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Qunxing reported liquor distribution revenue rose 25.6% in the first half

The 178 million yuan business produced nearly 80% of sales, pointing to steadier demand for mid- to high-end baijiu

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Qunxing Toys, a Chinese distributor with businesses in several sectors, reported that its liquor distribution revenue rose 25.6% in the first half of 2026, a sign of continued demand for mid- to high-end baijiu in a market that has been under pressure.

The company said revenue from liquor distribution reached 178 million yuan, or about $24.8 million, in the January-to-June period. The increase means the business added roughly 36.2 million yuan from a year earlier, based on comparable sales of about 141.8 million yuan in the same period last year.

The figures were reported in the company's results and cited by Securities Times on Aug. 23. Baijiu, a traditional Chinese distilled spirit, made up the main part of the liquor distribution business, with Qunxing focused mainly on mid- and high-end products.

The liquor unit carried major weight inside the company's broader operations. Qunxing's consolidated revenue for the first half totaled 223 million yuan, and beverage sales accounted for about 80% of that amount. That makes the drinks business the company's main source of revenue at a time when it remains active in other areas as well.

Even so, the company stayed in the red overall. Qunxing posted a consolidated loss of 48.59 million yuan for the first half. According to the company, the wider loss was driven mainly by impairment charges tied to its information technology business. The results do not indicate that the loss came from the beverage distribution operation.

That distinction matters in assessing the numbers. Qunxing is a diversified distributor, not a baijiu producer, and its consolidated loss cannot be directly read as a sign of weakness in liquor sales. The available disclosure also does not include shipment volumes, average selling prices, or the brands sold, which limits how much can be inferred about pricing power or market share.

Still, the revenue growth offers a positive signal for one part of China's alcohol market. Baijiu demand has faced a difficult environment in recent years as consumer spending has been uneven and the broader economy has gone through adjustment. Against that backdrop, growth in distribution revenue tied mainly to mid- and high-end baijiu suggests that some demand has held up in those segments, at least through this

distributor’s channels.

The data also point to the role distributors can play as an indicator of market conditions. Because Qunxing sells products made by others, its revenue can reflect order flow and sell-through demand across the brands and price bands it handles, though not with the same precision as detailed producer disclosures. In this case, the company’s first-half performance suggests stronger turnover in its liquor business even as the group as a whole remained under financial strain from another division.

Qunxing did not provide, in the figures cited, a breakdown by province, brand, or customer type. It also did not say whether growth was driven more by higher sales volume, changes in product mix, or pricing. Without those details, it is not possible to determine whether consumers traded up, whether distributors rebuilt inventories, or whether the company expanded its reach with new accounts.

Even with those limits, the scale of the drinks business inside Qunxing is clear. With 178 million yuan in liquor distribution revenue out of 223 million yuan in total first-half revenue, the beverage segment was the company’s dominant business by a wide margin. That concentration means performance in alcohol distribution is likely to remain central to any near-term change in the company’s top line, even if earnings continue to be affected by non-beverage assets.

The first-half report adds a data point to a closely watched sector in China. Investors and industry analysts have been looking for signs of stabilization in baijiu after a prolonged period of adjustment. Revenue growth at a distributor that focuses mainly on mid- and high-end products does not settle the broader question, but it does show that this part of the market still generated stronger sales in the first six months of 2026.

Securities Times, citing the company report, presented the revenue increase as a constructive sign for demand in distribution, especially in the mid- to high-end range. At the same time, the company’s net loss underscores that stronger sales in one unit do not necessarily translate into profitability for a diversified group when other operations are under pressure.