September 2, 2026

DDC Chairwoman and CEO's Letter to Shareholders

DDC Enterprise announces 1H26 results with strong revenue growth, positive adjusted EBITDA, and strengthening of balance sheet

NEW YORK, Sept. 02, 2026 (GLOBE NEWSWIRE) -- DDC Enterprises, Ltd. (NYSE American: DDC), (“DDC,” or the “Company”), a leading multi-brand Asian consumer food company with a growing strategic bitcoin treasury, today issued a corporate update in a Letter to Shareholders from Founder, Chairwoman, and CEO Norma Chu.

Dear Valued Shareholders,

The first half of 2026 delivered meaningful progress in our operating business and a significant expansion of our Bitcoin treasury. This letter provides context on both, and directly addresses recent market volatility.

Operating business results

Our Asian food platform delivered revenue of $20.2 million in the first half of 2026, up 29% year over year. Gross profit grew 17.5% to $6.1 million. Our core food business generated positive Adjusted EBITDA of $1.2 million. Our GAAP net loss of $38.4 million was almost entirely driven by non-cash Bitcoin mark-to-market adjustments during a period of price weakness. The loss did not reflect any operating cash outflow from the food business.

We ended the first half of 2026 with total cash and short-term investments of $21.6 million. The core fundamentals of our operating business are strengthening across revenue, profitability and cash generation.

Balance sheet position

Our net debt position was $10.2 million as of June 30, 2026. Working capital increased materially from negative $12.2 million at year-end 2025 to positive $39.4 million as of June 30, 2026, an improvement of $51.6 million during the period. Total shareholders' equity attributable to the Company grew to $180.8 million, up 154% year-on-year.

Our leverage remains modest relative to the value of our Bitcoin treasury. A portion of our holdings serves as collateral for existing secured financing, as disclosed in our periodic filings, with the majority of our position unencumbered and held with qualified third-party custodians.

Bitcoin treasury

We held 2,899 Bitcoin as of the date of this letter, up 145% from 1,181 Bitcoin at the start of the year. This represents one of the largest corporate Bitcoin treasuries on NYSE American and reflects the sustained execution of our treasury strategy through the first half of 2026.

In parallel, we continue to develop our AI treasury operating platform, which supports the monitoring, management and optimization of our Bitcoin holdings. This infrastructure investment underpins our capability to manage the treasury at institutional scale.

Dishing Up Bitcoin

To advance broader Bitcoin literacy and community engagement, we launched Dishing Up Bitcoin, an original video series that combines conversations about the Bitcoin economy with the cooking traditions at the heart of DDC's food business. The series brings together Bitcoin builders, investors and thought leaders in a distinctive format that reflects the intersection of our two operating dimensions. We view this initiative as a natural extension of our brand and a contribution to the maturation of the Bitcoin ecosystem. Since launch, we have received a strong response from the community. New episodes are available on our YouTube channel and X account.

Capital structure initiatives

Throughout 2026, management has pursued new financing alternatives designed to modernize DDC's capital structure and support our long-term strategy. The proceeds of this initiative are intended to fund continued Bitcoin treasury accumulation, retire our outstanding convertible note, reduce reliance on Bitcoin-collateralized financing and provide further operating flexibility for the business.

Our objective is to eliminate the ongoing dilution mechanics associated with the existing convertible instrument and establish a capital structure better aligned with the interests of long-term shareholders. We expect to have more to share on this initiative in the coming weeks.

Share repurchase authorization

On July 1, 2026, our Board authorized a share repurchase program of up to $10 million or 20% of our outstanding Class A ordinary shares, whichever is lower, over 18 months. This authorization gives management the flexibility to repurchase shares at levels that offer attractive risk-adjusted returns for shareholders. The program is one of several capital allocation tools available to us. Any decisions to repurchase will be made in the context of our overall capital position, near-term financing plans and market conditions.

Our focus

Right now, our energy is focused on building sustainable value. That means growing our core business, strengthening our balance sheet, and managing our cash flow through every kind of environment, all while maintaining strict discipline around our Bitcoin treasury. We will not change course based on daily price volatility or short-term market pressures. The Board has established a clear multi-year plan and our team is focused entirely on staying the course.

Thank you

I want to thank our team, our operating partners, our advisors and our shareholders who have supported the company through the recent Bitcoin bear market. The pieces are in place, the operating business is performing and our balance sheet is stronger than it has been in years.

Sincerely,

Norma Chu

Founder, Chairwoman and Chief Executive Officer
DDC Enterprise Limited

About DDC Enterprise Limited

DDC Enterprise Limited (NYSEAMERICAN: DDC) is participating proactively in the corporate Bitcoin treasury evolution while maintaining its foundation as a leading global Asian food platform. The Company has strategically positioned Bitcoin as a core reserve asset while continuing to expand its portfolio of culinary brands. DDC is at the forefront of public companies integrating Bitcoin into their financial architecture. For more information, visit www.ddc.xyz.

Caution Regarding Forward-Looking Statements

For Investor Relation & Media
pr@ddc.xyz

Source: DDC Enterprises Inc.