



Qingdao Holdings International Limited
青島控股國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 499)

2025
INTERIM
REPORT



*For identification purposes only

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors:

Mr. Cui Mingshou (*Chairman*)
Mr. Wang Yimei (*Deputy Chairman*)
Mr. Hu Liang

Independent Non-executive Directors:

Mr. Yin Tek Shing, Paul
Mr. Li Xue
Mr. Wang Yaping
Ms. Qi Yan (appointed on 27 June 2025)
Ms. Zhao Meiran (retired on 26 June 2025)

Chief Executive Officer:

Mr. Chen Bo

AUDIT COMMITTEE

Mr. Li Xue (*Chairman*)
Mr. Yin Tek Shing, Paul
Mr. Wang Yaping
Ms. Qi Yan (appointed on 27 June 2025)
Ms. Zhao Meiran (retired on 26 June 2025)

REMUNERATION COMMITTEE

Mr. Wang Yaping (*Chairman*)
Mr. Yin Tek Shing, Paul
Mr. Li Xue
Ms. Qi Yan (appointed on 27 June 2025)
Ms. Zhao Meiran (retired on 26 June 2025)

NOMINATION COMMITTEE

Mr. Cui Mingshou (*Chairman*)
Mr. Yin Tek Shing, Paul
Mr. Li Xue
Mr. Wang Yaping
Ms. Qi Yan (appointed on 27 June 2025)
Ms. Zhao Meiran (retired on 26 June 2025)

COMPANY SECRETARY

Mr. Chan Kwong Leung, Eric

AUTHORISED REPRESENTATIVES

Mr. Wang Yimei
Mr. Chan Kwong Leung, Eric

HONG KONG LEGAL ADVISER

King & Wood Mallesons
13/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Central
Hong Kong

AUDITOR

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

China Citic Bank International Limited
Bank of Communications Co., Ltd.
Hang Seng Bank Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

CORPORATE INFORMATION

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit No. 8, 26th Floor, Tower 1
Admiralty Centre
No. 18 Harcourt Road
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

TRICOR INVESTOR SERVICES LIMITED
17/F, Far East Finance Center
16 Harcourt Road
Hong Kong

STOCK CODE

Hong Kong Stock Exchange: 499

WEBSITE

<http://www.qingdaohi.com>



INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

Six months ended 30 June			
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
REVENUE			
– Goods		5,220	6,532
– Rental		5,506	5,717
Total revenue	4	10,726	12,249
Cost of inventories sold		(3,403)	(4,342)
Other income	4	2,107	3,108
Other gains	4	–	82
Employee benefits expenses		(6,038)	(5,383)
Other operating expenses		(6,826)	(8,761)
Finance costs	5	(7,791)	(13,075)
Share of losses of joint ventures		(1,171)	(1,946)
LOSS BEFORE TAX	6	(12,396)	(18,068)
Income tax expense	7	(2)	(99)
LOSS FOR THE PERIOD		(12,398)	(18,167)
Attributable to:			
Owners of the parent		(9,505)	(14,398)
Non-controlling interests		(2,893)	(3,769)
		(12,398)	(18,167)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
– Basic (RMB cents)	9	(0.95)	(1.44)
– Diluted (RMB cents)	9	(0.95)	(1.44)



INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
LOSS FOR THE PERIOD	(12,398)	(18,167)
OTHER COMPREHENSIVE (LOSS)/INCOME		
<i>Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	(2,902)	473
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX	(2,902)	473
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(15,300)	(17,694)
Attributable to:		
Owners of the Company	(12,407)	(13,925)
Non-controlling interests	(2,893)	(3,769)
	(15,300)	(17,694)



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		39,123	40,489
Investment properties	10	431,288	432,976
Right-of-use assets		950	1,518
Goodwill		1,970	1,970
Other intangible assets		6,636	7,823
Investments in joint ventures		5,224	4,394
Deferred tax assets		11,454	11,466
Total non-current asset		496,645	500,636
CURRENT ASSETS			
Inventories	11	11,191	10,284
Trade and other receivables	12	10,144	31,800
Amount due from a joint venture	17	6,036	5,786
Cash and cash equivalents	13	168,102	178,397
Total current assets		195,473	226,267
CURRENT LIABILITIES			
Trade and other payables	14	17,589	14,184
Contract liabilities		1,036	226
Rental deposits from tenants		435	–
Interest-bearing bank and other borrowings		1,352	2,160
Amount due to the ultimate holding company		342,000	344,000
Amount due to a joint venture		–	20,000
Income tax payable		–	33
Total current liabilities		362,412	380,603
NET CURRENT LIABILITIES		(166,939)	(154,336)
TOTAL ASSETS LESS CURRENT LIABILITIES		329,706	346,300



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Rental deposits from tenants		–	419
Interest-bearing bank and other borrowings		4,620	5,477
Deferred tax liabilities		1,264	1,282
Total non-current liabilities		5,884	7,178
NET ASSETS		323,822	339,122
EQUITY			
Equity attributable to owners of the parent			
Share capital	15	81,257	81,257
Reserves		189,875	202,282
		271,132	283,539
Non-controlling interests		52,690	55,583
TOTAL EQUITY		323,822	339,122



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent					Non-controlling interests	Total
	Share capital	Surplus account*	Translation reserve	Accumulated losses	Sub-total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 (audited)	81,257	382,880	8,916	(179,581)	293,472	59,838	353,310
Loss for the period	–	–	–	(14,398)	(14,398)	(3,769)	(18,167)
Other comprehensive income for the period	–	–	473	–	473	–	473
Total comprehensive income/(loss) for the period	–	–	473	(14,398)	(13,925)	(3,769)	(17,694)
At 30 June 2024 (unaudited)	<u>81,257</u>	<u>382,880</u>	<u>9,389</u>	<u>(193,979)</u>	<u>279,547</u>	<u>56,069</u>	<u>335,616</u>

	Attributable to owners of the parent					Non-controlling interests	Total
	Share capital	Surplus account*	Translation reserve	Accumulated losses	Sub-total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	81,257	382,880	12,344	(192,942)	283,539	55,583	339,122
Loss for the period	–	–	–	(9,505)	(9,505)	(2,893)	(12,398)
Other comprehensive loss for the period	–	–	(2,902)	–	(2,902)	–	(2,902)
Total comprehensive loss for the period	–	–	(2,902)	(9,505)	(12,407)	(2,893)	(15,300)
At 30 June 2025 (unaudited)	<u>81,257</u>	<u>382,880</u>	<u>9,442</u>	<u>(202,447)</u>	<u>271,132</u>	<u>52,690</u>	<u>323,822</u>

* The surplus account represents the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and other reserve of a subsidiary which was acquired by the Company pursuant to a previous group reorganisation in 1997.



INTERIM 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)
Net cash flow (used in)/generated from operating activities	(4,439)	200,452
INVESTING ACTIVITIES		
Investment income received	28	81
Proceed from disposal of financial assets at fair value through profit and loss	6,600	23,993
Purchase of financial assets at fair value through profit and loss	(6,600)	(23,930)
Capital injection to a joint venture	(2,000)	–
Net cash flow (used in)/generated from investing activities	(1,972)	144
FINANCING ACTIVITIES		
Interests received	–	84
Repayment of an amount due to the ultimate holding company	(2,000)	–
Repayment of bank borrowings	(495)	(953)
Principal portion of lease payment	(1,281)	–
Interest portion of lease payment	(38)	–
Interest paid	(109)	(829)
Net cash flows used in financing activities	(3,923)	(1,698)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(10,334)	198,898
Cash and cash equivalents at the beginning of the period	178,397	156,267
Effect of foreign exchange rate changes, net	39	(4,481)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	168,102	350,684



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The unaudited condensed interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The unaudited condensed financial statements do not include all the information and disclosures required under the annual financial statements, and should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2024.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2025. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Company’s accounting policies, presentation of the Company’s financial statements and amounts reported for the current period and prior years except as stated in this unaudited interim condensed financial statements.

3. SEGMENT INFORMATION

Segment revenue and results

For the six months ended 30 June 2025

	Segment revenue RMB'000 (Unaudited)	Segment results RMB'000 (Unaudited)
Leasing of properties	5,506	(1,146)
Production and sale of education equipment	5,220	(2,330)
Consulting service	–	(1,069)
Loan financing	–	–
Segment total	<u>10,726</u>	<u>(4,545)</u>
Unallocated income		2,107
Unallocated expenses		<u>(9,958)</u>
Loss before tax		<u>(12,396)</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

3. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

For the six months ended 30 June 2024

	Segment revenue RMB'000 (Unaudited)	Segment results RMB'000 (Unaudited)
Leasing of properties	5,717	723
Production and sale of education equipment	6,532	(4,966)
Consulting service	—	—
Loan financing	—	—
Segment total	<u>12,249</u>	<u>(4,243)</u>
Unallocated income		3,190
Unallocated expenses		<u>(17,015)</u>
Loss before tax		<u>(18,068)</u>

Segment assets and liabilities

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

	Segment assets		Segment liabilities	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Leasing of properties	446,693	452,837	352,186	347,416
Production and sale of education equipment	61,092	59,922	8,546	11,162
Consulting service	10,132	30,205	5,400	26,503
Loan financing	—	—	—	—
Segment total	<u>517,917</u>	<u>542,964</u>	<u>366,132</u>	<u>385,081</u>
Unallocated:				
Cash and cash equivalents	168,102	178,397	—	—
Others	6,099	5,542	2,164	2,700
Total	<u>692,118</u>	<u>726,903</u>	<u>368,296</u>	<u>387,781</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

3. SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Mainland China	9,555	10,882
Hong Kong	1,171	1,367
	<u>10,726</u>	<u>12,249</u>

(b) Non-current assets

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Mainland China	352,790	354,082
Hong Kong	132,401	135,088
	<u>485,191</u>	<u>489,170</u>

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets.

4. REVENUE, OTHER INCOME AND OTHER GAINS

Revenue

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of education equipment	5,220	6,532
<i>Revenue from other sources</i>		
Gross rental income from investment property operating leases with fixed payments	5,506	5,717
	<u>10,726</u>	<u>12,249</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

4. REVENUE, OTHER INCOME AND OTHER GAINS (continued)

Revenue from contracts with customers

(a) Disaggregated revenue information

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Segments		
Sale of education equipment	<u>5,220</u>	<u>6,532</u>
Geographical markets		
Mainland China	<u>5,220</u>	<u>6,532</u>
Timing of revenue recognition		
Goods transferred at a point in time	<u>5,220</u>	<u>6,532</u>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Sale of education equipment	<u>226</u>	<u>1,736</u>

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of education equipment

The performance obligation of the sale of education equipment is satisfied upon delivery of goods and payment in advance is generally required.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

4. REVENUE, OTHER INCOME AND OTHER GAINS (continued)

Other income

An analysis of other income is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Bank interest income	1,878	2,365
Investment income from financial assets at fair value through profit or loss	24	743
Others	205	—
	<u>2,107</u>	<u>3,108</u>

Other gains

An analysis of other gains is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net foreign exchange gain	—	82

5. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest expenses on:		
Loan from the ultimate holding company	7,688	11,598
Bank loans	103	1,477
	<u>7,791</u>	<u>13,075</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Depreciation of property, plant and equipment	1,058	1,051
Depreciation of right-of-use assets	567	567
Amortisation of intangible assets	495	494
Investment income from financial assets at fair value through profit or loss	(24)	(743)
Net foreign exchange gain	–	82
Cost of inventories sold	3,403	4,342

7. INCOME TAX EXPENSE

Hong Kong

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for the six months ended 30 June 2025 and 30 June 2024.

Mainland China

Under the Law of Mainland China on Entity Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate for high-tech enterprises in Mainland China was 15%, and the tax rate for other Mainland China subsidiaries was 25% for the six months ended 30 June 2025 and 30 June 2024.

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax		
Charge for the period	2	–
Underprovision in prior years	–	34
	2	34
Deferred tax	–	65
Total tax expense for the period	2	99

8. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the six months ended 30 June 2025 and 30 June 2024, nor has any dividend been proposed since the end of the reporting period (30 June 2024: Nil).



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to ordinary equity holders of the parent are based on:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Loss attributable to ordinary equity holders of the parent	<u>(9,505)</u>	<u>(14,398)</u>

	For the six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Number of shares		
Weighted average number of ordinary shares in issue during the period	<u>998,553,360</u>	<u>998,553,360</u>

The Company had no potentially dilutive ordinary shares in issue for both periods.

10. INVESTMENT PROPERTIES

The investment properties of the Group are located in Hong Kong and Mainland China. The fair value of the Group's investment properties as at 30 June 2025 were estimated by directors of the Company with reference to properties valuations at that dates performed by Vincorn Consulting and Appraisal Limited (30 June 2024: Masterpiece Valuation Advisory Limited), an independent professionally qualified valuer.

For the six months ended 30 June 2025 and 30 June 2024, no unrealised loss on investment properties revaluation has been recognised in profit or loss. The difference of the six months period of this year is the exchange difference alignment.

11. INVENTORIES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Raw materials	7,158	7,344
Finished goods	<u>5,276</u>	<u>2,940</u>
	12,434	10,284
Less: impairment loss on inventories	<u>(1,243)</u>	<u>—</u>
	<u>11,191</u>	<u>10,284</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

12. TRADE AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	11,362	12,069
Less: Allowance for credit losses	(3,612)	(3,612)
	<u>7,750</u>	<u>8,457</u>
Deposits, prepayments and other receivables	2,237	23,245
Less: Allowance for credit losses	(195)	(195)
	<u>2,042</u>	<u>23,050</u>
Value-added tax recoverable	352	293
	<u>10,144</u>	<u>31,800</u>

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

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 month	313	4,153
1 to 2 months	416	444
2 to 3 months	—	—
Over 3 months	7,021	3,860
	<u>7,750</u>	<u>8,457</u>

13. CASH AND CASH EQUIVALENTS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cash and bank balances	113,322	113,457
Time deposits	54,780	64,940
	<u>168,102</u>	<u>178,397</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

14. TRADE AND OTHER PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade payables	1,061	2,811
Accrued charges and other payables	16,116	9,805
Other taxes payable	412	1,568
	<u>17,589</u>	<u>14,184</u>

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)
Within 1 month	277	371
1 to 2 months	227	252
2 to 3 months	40	332
Over 3 months	517	1,856
	<u>1,061</u>	<u>2,811</u>

15. SHARE CAPITAL

Shares

The number of authorised capital is 20,000,000,000. The par value per share is HK\$0.1.

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Issued and fully paid 998,553,360 (2024: 998,553,360) ordinary shares	<u>81,257</u>	<u>81,257</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

15. SHARE CAPITAL (continued)

Shares (continued)

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital RMB'000
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025 (unaudited)	<u>998,553,360</u>	<u>81,257</u>

16. PLEDGE OF ASSETS

As at 30 June 2025, the Group had no pledged assets. As at 31 December 2024, the Group pledged certain of its investment properties with a market value of approximately RMB120 million to a bank in Hong Kong to secure mortgage financing facilities granted to the Group. As at 31 December 2024, the Group also pledged certain of its property, plant and equipment with a net carrying amount of approximately RMB25.03 million to a bank in Mainland China to secure mortgage financing facilities granted to the Group.

17. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel

The remuneration of the directors during the period was as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short-term benefits	<u>221</u>	<u>211</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

17. RELATED PARTY TRANSACTIONS (continued)

- (b) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the period:

		For the six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
A joint venture:			
Interest income from a loan	(ii)	236	342
The ultimate holding company:			
Interest expense on loans	(i)	7,688	11,598
An intermediate holding company:			
Rental Income	(iii)	127	117

- (c) Balance with related parties:

		30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
	Notes		
Amounts due from related parties:			
Amount due from a joint venture	(ii)	6,036	5,786
Amounts due to related parties:			
Amount due to a joint venture	(iv)	–	20,000
Amount due to the ultimate holding company	(i)	342,000	344,000
Amount due to an intermediate holding company	(iii)	21	21



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2025

17. RELATED PARTY TRANSACTIONS (continued)

(c) Balance with related parties: (continued)

Notes:

- (i) As at 30 June 2025, the RMB-denominated loan from the ultimate holding company was unsecured and bears a fixed weighted average interest rate of 4.52% (2024: 4.65%) per annum. The maturity date of the loan is 31 December 2026. However, since the Group do not have the right to defer the settlement of the loan for at least twelve months from the end of the reporting period, the loan is classified as current liability.
- (ii) As at 30 June 2025, the RMB-denominated loan with a principal amount of RMB5 million provided to Hejian Qingkong Construction Engineering Co., Ltd (核建青控建设工程有限公司), a joint venture of the Group, was unsecured and bears a fixed interest rate of 10% (2024: 10%) per annum. The maturity date of the loan is 30 June 2026.
- (iii) The Group has leased its residential property in Hong Kong under an operating lease agreement to an intermediate holding company, China Qingdao Development (Holdings) Group Company Limited. The outstanding balances due to the intermediate holding company of RMB21,000 (31 December 2024: RMB21,000), which are included in rental deposits from tenants in the consolidated statement of financial position as at the end of the reporting period are unsecured, interest-free and have no fixed terms of repayment.
- (iv) As at 31 December 2024, the amount due to a joint venture was unsecured, interest-free and repayable on demand.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments reasonably approximate to fair values.

Management has assessed that the fair values of cash and cash equivalents, trade receivables, financial assets included in other receivables, loan receivables, trade payables and financial liabilities included in other payables approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, management analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the interest-bearing bank borrowings and the amount due to the ultimate holding company have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for the interest-bearing bank borrowings and the amount due to the ultimate holding company as at 30 June 2025 were assessed to be insignificant.

19. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The interim financial information was approved and authorised for issue by the board of directors on 27 August 2025.



MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2025 (the “Period”) (30 June 2024: Nil).

BUSINESS REVIEW

The Group is principally engaged in the business of leasing of investment properties, production and sale of the digital Chinese calligraphy education equipment and relevant learning and tutorial systems, provision of consulting services and loan financing.

Leasing of Properties

During the six months ended 30 June 2025, the rental income from the leasing of investment properties located in Hong Kong and the People’s Republic of China (the “PRC”) amounted to approximately RMB5.51 million (2024: RMB5.72 million), which accounted for 51.3% of the Group’s total revenue. Due to the unfavourable situation of the market of commercial properties in Hong Kong, one investment property is still vacant and the Company is actively looking for suitable tenants.

Production and Sale of Digital Chinese Calligraphy Education Equipment

During the six months ended 30 June 2025, revenue generated from the production and sale of digital Chinese calligraphy education equipment amounted to approximately RMB5.22 million (2024: RMB6.53 million), which accounted for 48.7% of the Group’s total revenue.

The decrease in revenue was mainly because our customers have become more prudent for entering into the sales contracts due to the unstable global economic situation. As a result, the installation works for our digital Chinese calligraphy education equipment in classrooms were delayed in general.

Consulting Service

During the six months ended 30 June 2025, the provision of consulting services business did not generate any revenue (2024: Nil). The consulting services are mainly provided to property developers engaged in the construction works in new districts in the PRC.

Loan Financing

During the six months ended 30 June 2025, the Group’s loan financing business did not generate any revenue (2024: Nil) and the Group did not grant any new loans.

The Group continues to maintain a sound credit control policy when advancing loans to its customers. The Group holds the principle that prudent measures are particularly important and essential. Nevertheless, after careful consideration, the Group has decided to discontinue this business in 2025.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue and Results

During the six months ended 30 June 2025, the Group recorded a revenue of approximately RMB10.73 million (2024: RMB12.25 million). The Group recorded a loss attributable to the equity holders of the parent in the amount of approximately RMB9.51 million for the six months ended 30 June 2025 (2024: RMB14.40 million). Loss per share was RMB0.95 cents for the six months ended 30 June 2025 (2024: RMB1.44 cents). The decrease in loss was mainly due to the decrease in finance costs which was in turn attributable to the repayment of loans.

Cost of inventories sold for the six months ended 30 June 2025 was approximately RMB3.40 million (2024: RMB4.34 million).

Other income for the six months ended 30 June 2025 was approximately RMB2.11 million (2024: RMB3.11 million), representing a decrease of approximately 32.2% compared with the same period last year. The decrease was mainly attributable to the decrease in bank interest income and investment income.

Employee benefit expenses for the six months ended 30 June 2025 were approximately RMB6.04 million (2024: RMB5.38 million), representing an increase of approximately 12.3% compared with the same period last year. The increase was mainly attributable to the increase in salaries of the employees.

Other operating expenses for the six months ended 30 June 2025 were approximately RMB6.83 million (2024: RMB8.76 million), representing a decrease of approximately 22.0% compared with the same period last year. The decrease was mainly attributable to the decrease in professional fees and labour costs.

Finance costs for the six months ended 30 June 2025 were approximately RMB7.79 million (2024: RMB13.08 million), representing a decrease of approximately 40.4% compared with the same period last year. The decrease was primarily resulted from the repayment of loans.

Financial Resources and Liquidity

As at 30 June 2025, total current assets and current ratio (total current assets/total current liabilities) of the Group were approximately RMB195 million (31 December 2024: RMB226 million) and 0.54 (31 December 2024: 0.59) respectively.

As at 30 June 2025, the outstanding bank and other borrowings (denominated in Renminbi) of the Group was approximately RMB5.97 million (31 December 2024: RMB7.64 million).

The gearing ratio of the Group, being the net debt to net debt and equity, was 38% as at 30 June 2025 (31 December 2024: 35%). The Directors believe that the Group has adequate cash resources to meet its commitments and current working capital requirements.

The Group has adopted a prudent financial management approach and has maintained a solid liquidity position during the period. To manage liquidity risk, the Board closely monitors the liquidity position of the Group to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements from time to time.



MANAGEMENT DISCUSSION AND ANALYSIS

Capital Structure

The number of issued ordinary shares of the Company as at 30 June 2025 was 998,553,360 (31 December 2024: 998,553,360).

The capital structure of the Group consists of debts, which includes bank borrowings, and equity attributable to owners of the parent, comprising share capital and reserves.

Pledge of Assets

As at 30 June 2025, the Group had no pledged assets. As at 31 December 2024, the Group pledged certain of its investment properties with a market value of approximately RMB120 million to a bank in Hong Kong to secure mortgage financing facilities granted to the Group. As at 31 December 2024, the Group also pledged certain of its property, plant and equipment with a net carrying amount of approximately RMB25.03 million to a bank in Mainland China to secure mortgage financing facilities granted to the Group.

As at 30 June 2025 and 31 December 2024, the Group had no unutilised banking facilities.

Foreign Exchange Exposure

The Group's financial statements are presented in Renminbi. The Group carries out its business transactions mainly in Hong Kong dollars, Renminbi and United States dollars. The Group does not have any hedging arrangement for foreign exchange but will continue to closely monitor its foreign exchange exposure.

Capital Commitments

The Group's capital commitments including capital contributions payable to joint ventures amounted to approximately RMB22.00 million as at 30 June 2025 (31 December 2024: RMB24.00 million). Neither does the Group have any plan for any material investment, disposal of or addition of capital assets as at the date of this report.

Contingent Liabilities

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

EMPLOYEES AND REMUNERATION POLICY

The Group aims to provide employees with a stimulating and harmonious working environment. The Group also encourages lifelong learning and offers training to its employees to enhance their performance and provide support to their personal development. As at 30 June 2025, the Group employed a total of 109 (31 December 2024: 110) employees. Employees are remunerated based on their performance and experience, current industry practices and prevailing market conditions and in accordance with the existing labour laws. In addition to basic salaries, the employees are rewarded with performance-related bonuses and other staff welfare benefits.



MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS

Looking forward, the global economic situation remains complex and volatile, with increasingly fierce market competition. The Group will continue to focus on leasing of investment properties, production and sale of the digital Chinese calligraphy education equipment and relevant learning and tutorial systems and provision of consulting services. We are committed to expanding the market and enhancing our brand influence through innovation and high-quality services. The Group also plans to develop its trading business as and when appropriate. In terms of internal management, we will further strengthen cost controls and risk management, enhance operational efficiency and profitability. We believe that through the collective efforts of all employees and the sound decisions of the management, the Company will achieve higher-quality development in 2025 and create greater value for our Shareholders.

Lastly, the controlling shareholder of the Company, 青島城市建設投資(集團)有限責任公司 (Qingdao City Construction Investment (Group) Limited*), issued a letter of financial support to the Group to further support the operations of the Group, while accelerating the process of acquiring potential high-quality assets, promoting asset acquisitions, gradually improving the Group's core business, and maintaining the Group's market value. Sales of digital Chinese calligraphy education equipment are expected to continue to drive profitability and sustain growth. The Company plans to develop trading business to expand its business scope and optimise its revenue structure, which is expected to enhance its market competitiveness and achieve diversified development in the foreseeable future.

CHANGE IN USE OF PROCEEDS FROM THE RIGHTS ISSUE

The net proceeds (the "Net Proceeds") from the rights issue of one rights share for every one existing share held by members on the register of members of the Company on 11 May 2021 (the "Rights Issue") was approximately RMB159.90 million.

As disclosed in the announcement of the Company dated 30 June 2022 in relation to the change of use of proceeds from the Rights Issue, the Company intended to use 90% of the Net Proceeds, being approximately RMB143.91 million, for other suitable investment opportunities.

As disclosed in the announcement of the Company dated 7 August 2024, the Company had resolved to change the use of and the expected timeline for the unutilised Net Proceeds. The Group has been exploring suitable investment opportunities. However, in view of the current economic downturn in the property market and the increasing market uncertainty, the Group has not yet made a final decision on potential opportunities. Rather than allowing the whole proceeds allocated for investment opportunities to continue to remain idle, the Board had resolved to utilise approximately RMB36.40 million out of the RMB105.75 million for the repayment of bank loans which was due in August 2024, in order to improve the gearing ratio of the Group and reduce financing costs. In the future, if there are suitable opportunities, the Company will use various forms of financing, including but not limited to shareholder's loans, to provide funding for its investment activities. The Board considers that the change in use of the Net Proceeds will be in the interests of the Group and the shareholders of the Company as a whole, and will not result in any material and adverse impact on the current business or operation of the Group. The Company expects to utilize all the Net Proceeds from the Rights Issue by 31 December 2025.

As at 30 June 2025, out of the Net Proceeds, RMB74.56 million had been utilised for the settlement of bank loans and RMB15.99 million had been utilised as general working capital of the Group. The remaining Net Proceeds were unutilised and deposited with a bank in order to generate steady interest income.

* For identification purpose only



MANAGEMENT DISCUSSION AND ANALYSIS

The details of the use of the Net Proceeds as at 30 June 2025 are set out as follows:

Intended use of Net Proceeds	Proposed use of Net Proceeds as at 28 March 2023 RMB'million	Change in use of the Net Proceeds on 7 August 2024 RMB'million	Actual use of the Net Proceeds up to 31 December 2024 RMB'million	Actual use of the Net Proceeds during the Period RMB'million	Unutilised balance as at 30 June 2025 RMB'million	Expected timeline for full utilisation of the unutilised Net Proceeds (Note)
As general working capital of the Group	15.99	–	15.99	–	–	Not applicable
Investment opportunities	105.75	(36.40)	–	–	69.35	31 December 2025
Repayment of bank loans	38.16	36.40	74.56	–	–	Not applicable
Total	<u>159.90</u>	<u>–</u>	<u>90.55</u>	<u>–</u>	<u>69.35</u>	

Note: The Company was unable to identify any suitable investment opportunities as at 30 June 2025. Hence, the Company has passed a board resolution to change the expected timeline for full utilisation of the unutilised Net Proceeds from 30 June 2025 to 31 December 2025.

For details, please refer to the announcements of the Company dated 30 June 2022, 19 July 2022, 28 March 2023 and 7 August 2024, respectively.



CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' INTERESTS IN SHARES

As at 30 June 2025, none of the Directors and the chief executives of the Company and their associates had any interests and short positions in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules").

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 June 2025 was the Company, or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. In addition, none of the Directors, or their spouses or children under the age of 18 had any rights to subscribe for shares of the Company or had exercised any such rights during the six months ended 30 June 2025.

SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors and chief executive of the Company, as at 30 June 2025, the following persons (other than a Director or chief executive of the Company or their associates) had the following interests and short positions (if any) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Interest in the shares of the Company

Long positions

Name	Capacity	Number of shares held (Note)	Approximate percentage of the Company's total number of shares in issue
青島城市建設投資(集團)有限責任公司 (Qingdao City Construction Investment (Group) Limited*) ("QCCIG")	Interest of a controlled corporation	689,243,266	69.02%
China Qingdao Development (Holdings) Group Company Limited ("CQDHG")	Interest of a controlled corporation	689,243,266	69.02%
China Qingdao International (Holdings) Company Limited ("CQIH")	Beneficial owner	689,243,266	69.02%

Note: The 689,243,266 shares of the Company were held by CQIH, which is a wholly-owned subsidiary of CQDHG. CQDHG is wholly owned by QCCIG. By virtue of the SFO, QCCIG and CQDHG are deemed to be interested in the shares of the Company held by CQIH.

Save as disclosed above, the Company has not been notified of any other interests representing 5% or more of the total number of shares in issue of the Company as at 30 June 2025.

* For identification purpose only



CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE CODE

The Board is committed to ensuring high standards of corporate governance in the interests of Shareholders and devotes efforts to identifying and developing the best practices. The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules during the Period.

CHANGE IN DIRECTOR'S INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in Director's information is set out below:

Name of Director	Details of the change
Mr. Wang Yaping	retired as an independent supervisor of TSINGTAO BREWERY COMPANY LIMITED, the shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange with stock codes 00168 and 600600 respectively, with effect from 21 May 2025.

Save for the above change, there is no other information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Company's code of conduct for dealings in securities of the Company by the Directors. The Company has made specific and reasonable enquiries with all Directors and is satisfied that they had complied with the Model Code throughout the Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares listed on the Stock Exchange (including the sale of treasury shares) during the Period. As at 30 June 2025, the Company did not hold any treasury shares.

EVENT AFTER THE PERIOD

Save as disclosed above, there is no event after the Period which would have a material impact on the Company's financial position.

AUDIT COMMITTEE AND REVIEW OF THE INTERIM REPORT

The audit committee of the Company (the "Audit Committee") comprises four independent non-executive Directors and reports to the Board. The primary duties of the Audit Committee are to review and advise on the accounting principles and practices adopted by the Group, and oversee the auditing and financial reporting processes and the risk management and internal control systems of the Group. The financial information in this report is unaudited and has been reviewed by the Audit Committee.

By Order of the Board
Qingdao Holdings International Limited
Cui Mingshou
Chairman and Executive Director

Hong Kong, 27 August 2025