

TARGET

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QIDIAN INTERNATIONAL COMPANY LTD: REMEMBERING ABRAHAM LINCOLN, ONCE AND AGAIN

For the past five Financial Years, ended December 31, 2022, Qidian International Company Ltd (奇點國際有限公司) (Code: 1280, Main Board, The Stock Exchange of Hongkong Ltd) has never recorded a Net Profit, with its Revenues, having skidded down the slippery slopes, from **Renminbi (RMB)** 920,807,000.00 (in respect of the 2018 Financial Year) to RMB262,348,000.00 with regard to the 2022 Financial Year.

At Page 49 of the 2022 Annual Report of the Company, under the heading, '**GENERAL INFORMATION**,' one was informed of the following intelligence:

'Qidian International Co., Ltd (the "Company") was incorporated in the Cayman Islands on 5 February 2008 as an exempted company with limited liability under the Companies Law (2009 Revision as amended, supplemented or otherwise modified) of the Cayman Islands. The shares of the Company were listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange") on 25 March 2010. The address of its registered office is the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

'The Company is an investment holding. The principal activities of the Company and its subsidiaries (the "Group") include the retail of household appliance, mobile phones, computers, imported and general merchandise and provision of maintenance and installation services for household appliance and the liquor business in the People's Republic of China (the "PRC").

'The consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.'

The Company was known as Huiyin Smart Community Company Ltd (匯銀智慧社區有限公司), up until January 23, 2020, when its name was changed to Qidian International Company Ltd.

On or about December 8, 2023, the results of an **Extraordinary General Meeting (EGM)** of the Company, held on Wednesday, November 15, 2023, a Special Resolution was passed with

100 percent of the Issued and Fully Paid-Up Shares that voted – 166,514,144 Shares – in favour of changing from Company’s name from Qidian International Company Ltd to China Qidian Guofeng Holdings Ltd (中國奇點國峰控股有限公司).

As at today’s date, this medium is awaiting the date that the Company’s new name – China Qidian Guofeng Holdings Ltd – will replace the nomenclature of Qidian International Company Ltd.

At Pages Five and Six of the 2022 Annual Report of Qidian International Company Ltd, Mr Yuan Li (袁力), the Chairman of the Board of Directors of the Company, penned nine paragraphs, of which, only three of those paragraphs were, in the opinion of this medium, worthy of being read:

‘In 2022, under the impact of various factors including complex external environment and continuous wide spread of domestic pandemic in multiple areas, China’s economy faces tremendous pressure on recovery. The main characteristics of which included the significant impact of pandemic on consumption, declining investment growth, continuous decrease in import and export growth rates and significant pressure on labor market. The retail industry in which the Company operated was also affected, with a relatively low prosperity.

‘Confronted with the intricate economic environment, the Company adhered to new consumption strategy, adopted offline and online retail channels in a coordinated way, enhanced the experience and satisfaction of customers at offline stores, strengthened the construction of the three elements: people, product and place, explored various marketing methods such as live commerce, word-of-mouth platforms and WeChat Mini Programs, and improved the diversification and fragmentation degree of retail channels, which constantly increased sales volume.

‘The Company made efforts to unfold the layout of Maotai-flavor liquor business in liquor industry. According to the Report on the Status and Development of Wine Merchants in 2022, as the growth of national economy led to an increase in national consumption level and upgrade of consumption structure, customers were more willing to purchase higher-quality products. The data indicated that 44% of customers currently were drinking liquors with higher quality. Through collaborations with mighty Maotai-flavor liquor enterprises, the Company built exclusive brands of Guofeng Liquor, enhanced its influence, increased Maotai-flavor liquor products and continuously expanded its current business in retail industry to improve its general profitability in the future...’.

Under the heading, ‘**Management Discussion and Analysis**,’ found at Pages Seven through to 15 of the 2022 Annual Report of the Company, under the heading, ‘**Management Discussion and Analysis**,’ one was appraised at Pages Seven to Nine:

‘MARKET REVIEW

‘In 2022, under the impact of various factors including complex external environment and continued sporadic domestic resurgences of COVID-19 pandemic, the PRC’s economy faced tremendous pressure on recovery. In general, the macroeconomic environment was relatively weak as affected by the significant impact of COVID-19 pandemic on the consumption, the slow down of investment growth and the continuous drop in growth rate of both imports and exports.

‘Business Review

‘During the year ended 31 December 2022 (the “reporting period” or the “year”), in the complex international and domestic environment with the general trend of weak development of macroeconomy, the growth rate of per capita disposable income and per capita consumption expenditure of the PRC residents recorded a decrease as compared with last year, accompanied by fading of their consumer appetites. The performance of home appliance end sales missed the expectations, the relief of demand was slowed down, and the whole industry was under a gloomy atmosphere...’.

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