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Nayuki Holdings Limited

奈雪的茶控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2150)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 2025**

The Board hereby announces the unaudited consolidated interim results of the Group for the Reporting Period. The condensed consolidated financial statements of the Group for the Reporting Period have not been audited but have been reviewed by KPMG, the external auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

MANAGEMENT DISCUSSION AND ANALYSIS

1. BUSINESS REVIEW

In the first half of 2025, the Group's revenue decreased by 14.4% to RMB2,177.6 million from RMB2,544.4 million for the six months ended June 30, 2024. The adjusted net loss significantly decreased by 73.1% from loss of RMB437.7 million for the six months ended June 30, 2024 to loss of RMB117.9 million in the same period in 2025. Net cash generated from operating activities of the Group increased by 33.1% from RMB103.8 million for the six months ended June 30, 2024 to RMB138.2 million.

Benefiting from (i) our green and healthy strategy with the active launch of innovative products such as the “Daily Fruit & Vegetable Bottle” series and “Fruit & Vegetable Yogurt Smoothie” series; and (ii) continuous optimization of underperforming stores, during the Reporting Period, our *Nayuki* self-operated stores achieved an average daily sales per teahouse⁽¹⁾ of RMB7.6 thousands, up 4.1% from RMB7.3 thousands in the same period of 2024; the average orders per teahouse per day⁽²⁾ increased by 11.4% to 296.3 orders from 265.9 orders in the same period of 2024; and same-store sales for our *Nayuki* self-operated stores⁽³⁾ increased by 2.3% to RMB1,760.2 million from RMB1,720.8 million in the same period of 2024.

As of June 30, 2025, the Group had a total of 1,638 *Nayuki* teahouses, of which 1,321 were self-operated stores and 317 were franchise stores.

Notes:

- (1) Calculated by the arithmetic average amount of average daily sales per teahouse of a *Nayuki* self-operated store in certain period.
- (2) Calculated by the arithmetic average amount of average orders per teahouse per day of a *Nayuki* self-operated store in certain period.
- (3) Only including sales in certain period of all stores that operated for at least 60 days in the first half of 2024 and the first half of 2025 and did not cease operations as of June 30, 2025.

Performance by business lines

	For the six months ended June 30,					
	2025		2024		Change	
	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>Percentage point(s)</i>
<i>(in thousands, except percentages)</i>						
Nayuki self-operated stores	1,912,258	87.8	2,104,630	82.7	(192,372)	5.1
Ready-to-drink beverage	107,141	4.9	171,971	6.8	(64,830)	(1.9)
Others ⁽¹⁾	158,233	7.3	267,751	10.5	(109,518)	(3.2)
Total	2,177,632	100.0	2,544,352	100.0	(366,720)	N/A

Note:

- (1) Including revenue derived from business lines other than *Nayuki* self-operated stores and ready-to-drink beverage, which consist primarily of revenue generated from our franchise business, as well as sales of retail products such as gift tea boxes, seasonal gift sets and gifts.

Performance by products

	For the six months ended June 30,					
	2025		2024		Change	
	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>Percentage point(s)</i>
<i>(in thousands, except percentages)</i>						
Freshly-made tea drinks	1,638,847	75.3	1,721,778	67.7	(82,931)	7.6
Baked goods	197,122	9.0	270,477	10.6	(73,355)	(1.6)
Ready-to-drink beverage	107,141	4.9	171,971	6.8	(64,830)	(1.9)
Other products ⁽¹⁾	234,522	10.8	380,126	14.9	(145,604)	(4.1)
Total	2,177,632	100.0	2,544,352	100.0	(366,720)	N/A

Note:

- (1) Primarily include revenue generated from our franchise business, as well as coffee, peripheral products, retail products and gifts, such as snacks, gift tea boxes and seasonal gift sets.

***Nayuki* Membership Program**

As at June 30, 2025, the Company had registered members of approximately 111.1 million. The monthly active members⁽¹⁾ of the Company amounted to approximately 3.9 million, with a monthly repurchase rate⁽²⁾ of approximately 23.5%.

Notes:

- (1) Representing the average number of members who ordered our products at least once a month for the six months ended June 30, 2025.
- (2) Representing the average proportion of active members who ordered our products at least twice a month for the six months ended June 30, 2025.

Franchise Business

With the gradual sophistication of the Group's digitalization and automation capabilities on automatic tea-making equipment and automatic shift scheduling system, we have officially commenced our franchise business in July 2023, so as to further expand our *Nayuki* teahouse network and enhance our market share in the freshly-made tea industry, especially on mid and low-tier cities where the Group seldom opened self-operated stores.

As of June 30, 2025, the Group had a total of 317 *Nayuki* franchise stores, compared to 345 franchise stores as of December 31, 2024. During the Reporting Period, our franchise business only contributed a small portion of the Group's revenue. With the gradual growth of our franchise business, we will provide more information on the financial performance of our franchise business for the market as and when appropriate.

2. PERFORMANCE ANALYSIS OF NAYUKI SELF-OPERATED STORES

Number and distribution of stores

As of June 30, 2025, the Group had 1,321 *Nayuki* self-operated stores in 111 cities. We insist on further expanding our teahouse network and increasing market penetration mainly in the existing Tier 1 cities, New Tier 1 cities and key Tier 2 cities, so as to cultivate and consolidate consumers' consumption habits of premium freshly-made tea drinks. The following table sets out the breakdown of the number of our *Nayuki* self-operated stores by geographic location.

	As at June 30, 2025	As at December 31, 2024
Number of <i>Nayuki</i> self-operated stores		
Tier 1 cities	483	522
New Tier 1 cities	451	504
Tier 2 cities	255	287
Other cities ⁽¹⁾	132	140
Total	1,321	1,453

Note:

- (1) Including (i) cities of other tiers across mainland China and (ii) cities outside mainland China.

Operational key indicators

	For the six months ended June 30,	
	2025	2024
<i>Nayuki</i> self-operated stores		
Average daily sales per teahouse (<i>RMB'000</i>) ⁽¹⁾	7.6	7.3
Average orders per teahouse per day ⁽²⁾	296.3	265.9
Average sales value per order (<i>RMB</i>) ⁽³⁾	25.7	27.5

Notes:

- (1) Calculated by the arithmetic average amount of average daily sales per teahouse of a *Nayuki* self-operated store in certain period.
- (2) Calculated by the arithmetic average amount of average orders per teahouse per day of a *Nayuki* self-operated store in certain period.
- (3) Calculated by the revenue generated by a *Nayuki* self-operated store in certain period divided by the total number of orders placed by customers to such *Nayuki* self-operated store in the same period.

Performance by income sources

	For the six months ended June 30,					
	2025		2024		Change	
	RMB	%	RMB	%	RMB	Percentage point(s)
<i>(in thousands, except percentages)</i>						
Nayuki self-operated stores						
Order at store counter ⁽¹⁾	201,907	10.6	281,610	13.4	(79,703)	(2.8)
Pickup orders ⁽²⁾	789,922	41.3	967,998	46.0	(178,076)	(4.7)
Delivery orders ⁽³⁾	920,429	48.1	855,022	40.6	65,407	7.5
Total	1,912,258	100.0	2,104,630	100.0	(192,372)	N/A

Notes:

- (1) Representing revenue generated from customer orders placed on-site at *Nayuki* self-operated stores (excluding orders placed through our WeChat, Alipay mini program and third-party platforms).
- (2) Representing revenue generated from pickup orders placed through our WeChat, Alipay mini program and third-party platforms.
- (3) Representing revenue generated from delivery orders that require delivery services. For the six months ended June 30, 2025, out of the revenue of the Group's *Nayuki* self-operated stores, approximately 44.2% was derived from revenue generated from delivery orders placed by third-party delivery platforms; and approximately 3.9% was derived from revenue generated from delivery orders placed by the Group's self-operated platform.

Performance by market

	For the six months ended	
	June 30,	
	2025	2024
Average daily sales per teahouse (RMB'000)		
Nayuki self-operated stores⁽¹⁾		
Shenzhen	10.4	10.4
Shanghai	6.4	6.8
Guangzhou	8.7	8.0
Wuhan	7.4	6.5
Xi'an	8.3	8.7
Beijing	8.5	7.5

	For the six months ended June 30,	
	2025	2024
	Average daily sales per teahouse (RMB'000)	
Nayuki self-operated stores⁽¹⁾		
Tier 1 cities	9.1	8.6
New Tier 1 cities	7.2	6.6
Tier 2 cities	7.0	6.7
Other cities ⁽²⁾	6.9	6.8

Performance by same stores

	For the six months ended June 30,		
		2025	2024
	Number of same stores ⁽³⁾	Average daily sales per teahouse (RMB'000)	
Nayuki self-operated stores			
Shenzhen	214	10.5	10.5
Shanghai	73	6.5	7.0
Guangzhou	100	8.8	8.1
Wuhan	81	7.5	6.8
Xi'an	60	8.4	8.7
Beijing	59	8.7	8.4

Notes:

- (1) Only including stores that operated for at least 60 days as of June 30 of that year and did not cease operation as of June 30 of that year. We are of view that stores opened for less than 60 days may be significantly affected by opening promotions, “store opening customer traffic” and other factors, which may lead to the overall data being unrepresentative and misleading to investors. Therefore, we have excluded those stores.
- (2) Including (i) cities of other tiers across mainland China and (ii) cities outside mainland China.
- (3) Only including stores that operated for at least 60 days in the first half of 2025 and the first half of 2024 and did not cease operations as of June 30, 2025.

3. OUTLOOK

In the first half of 2025, our series of adjustments centered on the green and healthy strategy began to yield initial results. Notably, the ongoing optimization of underperforming stores has unlocked their operational profitability, enabling the Group to significantly narrow its losses.

In the second half of 2025, we will continue our efforts to boost store revenue and optimize our cost structure. Our initiatives will include: (i) persistently optimizing our existing store portfolio, primarily focusing on adjusting store types; (ii) continuously refining the store model for the store type newly launched in the first half of 2025, such as the “*Nayuki green*” store, while also exploring new store types or consumption scenarios to reach a broader customer base; and (iii) consistently developing high-quality, healthy products with high cost performance ratio. Through a diversified product matrix and precision-targeted brand marketing strategies, we aim to meet the all-day consumption needs of diverse age groups, thereby increasing per-store revenue.

Simultaneously, we will leverage our digital membership system to develop more precise member operational strategies. This will help us activate our existing customer base and boost repurchase rates, enabling us to navigate the increasingly competitive freshly-made tea drinks market.

In terms of financial security, as of June 30, 2025, the Group held cash and deposits totaling RMB2,793.2 million, representing an increase of 3.7% from RMB2,694.2 million as of December 31, 2024. We have sufficient cash and cash flow to address timely adjustments and ensure steady development of our businesses. The Board is confident that a series of adjustment measures will bring desirable benefits for the Group.

FINANCIAL REVIEW

Revenue

The Group generates a substantial portion of its revenue from sales of products offered by *Nayuki* teahouses. For the Reporting Period and for the six months ended June 30, 2024, *Nayuki* teahouses contributed 87.8% and 82.7% of the Group’s total revenue, respectively. The remaining portion of revenue was mainly derived from the Group’s ready-to-drink beverage business and the franchise business.

The Group recorded revenue of RMB2,177.6 million for the Reporting Period (for the six months ended June 30, 2024: RMB2,544.4 million), representing a decrease of 14.4% as compared with the six months ended June 30, 2024. The decrease in revenue was mainly due to the closure of some of our underperforming stores, resulting in a decrease in the number of *Nayuki* self-operated stores that we operated during the Reporting Period as compared to the same period in 2024.

Other income

Other income of the Group consists primarily of (i) interest income; (ii) government grants, primarily representing unconditional cash awards granted by local governments; and (iii) gain on disposal of financial assets at FVTPL. Other income of the Group amounted to RMB89.9 million for the Reporting Period (for the six months ended June 30, 2024: RMB95.6 million). The decrease in the Group's other income was primarily due to the decrease in interest income.

Expenses

Cost of materials

Cost of materials consists primarily of (i) cost of raw materials, including tea leaves, dairy products, seasonal fruits, juices, and other raw materials used for the preparation of our freshly-made tea drinks, baked goods and other products, and (ii) cost of packaging materials and consumables such as tea cups and paper bags.

Cost of materials of the Group amounted to RMB743.6 million, representing 34.1% of the Group's total revenue for the Reporting Period, compared to RMB933.0 million, or 36.7% of the total revenue for the six months ended June 30, 2024. During the Reporting Period, our cost of materials and its proportion to the total revenue decreased as compared to the same period in 2024, which was mainly due to the decrease in the Group's total revenue, coupled with a decline in the proportion of income derived from our ready-to-drink beverage business and other businesses.

Staff costs

Staff costs consist primarily of (i) salaries, wages and other benefits; (ii) contributions to defined contribution retirement plan; (iii) equity-settled share-based payment expenses; and (iv) outsourced staff costs.

Staff costs of the Group amounted to RMB648.8 million, representing 29.8% of the total revenue for the Reporting Period, compared to RMB746.7 million, or 29.3% of the total revenue for the six months ended June 30, 2024. For the Reporting Period, the proportion of staff costs over total revenue remained generally stable as compared to the same period in 2024. During the Reporting Period, staff costs classified by business lines included: (i) staff costs for *Nayuki* self-operated stores, which amounted to RMB450.6 million, representing 23.6% of revenue of *Nayuki* self-operated stores, (ii) staff costs for ready-to-drink beverage business, which amounted to RMB25.6 million, representing 23.9% of the revenue of our ready-to-drink beverage business, and (iii) staff costs for headquarters and others, which amounted to RMB172.6 million, representing 7.9% of the Group's total revenue.

Depreciation of right-of-use assets

Depreciation of right-of-use assets represents depreciation charges for the Group's leases. Depreciation of right-of-use assets is recognized as using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Depreciation of right-of-use assets of the Group amounted to RMB145.6 million for the Reporting Period, representing 6.7% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB233.8 million, representing 9.2% of the Group's total revenue during such period). The decrease in the Group's depreciation of right-of-use assets and its proportion to the total revenue was primarily due to (i) the decrease in store rentals resulting from the optimization of certain *Nayuki* self-operated stores; and (ii) the decrease in the number of *Nayuki* self-operated stores compared to the same period in 2024.

Other rentals and related expenses

Our other rentals and related expenses mainly include: (i) short-term leases that have a lease term of 12 months or less and leases of low-value assets; and (ii) variable lease payments which subject to some specified event or condition.

Other rentals and related expenses of the Group amounted to RMB112.8 million for the Reporting Period, representing 5.2% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB140.4 million, representing 5.5% of the Group's total revenue during such period). The proportion of the Group's other rentals and related expenses over total revenue remained generally stable as compared to the same period in 2024.

Depreciation and amortization of other assets

Depreciation and amortization of other assets represent depreciation charges for property and equipment and depreciation expense for leasehold improvements. Depreciation and amortization of other assets of the Group amounted to RMB145.2 million for the Reporting Period, representing 6.7% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB174.4 million, representing 6.9% of the Group's total revenue during such period). The proportion of the Group's depreciation and amortization of other assets over total revenue remained generally stable as compared to the same period in 2024.

Advertising and promotion expenses

Advertising and promotion expenses primarily represent expenses incurred in connection with our marketing, branding and promotion activities. Advertising and promotion expenses of the Group amounted to RMB94.0 million for the Reporting Period, representing 4.3% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB112.7 million, representing 4.4% of the Group's total revenue during such period). The proportion of the Group's advertising and promotional expenses over total revenue remained generally stable as compared to the same period in 2024.

Delivery service fees

Delivery service fees represent fees paid by the Group to third-party delivery service providers. Delivery service fees of the Group amounted to RMB200.7 million for the Reporting Period, representing 9.2% of the Group's total revenue during the Reporting Period (for the six months ended June 30, 2024: RMB170.1 million, representing 6.7% of the Group's total revenue during such period). During the Reporting Period, the increase in the Group's delivery service fees and its proportion to the total revenue was mainly due to the fact that during the Reporting Period, the Group's revenue from delivery orders and its proportion to the Group's total revenue both increased as compared to the same period in 2024.

Utilities expenses

Utilities expenses consist primarily of expenses in relation to electricity utilities, and to a lesser extent, gas and water utilities that are attributable to the operation of the Group's teahouses. Utilities expenses of the Group amounted to RMB58.5 million for the Reporting Period, representing 2.7% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB76.4 million, representing 3.0% of the Group's total revenue during such period).

Logistic and storage fees

Logistic and storage fees represent fees paid by the Group to third-party service providers for raw materials transportation and warehousing services. Logistic and storage fees of the Group amounted to RMB58.6 million for the Reporting Period, representing 2.7% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB80.1 million, representing 3.1% of the Group's total revenue during such period).

Finance costs

Finance costs consist primarily of interests on lease liabilities and provisions. Finance costs of the Group amounted to RMB25.8 million for the Reporting Period, representing 1.2% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB35.1 million, representing 1.4% of the Group's total revenue during such period).

Other expenses

Other expenses consist primarily of (i) administrative expenses incurred during our ordinary course of business, such as telecommunication expenses and maintenance expenses; (ii) travelling and business development expenses incurred by our employees; (iii) other-party service fees representing costs associated with third-party management consulting and other professional services; (iv) impairment losses; and (v) others, such as insurance fees and other taxes and surcharges. Other expenses of the Group amounted to RMB116.1 million for the Reporting Period, representing 5.3% of the Group's total revenue during such period (for the six months ended June 30, 2024: RMB248.4 million, representing 9.8% of the Group's total revenue during such period). The following table sets forth the components of our other expenses in absolute amounts and as percentages of total revenue for the periods indicated.

	For the six months ended June 30,			
	2025		2024	
	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>
	<i>(in thousands, except percentages)</i>			
Administrative expenses	40,881	1.9	56,503	2.2
Travelling and business development expenses	15,497	0.7	21,312	0.8
Other-party service fees	12,774	0.6	5,819	0.2
Impairment losses				
– property and equipment	23,572	1.1	101,441	4.0
– right-of-use assets	–	–	28,099	1.1
Write-down of inventories	1,092	0.1	901	0.1
Commissions	5,160	0.2	6,031	0.2
Bank and third-party platform charges	1,929	0.1	5,501	0.2
Others	15,162	0.7	22,816	1.0
	<u>116,067</u>	<u>5.3</u>	<u>248,423</u>	<u>9.8</u>

Income Tax

The income tax expenses of the Group amounted to RMB6.9 million for the Reporting Period. The income tax expenses of the Group for the six months ended June 30, 2024 amounted to RMB47.4 million.

Non-IFRS Measures

To supplement the Group's combined financial statements that are presented in accordance with IFRS, the Group also uses adjusted net loss (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. The Group believes that this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of items that our management does not consider to be indicative of the Group's operating performance. The Group believes that this measure provides useful information to Shareholders, investors and others in understanding and evaluating the Group's consolidated results of operations in the same manner as it helps the Group's management. However, the Group's presentation of adjusted

net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and the investors should not consider them in isolation from, or as a substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS.

For the six months ended
June 30,
2025 2024
(RMB in thousands,
except percentages)

**Reconciliation of net loss and adjusted net
loss (non-IFRS measure)**

Net loss for the period	(119,287)	(440,000)
Add:		
Equity-settled share-based payment expenses ⁽¹⁾	1,411	2,286
Adjusted net loss (non-IFRS measure)	(117,876)	(437,714)
Adjusted net loss margin (non-IFRS measure) ⁽²⁾	(5.4)%	(17.2)%

Notes:

- (1) Equity-settled share-based payment expenses consist of Options and RSUs granted under the 2020 Share Option Plan and 2020 Share Incentive Plan, which is non-cash and non-operational in nature, and is not directly correlated with the Group's business performance in a given period.
- (2) Calculated using adjusted net loss (non-IFRS measure) divided by revenue for a given period.

Cash, Bank Deposits and Borrowings

As of June 30, 2025, the total cash and cash equivalents of the Group amounted to RMB848.7 million (as of December 31, 2024: RMB579.1 million), and the total term deposits and certificates of deposit of the Group amounted to RMB1,944.5 million (as of December 31, 2024: RMB2,115.1 million), primarily denominated in RMB and USD. As of June 30, 2025, the Group had bank loans amounted to RMB100.0 million primarily denominated in RMB, including (i) RMB50.0 million bank loan with 2.5% interest rate; and (ii) RMB50.0 million electronic commercial acceptance bills discounted from banks with 1.8% bill discounting rate (as of December 31, 2024, the Group has RMB50.0 million bank loan with 2.5% interest rate).

Right-of-Use Assets

The Group's right-of-use assets primarily represent the leases for our teahouses, office at headquarters and warehouses. As of June 30, 2025, the right-of-use assets of the Group amounted to RMB1,029.2 million (as of December 31, 2024: RMB1,226.4 million). The decrease in the Group's right-of-use assets was primarily due to the decrease in the number of *Nayuki* self-operated stores at the end of the Reporting Period as compared to the end of 2024.

Property and Equipment

The Group's property and equipment consist primarily of leasehold improvements, kitchen equipment, furniture equipment, electronic equipment and others, as well as construction in progress. As of June 30, 2025, the property and equipment of the Group amounted to RMB965.1 million (as of December 31, 2024: RMB1,136.5 million). The decrease in the Group's property and equipment was primarily due to the decrease in the number of *Nayuki* self-operated stores at the end of the Reporting Period as compared to the end of 2024.

Inventories

The Group's inventories consist primarily of raw materials and packaging materials. As of June 30, 2025, the inventories of the Group amounted to RMB115.7 million (as of December 31, 2024: RMB127.6 million).

The Group's inventories turnover days for the Reporting Period was 29.5 days (for the six months ended June 30, 2024: 28.7 days).

Trade and Other Receivables and Prepayments

The Group's trade receivables consist primarily of receivables due from third parties in connection with the sales of products. The Group's other receivables and prepayments consist primarily of input value-added tax recoverable in connection with purchase of raw materials, rental deposits within one year, interest receivables and prepayments to suppliers. Trade and other receivables and prepayments of the Group decreased from RMB272.1 million as of December 31, 2024 to RMB270.8 million as of June 30, 2025.

Trade and Other Payables

The Group's trade payables consist primarily of trade payables to the Group's raw materials suppliers. The Group also recorded other payables and accrued charges in connection with various aspects of its operations, including (i) payroll and welfare payables to employees; (ii) payables for purchase of property and equipment; (iii) accrued charges, which are mainly utilities; and (iv) others. Trade and other payables of the Group decreased from RMB528.5 million as of December 31, 2024 to RMB511.9 million as of June 30, 2025.

Gearing Ratio

As of June 30, 2025, our gearing ratio, which is calculated as total debt divided by total assets, was 35.0%, as compared with 36.5% as of December 31, 2024.

Treasury Policy

The Group adopts a prudent financial management approach for its treasury policy to ensure that the Group's liquidity structure comprising assets, liabilities and other commitments is able to always meet its capital requirements.

Liquidity and Financial Resources

Taking into account the financial resources available to the Group, including cash and cash equivalents on hand, cash generated from operations and available facilities of the Company, and the net proceeds from the listing, and after diligent and careful investigation, the Directors are of the view that the Group has sufficient working capital required for the Group's operations at present.

As of June 30, 2025, the Group had total cash and cash equivalents of RMB848.7 million (as of December 31, 2024: RMB579.1 million). In the Reporting Period, the Group mainly used cash for store operation and deposited part of idle cash into banks for term deposits and certificates of deposit (as of June 30, 2025, the total term deposits and certificates of deposit of the Group amounted to RMB1,944.5 million (as of December 31, 2024: RMB2,115.1 million)).

The current ratio as of June 30, 2025 was approximately 3.02 times (as of December 31, 2024: approximately 2.51 times).

FOREIGN CURRENCY RISK

For the Reporting Period, the Group mainly operated in China and the majority of the transactions were settled in RMB. As of June 30, 2025, apart from cash and cash equivalents and term deposits denominated in foreign currency, the Group did not have any significant foreign exchange risk in its business operations. As of June 30, 2025, the Group did not engage in any foreign exchange hedging activities. The Group will continue to monitor foreign exchange changes to best preserve the Group's cash value.

CONTINGENT LIABILITIES

As of June 30, 2025, the Group did not have any significant contingent liabilities.

CAPITAL EXPENDITURES

Our capital expenditures amounted to RMB6.5 million for the Reporting Period, which were incurred primarily in connection with payment for purchase of equipment and leasehold improvements.

CHARGE ON ASSETS

As of June 30, 2025, the Group did not pledge any group assets.

SIGNIFICANT INVESTMENT

As of June 30, 2025, the Group did not hold any significant investments.

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As of June 30, 2025, save for the "Future Plans and Use of Proceeds" disclosed in the Prospectus and as disclosed in this announcement, the Group did not have any future plan for material investments or capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND AFFILIATED COMPANIES

The Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

EMPLOYEES AND REMUNERATION POLICIES

As of June 30, 2025, the Group had a total of 5,033 full-time employees, among which 1,205 employees worked at the Group's headquarters and regional offices, and the remaining employees were in-store staff. The Group values its employees and is committed to growing with employees. The Group has launched an employee retention initiative, under which the Group incorporates employee retention rate as one of the key criteria that used to assess its teahouse performance. The Group is also committed to establishing a competitive and fair remuneration and benefits environment for its employees. Remuneration is determined with reference to the qualification, experience and work performance, whereas the payment of discretionary bonus is generally subject to work performance, the financial performance of the Group in that particular year and general market conditions. To effectively motivate the Group's business development team through remuneration incentives and ensure that our employees receive competitive remuneration packages, the Group continually refines its remuneration and incentive policies through market researches and comparisons with its competitors. As required by the PRC laws and regulations, the Group participates in various employee social security plans for its employees that are organized by municipal and provincial governments, including basic pension, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing fund.

The Group also shares its success with employees by offering them a variety of incentives and financial rewards to keep them motivated. To recognize and reward the Group's employees, directors and senior management for their contributions to the Group, to attract suitable personnel and to provide incentives to them to remain with and further contribute to the Group, the Group has adopted the 2020 Share Option Plan and the 2020 Share Incentive Plan.

In addition, the Group places strong emphasis on providing trainings to its employees in order to enhance their professional skills, understanding of industry and work place safety standards, and appreciation of the Group's value, especially the Group's unwavering commitment to food safety and product quality as well as satisfying customer services. The Group designs and offers different training programs for employees at various positions. For example, the Group requires every newly recruited employee at operational functions to attend a one-month in-store training as the Group strives for consistency and high quality of its product delivery and customer services. In addition, the Group pairs its new in-store staff with seniors, who are responsible for guiding them through the probation period. The Group has also established a vanguard program to foster and maintain a local talent pool and offers a promotion path for excellent employees to become future teahouse managers.

USE OF NET PROCEEDS FROM GLOBAL OFFERING

The Shares were listed on the Stock Exchange on June 30, 2021. The net proceeds raised from the Company's global offering (the "**Global Offering**"), after deduction of the underwriting fees and commissions and other estimated expenses payable by the Company in connection with the Global Offering, were approximately HK\$4,842.4 million. As of the date of this announcement, there was no change in the intended use of net proceeds as previously disclosed in the section headed "Future Plans and Use of proceeds" in the Prospectus. However, in light of the lack of significant recovery in consumer demand, the Company has adopted a more prudent business expansion strategy. As a result, the expected timeline of utilization of the proceeds will be extended as detailed in the table below. The net proceeds received by the Company from the Global Offering will be used for the following purposes:

- approximately 70.0%, or HK\$3,389.8 million, will be used to expand the Group's teahouse network and deepen the Group's market penetration;
- approximately 10.0%, or HK\$484.2 million, will be used to further improve the Group's overall operations through enhancing technology capabilities, with a goal to improve operational efficiency;
- approximately 10.0%, or HK\$484.2 million, will be used to strengthen the Group's supply chain and product distribution capabilities, with a goal to support our expanding scale; and
- the remaining approximately 10.0%, or HK\$484.2 million, will be used for working capital and general corporate purposes.

The following table sets forth a summary of the utilization of the net proceeds from the Global Offering as of June 30, 2025:

Purpose	Percentage to total amount	Net proceeds incurred from the Global Offering <i>HK\$ (million)</i>	Utilized amount during the Reporting Period <i>HK\$ (million)</i>	Actual use of proceeds up to June 30, 2025 <i>HK\$ (million)</i>	Unutilized amount as of June 30, 2025 <i>HK\$ (million)</i>	Expected timeline of full utilization of the remaining proceeds
Expand the Group's teahouse network and deepen the Group's market penetration	70.0%	3,389.8	44.3	2,291.9	1,097.9	December 2025
Further improve the Group's overall operations	10.0%	484.2	–	484.2	–	December 2024
Strengthen the Group's supply chain and product distribution capabilities	10.0%	484.2	–	484.2	–	June 2024
Fund the Group's working capital and general corporate purposes	10.0%	484.2	38.4	461.3	22.9	December 2025
Total	100.0%	4,842.4	82.7	3,721.6	1,120.8	

EVENTS AFTER THE REPORTING PERIOD

There has been no important events subsequent to the Reporting Period and up to the date of this announcement, which would affect the Group's business operations in material aspects.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended June 30, 2025 – unaudited

(Expressed in Renminbi)

		Six months ended June 30,	
	<i>Note</i>	2025	2024
		RMB'000	RMB'000
Revenue	3	2,177,632	2,544,352
Other income	4	89,872	95,615
Cost of materials		(743,628)	(932,967)
Staff costs		(648,811)	(746,680)
Depreciation of right-of-use assets	5(c)	(145,560)	(233,753)
Other rentals and related expenses		(112,771)	(140,393)
Depreciation and amortization of other assets	5(c)	(145,204)	(174,394)
Advertising and promotion expenses		(93,969)	(112,670)
Delivery service fees		(200,666)	(170,097)
Utilities expenses		(58,539)	(76,405)
Logistic and storage fees		(58,614)	(80,077)
Other expenses	5(b)	(116,067)	(248,423)
Other net losses	5(d)	(21,854)	(19,324)
Finance costs	5(a)	(25,768)	(35,111)
Share of losses of associates		(8,402)	(35,285)
Fair value changes of financial assets at fair value through profit or loss (“FVTPL”)		–	(27,001)
Loss before taxation		(112,349)	(392,613)
Income tax	6	(6,938)	(47,387)
Loss for the period		(119,287)	(440,000)
Attributable to:			
Equity shareholders of the Company		(117,077)	(435,202)
Non-controlling interests		(2,210)	(4,798)
Loss for the period		(119,287)	(440,000)
Loss per share			
Basic and diluted (RMB)	7	(0.07)	(0.25)

There are no dividends payable to equity shareholders of the Company attributable to the profit for the period as set out in note 16(a).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended June 30, 2025 – unaudited

(Expressed in Renminbi)

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Loss for the period	(119,287)	(440,000)
Other comprehensive income for the period		
(after tax and reclassification adjustments)		
<i>Item that will not be reclassified to profit or loss:</i>		
Currency translation differences	(9,257)	13,403
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Currency translation differences	(610)	1,613
Other comprehensive income for the period	(9,867)	15,016
Total comprehensive income for the period	(129,154)	(424,984)
Attributable to:		
Equity shareholders of the Company	(126,944)	(420,186)
Non-controlling interests	(2,210)	(4,798)
Total comprehensive income for the period	(129,154)	(424,984)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at June 30, 2025 – unaudited

(Expressed in Renminbi)

	<i>Note</i>	At June 30, 2025 RMB'000	At December 31, 2024 RMB'000
Non-current assets			
Property and equipment	8	965,121	1,136,540
Right-of-use assets	8	1,029,154	1,226,362
Intangible assets		9	38
Interests in associates		250,150	258,553
Deferred tax assets		25,804	29,310
Rental deposits		92,065	106,364
Other non-current assets	9	275,804	514,628
		<u>2,638,107</u>	<u>3,271,795</u>
Current assets			
Financial assets at FVTPL	10	8,883	38,803
Inventories	11	115,697	127,627
Trade and other receivables	12	207,014	204,344
Prepayments	12	63,778	67,716
Other current assets	9	340,000	170,000
Restricted bank deposits		6,126	655
Term deposits	14	1,604,514	1,705,088
Cash and cash equivalents	13	848,718	579,122
		<u>3,194,730</u>	<u>2,893,355</u>
Current liabilities			
Trade and other payables	15	511,917	528,517
Contract liabilities		188,940	222,531
Bank loans		100,000	50,000
Lease liabilities		226,053	323,075
Provisions		2,983	1,737
Current taxation		29,567	26,823
		<u>1,059,460</u>	<u>1,152,683</u>

	<i>Note</i>	At June 30, 2025 RMB'000	At December 31, 2024 RMB'000
Net current assets		<u>2,135,270</u>	<u>1,740,672</u>
Total assets less current liabilities		<u>4,773,377</u>	<u>5,012,467</u>
Non-current liabilities			
Lease liabilities		962,545	1,075,817
Provisions		20,888	19,455
Deferred tax liabilities		<u>1,038</u>	<u>1,063</u>
		<u>984,471</u>	<u>1,096,335</u>
NET ASSETS		<u>3,788,906</u>	<u>3,916,132</u>
CAPITAL AND RESERVES			
Share capital	16(b)	555	555
Reserves		<u>3,803,181</u>	<u>3,928,197</u>
Total equity attributable to equity shareholders of the Company		3,803,736	3,928,752
Non-controlling interests		<u>(14,830)</u>	<u>(12,620)</u>
TOTAL EQUITY		<u>3,788,906</u>	<u>3,916,132</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial information has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), including compliance with International Accounting Standard (“**IAS**”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“**IASB**”). It was authorized for issue on August 27, 2025.

The interim financial information has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial information is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial information for the current accounting period. The amendments do not have a material impact on this interim information as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

The Group principally generates its revenue from (i) the sales of freshly-made tea drinks, baked goods and other products and services through its operating teahouses, online food delivery applications and franchisees; and (ii) the sales of ready-to-drink beverage.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products and timing of revenue recognition is as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products		
– Sales of freshly-made tea drinks	1,638,847	1,721,778
– Sales of ready-to-drink beverage	107,141	171,971
– Sales of baked goods and other revenue	431,644	650,603
	<u>2,177,632</u>	<u>2,544,352</u>

For the six months ended June 30, 2025, the Group did not have any customer with which transactions have exceeded 10% of the Group's total revenue (six months ended June 30, 2024: nil).

(b) Segment reporting

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Freshly-made tea drinks business and franchise operations: this segment mainly offers freshly-made tea drinks, baked goods and other products and services through operating teahouses, online food delivery applications and franchisees.
- Ready-to-drink beverage business: this segment mainly offers ready-to-drink beverage through distribution network.

(i) *Segment results*

Apart from freshly-made tea drinks business and franchise operations, revenue from other business segment of the Group is less than 10% of the Group's consolidated revenue, separate segment information is not considered necessary.

(ii) *Geographic information*

As most of the Group's operations and assets are in the People's Republic of China ("PRC"), no geographic information is presented.

4 OTHER INCOME

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Interest income	56,153	63,270
Government grants (<i>note (i)</i>)	31,101	32,213
Gain on disposal of financial assets at FVTPL	2,618	–
Dividend income	–	132
	<u>89,872</u>	<u>95,615</u>

Note:

- (i) Government grants mainly represented unconditional cash awards granted by the government authorities in the PRC.

5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
(a) Finance costs		
Interest on lease liabilities	23,802	31,427
Interest on provisions	892	3,684
Interest on bank loans	622	–
Discount expense on bills receivable	452	–
	<u>25,768</u>	<u>35,111</u>

		Six months ended June 30,	
		2025	2024
		RMB'000	RMB'000
(b) Other expenses			
Administrative expenses	40,881	56,503	
Travelling and business development expenses	15,497	21,312	
Other-party service fees	12,774	5,819	
Impairment losses			
– property and equipment	23,572	101,441	
– right-of-use assets	–	28,099	
Write-down of inventories	1,092	901	
Commissions	5,160	6,031	
Bank and third-party platform charges	1,929	5,501	
Others	15,162	22,816	
	116,067	248,423	
		Six months ended June 30,	
		2025	2024
		RMB'000	RMB'000
(c) Other items			
Amortization	29	80	
Depreciation change			
– property and equipment	145,175	174,314	
– right-of-use assets	145,560	233,753	
	290,735	408,067	
		Six months ended June 30,	
		2025	2024
		RMB'000	RMB'000
(d) Other net losses			
Loss on disposal of non-current assets			
excluding right-of-use assets	26,689	31,568	
Losses on stores closures	7,838	6,104	
Gain on disposal of right-of-use assets	(12,767)	(20,925)	
(Gain)/loss on foreign currency exchange	(831)	2,131	
Others	925	446	
	21,854	19,324	

6 INCOME TAX

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Current tax	3,458	1,601
Deferred taxation	3,480	45,786
	<u>6,938</u>	<u>47,387</u>

7 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB117,077,000 (six months ended June 30, 2024: loss of RMB435,202,000) and the weighted average of 1,705,010,647 ordinary shares (2024: 1,711,079,043 ordinary shares) in issue (excluding treasury shares) during the interim period.

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

There were no diluted potential ordinary shares for the six months ended June 30, 2025 and 2024. Accordingly, diluted loss per share for the six months ended June 30, 2025 and 2024 are same as basic loss per share.

8 PROPERTY AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(a) Right-of-use assets

During the six months ended June 30, 2025, the Group entered into a number of lease agreements for use of teahouses and offices, and therefore recognized the additions to right-of-use assets of RMB37,800,000 (six months ended June 30, 2024: RMB44,019,000).

The leases of teahouses contain variable lease payment terms that are based on sales generated from the teahouses and minimum monthly lease payment terms that are fixed. These payment terms are common in the PRC where the Group operates. The amount of fixed and variable lease payments for the interim reporting period is summarized below:

	Six months ended June 30, 2025		
	Fixed payments <i>RMB'000</i>	Variable payments and other rentals <i>RMB'000</i>	Total payments <i>RMB'000</i>
Lease payments	<u>162,571</u>	<u>47,959</u>	<u>210,530</u>

	Six months ended June 30, 2024		
	Fixed payments <i>RMB'000</i>	Variable payments and other rentals <i>RMB'000</i>	Total payments <i>RMB'000</i>
Lease payments	<u>236,804</u>	<u>73,732</u>	<u>310,536</u>

(b) Acquisitions and disposals of owned assets

During the six months ended June 30, 2025, the Group acquired items of leasehold improvements and other equipment with a cost of RMB20,515,000 (six months ended June 30, 2024: RMB113,222,000). Items of leasehold improvements and other equipment with a net book value of RMB59,295,000 were disposed of during the six months ended June 30, 2025 (six months ended June 30, 2024: RMB33,801,000), resulting in a loss on disposal of RMB26,689,000 (six months ended June 30, 2024: RMB31,568,000).

(c) Impairment loss

The recoverable amount of each teahouse (cash generating unit (“CGU”)) with indication of impairment is estimated at the end of each reporting period. As at the end of each reporting period, in view of the unfavorable future prospects and poor performance of certain teahouses, there were indications that the CGUs may suffer an impairment loss. The management of the Group has conducted impairment testing for teahouses with impairment indications. The recoverable amount of each CGU is determined based on the higher of fair value less costs of disposal and value-in-use by preparing cash flow projections of the relevant CGU derived from the most recent financial forecast approved by the management covering the remaining lease term. An impairment loss of RMB23,572,000 was recognized in “other expenses” (six months ended June 30, 2024: RMB129,540,000).

9 OTHER CURRENT ASSETS AND OTHER NON-CURRENT ASSETS

	At June 30, 2025 RMB'000	At December 31, 2024 RMB'000
Current		
Certificates of deposit	340,000	170,000
Non-current		
Certificates of deposit	–	240,000
Prepayments for purchase of equipment	2,309	9,501
Valued-added tax recoverable	273,495	253,686
Interest receivables	–	11,441
	275,804	514,628
	615,804	684,628

10 FINANCIAL ASSETS AT FVTPL

	At June 30, 2025 RMB'000	At December 31, 2024 RMB'000
Listed equity investment	–	29,920
Unlisted equity investment (<i>note (i)</i>)	8,883	8,883
	8,883	38,803

Note:

- (i) As at June 30, 2025, the directors of the Company were of the view that there were no material change in the fair value of the unlisted equity investment since December 31, 2024, having considered the relevant inputs for determine the fair value by an independent third-party valuer as at December 31, 2024.

11 INVENTORIES

Inventories in the consolidated statement of financial position comprise:

	At June 30, 2025 RMB'000	At December 31, 2024 RMB'000
Raw materials	81,086	86,926
Ready-to-drink beverage	1,581	3,792
Packaging supplies and others	33,030	36,909
	<u>115,697</u>	<u>127,627</u>

12 TRADE AND OTHER RECEIVABLES, AND PREPAYMENTS

	At June 30, 2025 RMB'000	At December 31, 2024 RMB'000
Trade and other receivables		
– Trade receivables	31,953	26,549
– Input value-added tax recoverable	54,912	49,593
– Interest receivables	48,903	52,948
– Rental deposits	66,388	69,257
– Other receivables	4,858	5,997
	<u>207,014</u>	<u>204,344</u>
Prepayments	<u>63,778</u>	<u>67,716</u>

All of the current portion of trade and other receivables are expected to be recovered or recognized as expense within one year.

Ageing analysis

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

	At June 30, 2025 <i>RMB'000</i>	At December 31, 2024 <i>RMB'000</i>
Within 1 month	14,785	13,609
1 to 3 months	7,056	10,183
3 to 6 months	2,480	2,656
Over 6 months	7,632	101
	<u>31,953</u>	<u>26,549</u>

Trade receivables are due within 30 to 90 days from the date of billing.

13 CASH AND CASH EQUIVALENTS

	At June 30, 2025 <i>RMB'000</i>	At December 31, 2024 <i>RMB'000</i>
Cash at bank and on hand	2,777,367	2,671,942
Deposit on online payment platform (<i>note(ii)</i>)	21,991	22,923
Less: restricted bank deposits (<i>note (iii)</i>)	(6,126)	(655)
Less: term deposits – current (<i>note 14</i>)	(1,604,514)	(1,705,088)
Less: certificates of deposit – current (<i>note 9</i>)	(340,000)	(170,000)
Less: certificates of deposit – non-current (<i>note 9</i>)	–	(240,000)
Cash and cash equivalents	<u>848,718</u>	<u>579,122</u>

Notes:

- (i) As at June 30, 2025, cash and cash equivalents placed with banks in Mainland China amounted to RMB779,915,000 (December 31, 2024: RMB488,531,000). Remittance of funds out of Mainland China is subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.
- (ii) As at June 30, 2025 and December 31, 2024, the Group had cash held in accounts managed by online payment platforms such as Wechat Pay and Alipay.
- (iii) As at June 30, 2025, the Group had restricted bank deposit of RMB6,126,000 (December 31, 2024: RMB655,000).

14 TERM DEPOSITS

Term deposits presented in RMB are denominated in:

	At June 30, 2025 <i>RMB'000</i>	At December 31, 2024 <i>RMB'000</i>
Current		
USD	<u>1,604,514</u>	<u>1,705,088</u>

Term deposits are placed in reputable commercial banks with initial maturity terms of over three months.

15 TRADE AND OTHER PAYABLES

	At June 30, 2025 <i>RMB'000</i>	At December 31, 2024 <i>RMB'000</i>
Trade payables	243,697	254,011
Other payables and accrued charges	265,658	272,140
Amounts due to related parties	<u>2,562</u>	<u>2,366</u>
	<u>511,917</u>	<u>528,517</u>

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

	At June 30, 2025 <i>RMB'000</i>	At December 31, 2024 <i>RMB'000</i>
Within 1 year	241,254	252,617
More than 1 year	<u>2,443</u>	<u>1,394</u>
	<u>243,697</u>	<u>254,011</u>

16 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

No interim dividends have been declared or paid by the Company during the six months ended June 30, 2025 (six months ended June 30, 2024: nil) and after the reporting period ended June 30, 2025 (June 30, 2024: nil).

(b) Share capital

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on September 5, 2019 with authorized share capital of USD250,000 divided into 5,000,000,000 shares with a par value of USD0.00005 each.

(c) Purchase of own shares

No ordinary shares have been repurchased or cancelled by the Company during the six months ended 30 June 2025 (six months ended June 30, 2024: RMB18,166,000).

OTHER INFORMATION

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: nil) and after the reporting period ended June 30, 2025 (June 30, 2024: nil).

PURCHASE, SALE OR REDEMPTION OF THE SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the securities of the Company during the Reporting Period (including sale of treasury shares). As of the end of the Reporting Period, treasury Shares held by the Company amounted to 2,577,500 and such treasury shares may be resold on the market at market prices to raise funds for the Company, or transferred or used for other purposes, subject to compliance with the Articles of Association and the applicable laws of the Cayman Islands and the Listing Rules.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the "CG Code"). During the Reporting Period, save as disclosed below, the Company has complied with all the applicable code provisions as set out in the CG Code.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Reporting Period and as of the date of this announcement, Mr. Zhao is currently the Chairman of the Board and Chief Executive Officer of the Company.

Mr. Zhao served as a director of Shenzhen Pindao Food & Beverage Management Co., Ltd. (深圳市品道餐飲管理有限公司) from February 2017 to October 2020 and has been acting as a Director of the Company since June 2020. He is the founder of the Group and has extensive experience in the business operations and management of the Group. Our Directors believe that it is beneficial to the business operations and management of the Group that Mr. Zhao serves as both the Chairman of the Board and the Chief Executive Officer of the Company. This structure will enable the Company to make and implement decisions promptly and effectively. Our Directors consider that the balance of power and authority will not be impaired due to this arrangement. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and three independent non-executive Directors.

The Board will review the corporate governance structure and practices from time to time and shall make necessary arrangements when the Board considers appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED COMPANIES

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 code of conduct regarding securities transactions by the Directors. Upon specific enquiry, all Directors confirmed that they had complied with the requirements as set out in the Model Code during the Reporting Period.

AUDIT COMMITTEE

The Audit Committee consists of three independent non-executive Directors, namely Mr. Chang Lih Hsun (Chairperson), Mr. Liu Yiwei and Mr. Xie Yongming. The Group’s interim results for the Reporting Period have been reviewed by all members of the Audit Committee and they were of the opinion that the Group’s unaudited interim results were prepared in accordance with applicable accounting standards.

In addition, the Company's independent auditor, KPMG, has performed an independent review of the Group's interim financial report for the Reporting Period in accordance with Hong Kong Standard on Review Engagements 2410 "*Review of Interim Financial Information performed by the Independent Auditor of the Entity*" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the websites of the Company (www.naixuecha.com) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the Reporting Period will be provided to the Shareholders and published on the above websites in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings.

"2020 Share Incentive Plan"	the share incentive plan of the Company approved and adopted on May 15, 2020
"2020 Share Option Plan"	the share option plan of the Company approved and adopted on May 15, 2020
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors of the Company
"Company"	Nayuki Holdings Limited (奈雪的茶控股有限公司) (formerly known as Pindao Holdings Limited (品道控股有限公司)), an exempted company with limited liability incorporated in the Cayman Islands on September 5, 2019, whose Shares were listed and traded on the Stock Exchange (Stock code: 2150)
"Director(s)"	member(s) of the board of directors of the Company, including all executive, non-executive and independent non-executive directors

“Global Offering”	the Hong Kong Public Offering and the International Offering
“Group,” “our Group,” “the Group,” “we” or “us”	the Company and our subsidiaries (or the Company and any one or more of our subsidiaries, as the context may require)
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“IFRS”	International Financial Reporting Standards, amendments, and interpretations, as issued from time to time by the International Accounting Standards Board
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Mr. Zhao”	Zhao Lin, the Chairman of the Board and the Chief Executive Officer of the Company
“Option(s)”	share option(s) granted pursuant to the 2020 Share Option Plan
“PRC” or “China” or the “People’s Republic of China”	the People’s Republic of China and, except where the context otherwise requires, references in this announcement to the PRC or China do not apply to Hong Kong, Macau Special Administrative Region and Taiwan Province
“Prospectus”	the prospectus of the Company dated June 18, 2021
“Reporting Period”	the six months ended June 30, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	restricted share unit(s) granted pursuant to the 2020 Share Incentive Plan

“Shareholders”	holders of the Shares
“Shares”	shares of the Company of nominal value of US\$0.00005 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“treasury share(s)”	has the meaning ascribed to it under the Listing Rules
“USD”	United States dollars, the lawful currency for the United States
“%”	per cent

By order of the Board
Nayuki Holdings Limited
ZHAO Lin
Chairman

Shenzhen, China, August 27, 2025

As at the date of this announcement, the Board comprises Mr. ZHAO Lin and Ms. PENG Xin as executive directors; and Mr. LIU Yiwei, Mr. XIE Yongming and Mr. CHANG Lih Hsun as independent non-executive directors.