Products mainly comprise air tickets, hotel accommodations and flight-plus-hotel bundled packages.

Revenue from sales of day tours and sales of package tours increased by approximately 94% and approximately 16% respectively when comparing to the corresponding period of 2024, which was primarily due to the fact that the Group extended its business to overseas markets through cooperating with various overseas travel partners and landing on various travel channels.

Hotels Operation – Japan

The Group operates its self-owned Shizuoka Hotel and Tokyo Hotel. The revenue of the Hotels Operation increased by approximately 53% when comparing to the corresponding period of 2024, which was primarily due to the fact that the Group initiated more cross-selling promotion for its Hotel Operation segment along with the growth of the sale of day tours segment.

Duty-free Shop Business – Japan and the PRC

The Group operates its Duty-free Shop Business in the premises of the Tokyo Hotel, together with its online Duty-free Shop Business under the name "Direct Courier from Shop Manager" (" 店長直郵 "). During the Period Under Review, the revenue of the Duty-free Shop Business increased by approximately 50% when comparing to the corresponding period of 2024, which was primarily due to the fact that the Group initiated more cross-selling promotion for its Duty-free Shop Business segment along with the growth of the sale of day tours segment.

Administrative expenses

The Group's administrative expenses increased by approximately 40% for the Period Under Review as compared to that of the corresponding period in 2024. This increase was consistent with the resumption and expansion in the Group's business scale, primarily attributable to the reasons mentioned in the business review above.

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	4	159,797	90,585
Cost of sales and services rendered		(111,614)	(64,102)
Gross profit		48,183	26,483
Other income	5	3,046	1,823
Other gains/(losses), net	5	168	(891)
Selling and distribution expenses		(9,303)	(6,914)
Administrative expenses		(21,642)	(15,454)
Reversal of expected credit loss ("ECL") on trade receivables		13	–
Share of results of an associate		(23)	–
Finance costs	6	(544)	(546)
Profit before tax	7	19,898	4,501
Income tax credit	8	58	80
Profit for the period		19,956	4,581
Other comprehensive income/(loss), net of tax:			
<i>Item that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of foreign operations		6,776	(6,669)
<i>Item that will not be reclassified to profit or loss in subsequent periods:</i>			
Fair value changes of financial assets at fair value through other comprehensive income		1	(4)
Other comprehensive income/(loss) for the period		6,777	(6,673)
Total comprehensive income/(loss) for the period		26,733	(2,092)
Profit for the period attributable to:			
Equity shareholders of the Company		19,934	4,596
Non-controlling interests		22	(15)
		19,956	4,581
Total comprehensive income/(loss) for the period attributable to:			
Equity shareholders of the Company		26,711	(2,064)
Non-controlling interests		22	(28)
		26,733	(2,092)
Earnings per share	9		
Basic (RMB cent)		1.99	0.46
Diluted (RMB cent)		N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	11	102,258	87,258
Investment properties		13,753	13,753
Right-of-use assets		283	572
Freehold land		38,756	36,319
Investment in an associate		467	490
Other intangible assets		257	257
Financial assets at fair value through other comprehensive income		2	1
Deferred tax assets		8,047	7,854
		163,823	146,504
Current assets			
Inventories	12	1,060	846
Trade receivables	13	19,206	24,753
Prepayments, deposits and other receivables		43,968	24,413
Financial assets at fair value through profit or loss		2,502	–
Pledged short-term bank deposits	14	1,500	1,500
Cash and cash equivalents	14	31,753	40,065
		99,989	91,577
Current liabilities			
Trade payables	15	17,530	22,167
Contract liabilities, other payables and accruals		22,213	18,554
Interest-bearing bank borrowings	16	19,990	21,119
Lease liabilities		157	453
Tax payable		16	559
		59,906	62,852
Net current assets		40,083	28,725
Total assets less current liabilities		203,906	175,229
Non-current liabilities			
Interest-bearing bank borrowings	16	28,115	26,209
Lease liabilities		–	19
Deferred tax liabilities		6,479	6,422
		34,594	32,650
NET ASSETS		169,312	142,579
Capital and reserves			
Share capital	17	8,797	8,797
Reserves		158,218	131,507
Equity attributable to equity shareholders of the Company		167,015	140,304
Non-controlling interests		2,297	2,275
TOTAL EQUITY		169,312	142,579

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to equity shareholders of the Company											
	Issued capital RMB'000 (Note 17)	Share premium* RMB'000	Capital reserve* RMB'000	Statutory surplus reserve* RMB'000	Fair value reserve of financial assets at fair value through other comprehensive income* RMB'000	Revaluation reserve* RMB'000	Difference arising from acquisition of non-controlling interests* RMB'000	Foreign currency translation reserve* RMB'000	Accumulated losses* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025 (Audited)	8,797	91,120	88,967	6,482	(23)	1,579	(19)	(24,523)	(32,076)	140,304	2,275	142,579
Profit for the period	-	-	-	-	-	-	-	-	19,934	19,934	22	19,956
Other comprehensive income, net of tax												
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	6,776	-	6,776	-	6,776
Fair value changes of financial assets at fair value through other comprehensive income	-	-	-	-	1	-	-	-	-	1	-	1
Total comprehensive income for the period	-	-	-	-	1	-	-	6,776	19,934	26,711	22	26,733
At 30 June 2025 (Unaudited)	8,797	91,120	88,967	6,482	(22)	1,579	(19)	(17,747)	(12,142)	167,015	2,297	169,312
At 1 January 2024 (Audited)	8,797	91,120	88,967	6,482	(18)	1,579	(19)	(22,117)	(41,966)	132,825	2,226	135,051
Profit for the period	-	-	-	-	-	-	-	-	4,596	4,596	(15)	4,581
Other comprehensive loss, net of tax												
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(6,656)	-	(6,656)	(13)	(6,669)
Fair value changes of financial assets at fair value through other comprehensive income	-	-	-	-	(4)	-	-	-	-	(4)	-	(4)
Total comprehensive income/(loss) for the period	-	-	-	-	(4)	-	-	(6,656)	4,596	(2,064)	(28)	(2,092)
At 30 June 2024 (Unaudited)	8,797	91,120	88,967	6,482	(22)	1,579	(19)	(28,773)	(37,370)	130,761	2,198	132,959

* These reserve accounts comprise the consolidated reserves of approximately RMB158,218,000 (31 December 2024: RMB131,507,000) in the condensed consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cash flows from operating activities		
Net cash generated/(used in) from operating activities	7,778	(22)
Cash flows from investing activities		
Decrease in pledged short-term bank deposits	–	1,500
Purchases of property, plant and equipment	(14,993)	–
Interest received from banks	69	72
Interest received from loans to third parties	516	696
Net cash (used in)/generated from investing activities	(14,408)	2,268
Cash flows from financing activities		
Repayment of bank borrowings	(2,053)	(573)
Principal portion of lease payments	(315)	(161)
Interest paid	(544)	(546)
Net cash used in financing activities	(2,912)	(1,280)
Net (decrease)/increase in cash and cash equivalents	(9,542)	966
Cash and cash equivalents at the beginning of the period	40,065	38,093
Effect of foreign exchange rate changes, net	1,230	(1,573)
Cash and cash equivalents at the end of the period	31,753	37,486

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

1 CORPORATE INFORMATION

Tu Yi Holding Company Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands on 27 February 2018. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business in Hong Kong is located at 27/F, 157 Johnston Road, Wan Chai, Hong Kong. The principal place of business in Mainland China is located at Room 813, 8/F, Block 4, Hai Chuang Technology Centre, No. 1288 Wenyi West Road, Cangqian Sub-district, Yuhang District, Hangzhou City, Zhejiang Province, the People’s Republic of China (the “**PRC**”). The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 28 June 2019.

The Company is an investment holding company. During the six months ended 30 June 2025, the Company’s subsidiaries (together with the Company collectively referred to as the “**Group**”) were principally involved in (i) sales of outbound travel package tours and day tours; (ii) sales of free independent traveller (“**FIT**”) products; (iii) provision of visa application processing services; (iv) hotels operation; and (v) duty-free shop business.

In the opinion of the directors of the Company, as at 30 June 2025, Mr. Yu Dingxin, Mr. Pan Wei and Mr. Xu Jiong (collectively referred to as the “**Controlling Shareholders**”) are collectively considered to be the ultimate controlling shareholders of the Company pursuant to the concert party agreement dated 13 April 2018 signed between the Controlling Shareholders. York Yu Co., Ltd and David Xu Co., Ltd (incorporated in the British Virgin Islands (the “**BVI**”) and directly and wholly owned by Mr. Yu Dingxin), King Pan Co., Ltd (incorporated in the BVI and directly and wholly owned by Mr. Pan Wei) and Jeffery Xu Co., Ltd (incorporated in the BVI and directly and wholly owned by Mr. Xu Jiong) are collectively considered to be the ultimate and immediate holding companies of the Company.

2 BASIS OF PREPARATION

The Group’s unaudited condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The Group’s unaudited condensed consolidated interim financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2024. The accounting policies adopted in the preparation of these unaudited condensed consolidated interim financial information are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2024 except for the amendments to HKFRS Accounting Standards and Interpretation issued by the HKICPA that adopted for the first time for current period.



NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

2 BASIS OF PREPARATION (CONTINUED)

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

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards had no material impact on the Group's consolidated financial performance and positions for the current and prior periods and/or on the disclosure set out in these unaudited condensed consolidated interim financial information.

These unaudited condensed consolidated interim financial information has been prepared under the historical cost except for investment properties, financial assets at fair value through other comprehensive income ("**FVTOCI**") and financial assets at fair value through profit or loss ("**FVTPL**") which have been measured at fair value.

The preparation of these unaudited condensed consolidated interim financial information in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are consistent to the preparation of the Group's consolidated financial statements for the year ended 31 December 2024.

These unaudited condensed consolidated interim financial information is presented in Renminbi ("**RMB**") because the Group's principal operations are carried out in the PRC and all values are rounded to the nearest thousand except when otherwise indicated. The Group's unaudited condensed consolidated interim financial information has been reviewed by the audit committee of the Company.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

3 FAIR VALUE MEASUREMENTS

As at 30 June 2025 (Unaudited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Investment properties	–	–	13,753	13,753
Financial assets at FVTOCI	2	–	–	2
Financial assets at FVTPL	2,502	–	–	2,502
	2,504	–	13,753	16,257

As at 31 December 2024 (Audited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Investment properties	–	–	13,753	13,753
Financial assets at FVTOCI	1	–	–	1
	1	–	13,753	13,754

The Group did not have any financial liabilities measured at fair value during the six months ended 30 June 2025 (31 December 2024: Nil).

During the six months ended 30 June 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2024: Nil).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

4 REVENUE AND SEGMENT INFORMATION

For management purpose, the Group's businesses include (i) sales of package tours and day tours; (ii) hotels operation; (iii) sales of FIT products; (iv) provision of visa application processing services; and (v) duty-free shop business. Revenue recognised during the six months ended 30 June 2025 is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Sales of package tours and day tours	142,015	78,135
Hotels operation income	13,280	8,670
Margin income from sales of FIT products	1,447	1,320
Margin income from the provision of visa application processing services	1,193	1,220
Income from duty-free shop business	1,862	1,240
	159,797	90,585

Disaggregation of revenue from contracts with customers within the scope of HKFRS 15

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major products and services lines:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Timing of revenue recognition:		
Over time:		
– Sales of package tours and day tours	142,015	78,135
– Hotels operation income	13,280	8,670
	155,295	86,805
At a point in time:		
– Margin income from sales of FIT products	1,447	1,320
– Margin income from the provision of visa application processing services	1,193	1,220
– Income from duty-free shop business	1,862	1,240
	4,502	3,780
Total	159,797	90,585

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

4 REVENUE AND SEGMENT INFORMATION (CONTINUED)

At 30 June 2025 and 31 December 2024, the remaining performance obligations (unsatisfied or partially unsatisfied) were expected to be recognised within one year. As permitted under HKFRS 15, the transaction prices allocated to these unsatisfied contracts are not disclosed.

Segment Information

The Group's chief operating decision makers (the "CODM") have been identified as the executive directors of the Company. The information reported to the CODM, for the purpose of resource allocation and assessment of performance, does not contain discrete operating segment financial information and the CODM reviewed the financial results of the Group as a whole. Accordingly, no segment information is presented.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
The PRC*	144,655	80,680
Japan [#]	15,142	9,905
Total	159,797	90,585

* From sales of package tours and day tours, sales of FIT products and provision of visa application processing services.

[#] From hotels operation and duty-free shop business.

(b) Information about major customers

Revenue from customers of the corresponding period individually contributing over 10% (six months ended 30 June 2024: 10%) of the Group's total revenue are as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Customer A (note)	N/A	25,846

Note: Revenue are derived from sales of package tours and day tours. The corresponding revenue did not contribute over 10% of the total revenue of the Group during the six months ended 30 June 2025.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

4 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(c) Non-current assets

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
The PRC	30,097	30,488
Japan	125,677	108,161
Total	155,774	138,649

The non-current assets disclosed above are based on the locations of assets and exclude financial assets at FVTOCI and deferred tax assets.

5 OTHER INCOME AND OTHER GAINS/(LOSSES), NET

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Other income		
Bank interest income	69	72
Government grants <i>(note)</i>	42	72
Rental income from investment properties under operating leases, net of direct outgoings of RMB48,000 (six months ended 30 June 2024: RMB46,000)	956	919
Interest income from loans to third parties	516	696
Rental income from motor vehicles	1,281	–
Others	182	64
	3,046	1,823
Other gains/(losses), net		
Foreign exchange gains, net	22	44
Changes in fair value of financial assets at FVTPL	146	(935)
	168	(891)

Note: Government grants mainly represented financial support funds from government in Japan and the PRC. There are no unfulfilled conditions or other contingencies attached to these grants and recognised as income when the Group received.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

6 FINANCE COSTS

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest on bank borrowings	544	539
Interest on lease liabilities	–	7
	544	546

7 PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cost of services rendered	110,890	63,373
Cost of inventories sold	724	729
Depreciation of property, plant and equipment	4,687	1,927
Depreciation of right-of-use assets	289	386
Amortisation of other intangible assets	19	33
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	9,837	9,288
Payments to defined contribution plans	838	919
Staff welfare expenses	621	71
	11,296	10,278

8 INCOME TAX CREDIT

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which the subsidiaries of the Company are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Pursuant to the rules and regulations of Japan, the subsidiaries incorporated in Japan are subject mainly to corporate tax, inhabitant tax and enterprise tax, and the effective statutory tax rate for these taxes was 33.6% (six months ended 30 June 2024: 33.6%).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

8 INCOME TAX CREDIT (CONTINUED)

Hong Kong Profits Tax has been provided at the rate of 16.5% (six months ended 30 June 2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2025 and 2024, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime during the six months ended 30 June 2025 and 2024. The first Hong Kong dollars ("HK\$") 2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5% (six months ended 30 June 2024: 16.5%). No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the six months ended 30 June 2025 and 2024.

During the six months ended 30 June 2025, except for certain subsidiaries of the Group which were entitled to a preferential income tax rate of 20% (six months ended 30 June 2024: 20%) for small and micro enterprises with the first RMB1.0 million (six months ended 30 June 2024: RMB1.0 million) of annual taxable income, eligible for a 75% (six months ended 30 June 2024: 75%) reduction and the annual taxable income between RMB1.0 million and RMB3.0 million (six months ended 30 June 2024: RMB1.0 million and RMB3.0 million) eligible for a 50% (six months ended 30 June 2024: 50%) reduction, the provision for the Mainland China current income tax is based on the statutory rate of 25% (six months ended 30 June 2024: 25%) of the assessable profits of the subsidiaries in Mainland China as determined in accordance with the Corporate Income Tax Law.

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

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Deferred tax	(58)	(80)

9 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share is based on the profit for the period attributable to equity shareholders of the Company of approximately RMB19,957,000 (six months ended 30 June 2024: RMB4,596,000), and the weighted average number of 1,000,000,000 ordinary shares (six months ended 30 June 2024: 1,000,000,000) in issue during the six months ended 30 June 2025.

(b) Diluted earnings per share

No diluted earnings per share has been presented as there were no potential dilutive shares outstanding for the six months ended 30 June 2025 and 2024.

10 DIVIDENDS

The Board did not recommend any payment of the dividend for the six months ended 30 June 2025, nor has any dividend been proposed since the end of the reporting period (six months ended 30 June 2024: Nil).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

11 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets with cost of approximately RMB14,993,000 (six months ended 30 June 2024: Nil) for additions to property, plant and equipment. No property, plant and equipment was disposed during both six months ended 30 June 2025 and 2024.

12 INVENTORIES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Merchandise for sales	1,060	821
Hotels supplies	–	25
	1,060	846

13 TRADE RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	19,356	24,916
Less: Loss allowance for ECLs	(150)	(163)
	19,206	24,753

An ageing analysis of the trade receivables as at the end of the reporting period, based on the transaction date and net of loss allowance, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
1 to 30 days	18,405	24,203
31 to 90 days	443	184
91 to 180 days	336	212
181 to 360 days	22	154
	19,206	24,753

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

14 CASH AND CASH EQUIVALENTS AND PLEDGED SHORT-TERM BANK DEPOSITS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cash and bank balances	31,753	40,065
Pledged short-term bank deposits, pledged for services quality (note)	1,500	1,500
	33,253	41,565
Less: Pledged short-term bank deposits	(1,500)	(1,500)
Cash and cash equivalents	31,753	40,065

Note: The pledged short-term bank deposits are the guarantee deposits for the Group's tourism operation as required by the PRC government.

15 TRADE PAYABLES

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
1 to 30 days	16,307	21,451
31 to 90 days	594	466
91 to 180 days	174	45
181 to 360 days	252	160
Over 360 days	203	45
	17,530	22,167

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

16 INTEREST-BEARING BANK BORROWINGS

	Effective interest rate (%) per annum	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Current			
RMB8,000,000 (31 December 2024: RMB8,000,000) secured bank loan	3.2-3.8	8,000	8,000
Japanese Yen ("JPY") 162,812,000 (31 December 2024: JPY204,812,000) secured bank loan*	1.88	10,157	11,411
JPY51,624,000 (31 December 2024: JPY51,624,000) current portion of long-term secured bank loan*	1.88	1,833	1,708
		19,990	21,119
Non-current			
JPY585,121,000 (31 December 2024: JPY585,121,000) secured bank loan	1.88	28,115	26,209

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

16 INTEREST-BEARING BANK BORROWINGS (CONTINUED)

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Analysed into:		
Bank borrowings repayable		
– Within one year or on demand	19,989	21,119
– Within a period of more than one year but not exceeding two years	2,631	2,453
– Within a period of more than two years but not exceeding five years	7,651	7,132
– More than five years	17,834	16,624
	48,105	47,328

* The current portion of bank loans of approximately RMB11,990,000 (31 December 2024: RMB13,119,000), which was supposed to be fully repaid during the year, was granted extension of repayment as disclosed above that is subject to the mutual agreement between the Group and the Japanese bank.

Note: The Group's bank borrowings are secured by:

- (i) mortgages over the Group's buildings situated in Japan, which had an aggregate net carrying amount of RMB10,286,000 (31 December 2024: RMB9,908,000); and mortgages over the Group's leasehold land and buildings situated in Mainland China;
- (ii) mortgages over the Group's investment properties situated in Mainland China, which had an aggregate net carrying amount of RMB7,324,000 (31 December 2024: RMB7,324,000); and
- (iii) mortgages over the Group's freehold land situated in Japan, which had an aggregate carrying amount of RMB38,756,000 (31 December 2024: RMB36,319,000).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

17 SHARE CAPITAL

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Authorised: 1,500,000,000 ordinary shares of HK\$0.01 each	15,000	15,000

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Issued and fully paid: 1,000,000,000 ordinary shares of HK\$0.01 each	8,797	8,797

18 RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in these unaudited condensed consolidated interim financial information, the Group entered into the following transactions with related parties during the six months ended 30 June 2025 and 2024.

Compensation of key management personnel of the Group

Compensation of key management personnel of the Group, being the executive directors of the Company and other key management of the Group, is presented as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries, allowances and benefits in kind	1,596	1,172
Pension scheme contributions	61	91
	1,657	1,263

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the date of this report and so far as the directors of the Company (the “**Directors**”) are aware, the interests and short positions of the Directors of the Company in the share capital and underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance (the “**SFO**”), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to the Model Code for the Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Rules Governing the Listing of Securities of the Stock Exchange (the “**Listing Rules**”), were as follows:

Long positions in the shares of the Company

Name	Nature of interest	Number of Shares	Approximate percentage of shareholding
Mr. Yu Dingxin ⁽¹⁾	Interest in controlled corporation	702,312,000	70.23%
Mr. Pan Wei ⁽²⁾	Interest in controlled corporation	702,312,000	70.23%
Mr. Xu Jiong ⁽³⁾	Interest in controlled corporation	702,312,000	70.23%

Notes:

- (1) York Yu Co., Ltd and David Xu Co., Ltd hold 418,725,000 shares of the Company (the “**Shares**”) and 50,025,000 Shares, respectively. Each of York Yu Co., Ltd and David Xu Co., Ltd is directly and wholly owned by Mr. Yu Dingxin, who is therefore deemed to be interested in all the Shares held by each of York Yu Co., Ltd and David Xu Co., Ltd. Mr. Yu Dingxin, Mr. Pan Wei and Mr. Xu Jiong entered into a concert party agreement on 13 April 2018, and are therefore deemed to be interested in the interests of each other.
- (2) King Pan Co., Ltd holds 121,062,000 Shares. King Pan Co., Ltd is directly and wholly owned by Mr. Pan Wei, who is therefore deemed to be interested in all the Shares held by King Pan Co., Ltd. Mr. Yu Dingxin, Mr. Pan Wei and Mr. Xu Jiong entered into a concert party agreement on 13 April 2018, and are therefore deemed to be interested in the interests of each other.
- (3) Jeffery Xu Co., Ltd holds 112,500,000 Shares. Jeffery Xu Co., Ltd is directly and wholly owned by Mr. Xu Jiong, who is therefore deemed to be interested in all the Shares held by Jeffery Xu Co., Ltd. Mr. Yu Dingxin, Mr. Pan Wei and Mr. Xu Jiong entered into a concert party agreement on 13 April 2018, and are therefore deemed to be interested in the interests of each other.

Save as disclosed above, as at the date of this report, none of the Directors nor chief executive of the Company had registered an interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been recorded in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the paragraph headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above, at no time during the Period Under Review were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company be granted to any Director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding companies, or any of its subsidiaries or fellow subsidiaries being a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at the date of this report and so far as the Directors are aware, the following persons had, or were deemed to have, interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in the shares of the Company:

Name	Nature of interest	Number of Shares	Approximate percentage of shareholding
York Yu Co., Ltd ⁽¹⁾	Beneficial owner	418,725,000	41.87%
David Xu Co., Ltd ⁽¹⁾	Beneficial owner	50,025,000	5.00%
King Pan Co., Ltd ⁽²⁾	Beneficial owner	121,062,000	12.11%
Jeffery Xu Co., Ltd ⁽³⁾	Beneficial owner	112,500,000	11.25%
Mr. Yu Dingxin ⁽¹⁾	Interest in controlled corporation	702,312,000	70.23%
Mr. Pan Wei ⁽²⁾	Interest in controlled corporation	702,312,000	70.23%
Mr. Xu Jiong ⁽³⁾	Interest in controlled corporation	702,312,000	70.23%

Notes:

- (1) York Yu Co., Ltd and David Xu Co., Ltd hold 418,725,000 Shares and 50,025,000 Shares, respectively. Each of York Yu Co., Ltd and David Xu Co., Ltd is directly and wholly owned by Mr. Yu Dingxin, who is therefore deemed to be interested in all the Shares held by each of York Yu Co., Ltd and David Xu Co., Ltd. Mr. Yu Dingxin, Mr. Pan Wei and Mr. Xu Jiong entered into a concert party agreement on 13 April 2018, and are therefore deemed to be interested in the interests of each other.
- (2) King Pan Co., Ltd holds 121,062,000 Shares. King Pan Co., Ltd is directly and wholly owned by Mr. Pan Wei, who is therefore deemed to be interested in all the Shares held by King Pan Co., Ltd. Mr. Yu Dingxin, Mr. Pan Wei and Mr. Xu Jiong entered into a concert party agreement on 13 April 2018, and are therefore deemed to be interested in the interests of each other.
- (3) Jeffery Xu Co., Ltd holds 112,500,000 Shares. Jeffery Xu Co., Ltd is directly and wholly owned by Mr. Xu Jiong, who is therefore deemed to be interested in all the Shares held by Jeffery Xu Co., Ltd. Mr. Yu Dingxin, Mr. Pan Wei and Mr. Xu Jiong entered into a concert party agreement on 13 April 2018, and therefore deemed to be interested in the interests of each other.

Save as disclosed above, as at the date of this report, the Company had not been notified by any persons (other than the Directors or chief executive of the Company) who had 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 were recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the “**Share Option Scheme**”) on 1 March 2019. Details of the Share Option Scheme are set out in Appendix V to the prospectus of the Company dated 18 June 2019 (the “**Prospectus**”). The number of options available for grant under the Share Option Scheme as at the beginning and end of the Period Under Review was 100,000,000. During the Period Under Review, no share option has been granted, exercised, lapsed or cancelled under the Share Option Scheme since its adoption. Accordingly, the number of Shares that may be issued in respect of options granted under the Share Option Scheme during the Period Under Review divided by the weighted average number of Shares in issue is nil.

EVENTS AFTER THE REPORTING PERIOD

There was no material events affecting the Group occurred subsequent to 30 June 2025 and up to the date of this report.

CONTINGENT LIABILITIES

As at 30 June 2025 and 31 December 2024, the Group did not have any significant contingent liabilities.

FOREIGN CURRENCY EXCHANGE RISK

The Group mainly operates in the PRC and Japan and its functional currency is RMB and Japanese Yen (“**JPY**”) respectively. However, the Group is exposed to foreign currency exchange risks as costs for some of the travel products, such as hotel accommodations and fees paid to land operators, are settled in foreign currencies including JPY, Australian dollars and New Zealand dollars. At present, the Group does not intend to hedge its exposure to foreign currency exchange fluctuations. However, the board of directors of the Company constantly monitors the economic situation and the Group’s foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

INTEREST RATE RISK

The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s interest-bearing bank borrowings. The Group’s policy is to manage interest cost using mainly fixed rate debts.



OTHER INFORMATION

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group employed a total of 164 full time employees. The Group's employee benefits included salary and discretionary bonuses based on the Group's results and individual performance, medical and retirement benefits schemes. The remuneration committee of the Company (the "**Remuneration Committee**") reviews such packages annually, or when the occasion requires. The executive Directors, who are also employees of the Company, receive remuneration in the form of salaries, bonuses and other allowances. The employees of the Company's subsidiaries which operated in Japan are required to participate in a central pension scheme operated by a government affiliated corporation (the "**National Pension Scheme**"), which is considered as a defined contribution plan and these subsidiaries are required to contribute certain percentage of employees' salaries to the National Pension Scheme. The Group has no further payment obligations once the contributions have been paid. On the other hand, the employees of the Company's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government (the "**Central Pension Scheme**"), which is also considered as a defined contribution plan and these subsidiaries are required to contribute certain percentage of employees' salaries to the Central Pension Scheme. The Group has no further payment obligations once the contributions have been paid. All contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees and when they fall due under the relevant regulations. For both the National Pension Scheme and Central Pension Scheme, no forfeited contributions could be used by employer to reduce the existing level of contributions.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group operates primarily through cash generated from operating activities, net proceeds received from the initial public offering of the Company in June 2019 and bank and other borrowings.

The Group's gearing, expressed as a percentage of net debt divided by total capital plus net debt remained at a similar level during the Period Under Review (30 June 2025: 24.7%; 31 December 2024: 25.1%). The Group adopts conservative treasury policies in cash and financial management. The Group's cash is generally placed as current deposits which are mostly denominated in RMB and Hong Kong dollars. The Group's liquidity and financing requirements are reviewed regularly.

Please refer to notes 14 and 16 to the condensed consolidated interim financial information for details of cash and cash equivalents and interest-bearing bank borrowings.

The trade receivables turnover days maintained in a similar level during the Period Under Review (30 June 2025: 50 days; 31 December 2024: 42 days).

The trade payables turnover days maintained in a similar level during the Period Under Review (30 June 2025: 65 days; 31 December 2024: 50 days).

PLEDGE OF ASSETS FOR TOURISM OPERATION

As at 30 June 2025, the Group's pledged short-term bank deposits of approximately RMB1.5 million (31 December 2024: RMB1.5 million) were pledged to banks as a guarantee deposit for the Group's tourism operation as required by the PRC government.

INTERIM DIVIDEND

The Board resolved not to recommend the payment of any interim dividend for the six months ended 30 June 2025 (2024: nil).

SIGNIFICANT INVESTMENT HELD, ACQUISITION AND DISPOSAL

As at 30 June 2025, there were no significant investments held by the Group or future plans for material investments or capital assets.

The Company did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures for the six months ended 30 June 2025.

CORPORATE GOVERNANCE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all Shareholders. During the Period Under Review, except for code provision C.2.1 of the Corporate Governance Code, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code (the "**Corporate Governance Code**") in Appendix C1 to the the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Mr. Yu Dingxin currently performs these two roles concurrently. The Board believes that vesting the roles of both the chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group for more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority within the Group will not be impaired by the present arrangement and the current structure will enable the Company to make and implement decisions more promptly and effectively. The Board will from time to time review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company to ensure appropriate and timely arrangements are in place to meet changing circumstances.

OTHER INFORMATION

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code for securities transactions by Directors and senior management. Having made specific enquiries with all the Directors, all the Directors confirmed that they have complied with the Model Code throughout the six months ended 30 June 2025 and up to the date of this report.

AUDIT COMMITTEE

As at the date of this report, the audit committee of the Company (the “**Audit Committee**”) has three members, namely Mr. Ying Luming, Mr. Zhao Jianbo and Ms. Zhou Li, all of whom are independent non-executive Directors. The chairman of the Audit Committee is Mr. Ying Luming. The primary responsibilities of the Audit Committee include, among others, reviewing and supervising the financial reporting process and internal control system of the Group, nominating and monitoring external auditors and providing advice and comments to the Board.

The Audit Committee has reviewed the interim results of the Group for the six months ended 30 June 2025, including the accounting principles and practices adopted by the Group, and the Group’s internal control functions.

REMUNERATION COMMITTEE

As at the date of this report, the Remuneration Committee has three members, namely Mr. Yu Dingxin, Mr. Zhao Jianbo and Ms. Zhou Li, of whom Mr. Zhao Jianbo and Ms. Zhou Li are independent non-executive Directors and Mr. Yu Dingxin is the chairman of the Board and an executive Director. The chairman of the Remuneration Committee is Ms. Zhou Li. The primary responsibilities of the Remuneration Committee include, among others, evaluating the performance and making recommendation on the remuneration package of the Directors and senior management, and evaluating and making recommendation on the share award plan of the Company.

NOMINATION COMMITTEE

As at the date of this report, the nomination committee of the Company (the “**Nomination Committee**”) consists of three members, namely Mr. Yu Dingxin, Mr. Zhao Jianbo and Ms. Zhou Li, of whom Mr. Zhao Jianbo and Ms. Zhou Li are independent non-executive Directors and Mr. Yu Dingxin is the chairman of the Board and an executive Director. The chairman of the Nomination Committee is Mr. Yu Dingxin. The primary responsibilities of the Nomination Committee include, among others, considering and recommending to the Board suitably qualified persons to become the member of the Board and reviewing the structure, size and composition of the Board on a regular basis and as required.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

During the Period Under Review, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed percentage of public float under the Listing Rules.

CONTRACTUAL ARRANGEMENTS

The Group is primarily engaged in the provision of outbound travel products and services (the “**Outbound Travel Business**”) through Tu Yi Group Company Limited (途益集團有限公司) and Hangzhou Guge Travel Company Limited (杭州谷歌旅行社有限公司) (collectively, the “**Operating Entities**”). Pursuant to the relevant provisions of the Regulations on Travel Agencies (Revision 2017)(《旅行社條例》) promulgated by the State Council of the PRC, the Group's Outbound Travel Business is prohibited from foreign ownership. Accordingly, the Group cannot acquire equity interest in our Operating Entities, which hold, or in the course of application for, Travel Agency Business License (旅行社業務經營許可證) with the scope to conduct outbound travel business for the operation of our Outbound Travel Business. As a result, the Group conducts all its operations in the PRC and exerts management control over the operations of and enjoy the economic benefits derived from the Operating Entities through entering into the contractual arrangements (the “**Contractual Arrangements**”) with the Operating Entities. Please refer to the section headed “Contractual Arrangements” in the Prospectus for further details.

OTHER INFORMATION

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's business is subject to business risks. Any of the following developments may have a material and adverse effect on the Group's business, financial condition, results of operations and prospects:

1. Japan is the most popular destination of the Group's package tours and FIT Products and any material adverse change in the economic, political or social conditions relating to Japan, deterioration of diplomatic relationships between the PRC and Japan, negative developments related to the Japan tourism market, or natural or other disasters occurring in Japan may materially and adversely affect our business and operating results;
2. The Group's business and revenue may be adversely affected by any future changes to the respective visa application policies of the PRC government and the Japanese government;
3. Changes in the foreign exchange rate for JPY would impact our operating performance and our financial condition;
4. The Group derives material portion of our revenue from customers in the PRC and any downturn in the PRC economy could have a material adverse effect on our business and operating results;
5. The Group faced increased market competition from competing agents, hotel or flight providers, online travel platforms and alternative travel booking media;
6. Natural disasters, acts or threats of terrorism, wars, travel-related accidents, outbreak of contagious diseases or other catastrophic events which affect consumer demand for travel activities or a general apprehension of such events may significantly and adversely impact on the Group's business and operating results; and
7. The PRC government may determine that the Contractual Arrangements are not in compliance with applicable PRC laws, rules, regulations or policies and may take actions against us or our operation.

For details of the risk factors, please refer to the section headed "Risk Factors" in the Prospectus.

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE AND THE COMPANY

The Company's interim report for the six months ended 30 June 2025 will be dispatched to the shareholders of the Company and the Company's interim report for the six months ended 30 June 2025 will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tuyigroup.com) in due course.