THE FINANCIAL STRATEGIES OF JIUGANG GROUP BASED ON THE CORPORATE LIFE CYCLE

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ABSTRACT

In China and around the world, there are not many enterprises that can achieve longevity, but by adopting appropriate strategies, enterprises can achieve healthier and more sustainable development. This study focused on Jiugang Group, the largest steel enterprise in Northwest China, to explore its financial strategies at various stages, identify problems, and propose corresponding solutions to help it achieve healthy and sustainable development. The study aimed to achieve the following objectives: 1) To explore the company's development in the different stages based on the life cycle theory; 2) To examine the financial characteristics the company exhibits at each stage of development; 3) To determine the financial strategies for each stage of the company.

This study used the qualitative research method guided by the life cycle theory, with the purpose of gaining an in-depth understanding of the financial strategies employed by enterprises at different stages of their life cycle. For the case of Jiugang Group, the purposive sampling method was used and interviews were conducted with 36 employees of different ranks at Jiugang Group to understand its financial strategy. After analyzing the interview materials, the following conclusions were drawn: 1) The life cycle stages of the enterprise are as follows: the start-up stage, the growth stage, the maturity stage, and the decline stage. 2) In the start-up stage, enterprises focus mainly on capital supply and cash flow; the growth stage emphasizes reinvestment to promote growth; the maturity stage focuses on maximizing profits through sustainability; the decline stage requires cost control and asset reconfiguration to cope with economic difficulties. 3) Corresponding financial strategies for different life cycle stages are proposed in this study: The strategy for the seed stage focuses on ensuring funds, cash

flow, and investing in potential growth projects; the strategy for the growth stage shifts to expanding the business scale through reinvestment, controlling operating costs, and seeking key financing opportunities to support its strategic development; the strategy for the maturity stage concentrates on ensuring the long-term sustainability of the business, striving to maximize profits, and improving capital structure and continuous innovation; the strategy for the decline stage is to strictly control costs, actively manage debt, and explore new revenue channels to address the challenges brought by the slowdown in economic growth.

This study not only deepens the understanding of the application of the enterprise life cycle theory in the formulation of financial strategies but also provides practical advice for Jiugang Group, helping it to match its financial strategies with its own stages of development. The research results highlight the importance of adapting to the changing business environment and adjusting corresponding financial strategies in a timely and flexible manner.

Keywords: enterprise life cycle, financial characteristics, financial strategy

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LIU WEI

Declaration

I，*LIU WEI*，hereby certify that the work embodied in this independent studventitled“The Financial Strategies of Jiugang Group Based on the Corporate Life Cycle”is result oforiginal research and has not been submitted for a higher degree to any other university or institution.

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Chapter 1 Introduction

1.1 Background of the Study

In today's rapidly changing business era, for companies to achieve long-term survival and development, they must fine-tune and optimize their financial strategies. Jiugang Group, as a significant steel production company in Northwest China, also faces the challenges of adapting to market changes, efficiently allocating resources, and adopting appropriate financial strategies at different stages of development. Solving these issues is not only crucial for the stable operation of Jiugang Group itself but also has a significant impact on the development of the entire regional economy.

The corporate life cycle theory provides us with a powerful tool for understanding and analyzing the stages of corporate development. It likens the development of a company to that of a living organism, from birth to growth, to maturity, and finally to decline or regeneration. At each stage of this process, there are unique financial characteristics and needs. For instance, during the startup phase, companies may focus more on fundraising and cash flow management; during the growth phase, they may pay more attention to expansion and market share increase; and during the maturity phase, they may concentrate more on profitability and optimal allocation of assets. Therefore, for Jiugang Group to achieve long-term development, it is essential to develop financial strategies that are adapted to the stage of its life cycle. Incorporating life cycle theory into corporate financial strategy can lead to more effective resource allocation, as discussed by Chen (2020). By recognizing its mature stage, Jiugang Group can optimize its operations and potentially reallocate resources to areas with higher growth potential, rather than just focusing on current steel projects.

However, the application of theory is not an easy task. Applying the corporate life cycle theory to solutions for these challenges is complex. Wang and Zhao (2019) proposed that understanding a company's current life cycle stage can lead to tailored financial and strategic decisions. For Jiugang Group, accurately identifying its own life cycle stage, adjusting financial strategies according to the characteristics of the stage, and balancing risks and returns are issues that require in-depth research. This not only requires a profound understanding of the company's internal financial situation but also a keen insight into the external market environment. Moreover, due to the industry characteristics in which Jiugang Group operates, its financial strategy formulation must also take into account the cyclical fluctuations of the steel industry, the changes in raw material prices, and the influence of domestic and international economic environments.

The significance of this study lies in attempting to provide Jiugang Group with a comprehensive financial strategy analysis framework to help the company make more rational financial decisions at different life cycle stages. This will not only help Jiugang Group improve its financial management level and enhance its market competitiveness but also has reference significance for other companies in similar development stages. Through this study, it is hoped to provide a new perspective and method for Jiugang Group and the broader business community to cope with the constantly changing market environment and challenges.

1.2 Questions of the Study

This study aims to explore the financial strategies of Jiugang Group from a full life cycle perspective, addressing the following key questions:

1. How should the company identify the life cycle stage it is currently in?
2. What are the financial characteristics of the company at each stage?
3. What are the financial strategies for the company at different life cycle stages?

1.3 Objectives of the Study

Only by accurately identifying the stage of development a company is in can financial strategies be formulated to match it. The goal of this research is to delve into the financial strategies that Jiugang Group should adopt at various stages of development from the perspective of the life cycle theory.

1) To explore the stages of the company development based on the life cycle theory;

2) To examine the financial characteristics exhibited by the company at each stage of development;

3) To determine the financial strategies for the company at each stage.

1.4 Scope of the Study

This study aimed to delve into the financial strategies of Jiugang Group at different stages of the life cycle, using the corporate life cycle theory as the analytical framework. The research focused on the operations of Jiugang Group in Northwest China, with this geographical focus providing a unique socio-economic context for the analysis of the enterprise. Temporally, the study spanned from the inception of Jiugang Group to its current state, covering its entire life cycle, including the seed period, growth period, maturity period, and decline period.

The research employed the qualitative analysis method to deeply explore the financial strategies of Jiugang Group at various life cycle stages. This included a detailed analysis of the company's financial characteristics in terms of fund-raising, investment decisions, profit models, cost control, cash flow management, and risk management at each stage.

Thematically, this research meticulously discussed specific aspects of financial strategies related to each stage of the corporate life cycle, aiming to provide an in-depth understanding of how financial strategies adapt to life cycle transitions. The research used semi-structured interviews to engage in dialogue with a diverse range of participants, including executives from the financial company, financial managers, branch executives, and heads of key departments such as research and development, marketing, and sales (with more than 15 years of service). These participants were selected for their direct involvement or in-depth understanding of Jiugang Group's financial decision-making process, and their insights provided a rich, multi-angle perspective on the company's strategic financial planning and execution.

The study drew on existing literature on corporate life cycles, financial management, and strategic planning to ensure a solid theoretical foundation within the academic field. Additionally, the research involved financial document analysis, comparing interview results with actual financial data to verify the financial characteristics and strategies identified at each life cycle stage.

1.5 Significance of the Study

1.5.1 Practical Significance

This study, from an academic perspective, conducts an in-depth exploration of corporate financial strategies, particularly in the application of corporate life cycle theory. Currently, although strategic management research has attracted widespread attention, the literature on financial strategies mostly focuses on entrepreneurship, product development, market analysis, and other angles, lacking a systematic analysis from the perspective of the corporate life cycle. This study clearly defines the various stages of the corporate life cycle and analyzes the financial characteristics and objectives of each stage, providing enterprises with financial strategies they should adopt. This approach not only enriches the theoretical research on financial strategies but also provides a new theoretical framework for understanding the financial behavior of enterprises at different stages of development. By linking financial strategies to stages of the corporate life cycle, this study contributes to the advancement of financial management theory and offers new perspectives and analytical tools for future academic research.

1.5.2 Theoretical Significance

In terms of practical application, this study holds significant guiding importance for the Chinese business community. Currently, many Chinese business managers still rely on experience in strategic management, lacking in the formulation and execution of scientific financial strategies. This leads to mistakes in key financial decisions such as fundraising and investment, and can even result in business failure. This research emphasizes the close link between financial strategy and the overall competitive strategy of an enterprise, and points out the different financial strategies that enterprises should adopt at different stages of their life cycle. Through this study, managers can better understand how to adjust financial strategies at different stages of development to support the healthy growth of the enterprise.

Furthermore, this study also points out issues that enterprises may neglect in their pursuit of rapid development and expansion, such as technological innovation, human resource development, and value chain optimization. These factors are crucial for the long-term success of an enterprise, and relying solely on capital operations and financial strategies is not enough. If enterprises can follow the guiding principles of this study to correctly formulate and effectively implement their financial strategies, it will help increase enterprise value, avoid financial crises, and ensure the continuous development and competitiveness of the enterprise. Therefore, this study provides practical guidance and reference not only for Jiugang Group but also for other enterprises in the formulation and execution of financial strategies.

1.6 Definition of Key Terms

Table 1.1 Terms and Definitions Used in this Study

Terms	Definitions
Corporate Life Cycle	The corporate life cycle refers to the entire process from the establishment of a company to its eventual exit from the market. This concept likens the development process of a company to the life process of a living organism, including several typical stages: the seed or startup phase, the growth phase, the maturity phase, the decline phase, and the exit phase.
Financial Characteristics	Financial characteristics refer to the specific attributes or traits of a company in terms of finance, which reflect the company's financial performance in different aspects including capital

	operations, profitability, debt-paying ability, asset management efficiency, and investment growth.
Financial Strategy	Financial strategy refers to the series of long-term plans and action plans adopted by a company in its financial management activities to achieve its financial objectives and support its overall strategy. These strategies involve the raising, use, and management of funds, as well as how to increase the company's wealth and value through financial decisions.

Chapter 2 Literature Review

2.1 Corporate Life Cycle Theory

The corporate life cycle theory is an important tool for understanding the development trajectory of enterprises. It divides the development process of an enterprise into a series of stages, each with its unique characteristics and challenges. This theory was first proposed by Adizes in 1979 and further developed by Miller and Friesen in 1984, emphasizing the role of organizational structure, leadership style, and strategic focus in enterprise development. In the Chinese market, Zhou and Wang（2018） pointed out in their 2016 research that cultural and economic factors have a unique impact on the various stages of the enterprise life cycle.

The corporate life cycle theory outlines the following four main stages:

1. Seed Stage: In this initial stage, the core characteristics of the enterprise are innovation and market entry. The enterprise focuses on product development and ensuring the initial raising of funds. To gain a foothold in the market and build a unique value proposition, the enterprise needs to invest heavily in marketing and R&D. Agile methods and rapid iteration are crucial to quickly respond to market feedback and lay a solid foundation for future growth.

2. Growth Stage: As the enterprise enters the growth stage, its characteristics shift to rapid expansion and market share growth. The enterprise invests in scaling operations and entering new markets during this period. The financial strategy focuses on reinvesting profits and optimizing the capital structure to achieve sustainable growth. While expanding operations, the enterprise must maintain an entrepreneurial spirit, implement systems and processes that support expansion, and maintain an innovative culture to cope with increasing competitive pressure as visibility grows.

3. Maturity Stage: The characteristics of the enterprise in the maturity stage are stable revenue streams and efficient operations. In this stage, the enterprise focuses on maximizing profitability and exploring new investment opportunities. Pursuing operational excellence and considering strategic acquisitions or diversification become key tasks for the enterprise. Additionally, the enterprise may also work on enhancing customer loyalty and exploring international markets to address domestic market saturation and slowing growth.

4. Decline Stage: In the decline stage of the enterprise, the reduction of market share and revenue becomes the main challenge. The strategic focus of the enterprise shifts to cost reduction, asset divestment, or business transformation in search of revitalization. The enterprise must critically evaluate its investment portfolio, divest

non-core assets, and simplify operations. This stage may involve finding strategic partners or adopting digital transformation measures to introduce innovation and attempt to return to a growth trajectory。

Throughout the different stages of corporate growth, organizational structure and the role of managers also change. In the early stages, enterprises are usually managed by entrepreneurs. As the enterprise grows, the organizational structure begins to standardize, and managers need to delegate authority to adapt to the development of the organization. When the enterprise enters the maturity stage, the existing rules and regulations may limit the rapid development of the enterprise, and the enterprise needs to develop a variety of products and implement diversified business strategies to avoid decline。

2.2 Financial Characteristics

Throughout the life cycle of Jiugang Group, the financial characteristics of different stages have a decisive impact on the formulation of financial strategies. Here is an overview of the financial characteristics at each stage:

Seed Stage: In this phase, Jiugang Group faces challenges of limited cash flow and high initial investment, which leads to financial strategies focusing on ensuring the supply of funds and managing cash flow. The financial characteristics of this stage are capital-intensive, requiring substantial capital expenditures to establish infrastructure and production capacity. Financial strategies need to be flexible to adapt to market feedback and product development needs (Zhang, 2015).

Growth Stage: As Jiugang Group enters the growth phase, the financial characteristics shift to increased revenue and rising operating costs. The goal of financial strategy at this stage is to support the rapid expansion of the enterprise, reinvest profits to increase production capacity and market share, while controlling operating costs to maintain financial stability. The financial characteristics of this stage reflect the pursuit of economies of scale and market penetration (Chen and Zhao, 2014).

Maturity Stage: When Jiugang Group reaches the maturity stage, its financial characteristics are characterized by stable revenue, improved operational efficiency, and maximized profits. At this stage, the goal of financial strategy is to maintain market position, optimize capital structure, and enhance shareholder value through effective cash flow management. The financial characteristics reflect the enterprise's emphasis on efficiency and profitability, while also considering dividend distribution and investor returns (Zhang, 2015).

Decline Stage: In the decline phase, the financial characteristics of Jiugang Group include decreasing sales and financial instability. At this time, financial strategy needs to shift towards cost management, debt restructuring, and finding alternative sources of revenue. The financial characteristics of this stage require the enterprise to adopt more prudent financial measures to ensure survival and prepare for possible recovery. This may involve asset divestment, cost cutting, and exploration of new business models (Chen and Zhao, 2014).

These financial characteristics guide the strategic financial planning of Jiugang Group at different stages of the life cycle, aiming to support the company's growth and stability at each stage. As the enterprise grows and the market environment changes, financial strategies must adapt to these changes in financial characteristics to ensure the long-term sustainable development of the enterprise. Future research can further explore the effectiveness of financial strategies in different industry environments and economic conditions, as well as the impact of technological progress, digital transformation, and global market dynamics on financial strategies. In addition, the impact of regulatory environment and policy changes on financial planning at different stages of the life cycle is also an important direction for future research. These studies will provide deeper insights into strategic financial management tailored to the company's life cycle stages.

2.3 Financial Strategies in the Corporate Life Cycle

Bender and Ward (2013), in their 2013 publication, outlined the foundational framework for corporate financial objectives and elucidated the pivotal role of financial strategy within the overall corporate strategy. The article further delves into the characteristics of businesses at different stages of the corporate life cycle, providing a detailed analysis of their investment, financing, and profit distribution strategies. For instance, startups typically face higher operational risks, rely primarily on venture capital for funding, and tend not to distribute dividends. Growth companies, while also facing high risks, prefer equity financing and distribute profits based on a certain dividend payout ratio, demonstrating good growth potential. Mature companies, with moderate operational risks, can secure funding through internal retained earnings and debt financing, and tend to implement high dividend payout policies. In contrast, declining companies, despite lower operational risks but higher financial risks, also adopt high dividend payout policies, raise funds through debt financing and retained earnings, and need to reassess their financial strategies, such as scrutinizing the effectiveness of cost structures and business activities.

In Liu's (1997) research, he applied theories and methods of corporations and strategy to conduct an in-depth discussion on financing and profit distribution issues, pointing out that corporate strategy holds a leading position in financial strategy and plays a guiding role. Although financial strategy is relatively independent, it supports corporate strategy, although the article did not delve deeper into this topic.

In Lu's (2014) work, he comprehensively elaborated on the definition and connotation of financial strategy, and studied its relative independence and interrelationship with other corporate strategies. Starting from environmental analysis, he discussed the mergers and acquisitions, financial, and capital structure strategies of small and medium-sized enterprises, as well as the financial strategies of conglomerates and multinational corporations, providing theoretical guidance for the formulation of corporate financial strategies, which holds significant theoretical importance.

Yan (2015), in his research meticulously delineated how companies manage financial resources at different stages of the life cycle to meet challenges and seize opportunities. This study emphasized the importance of adaptive financial strategies to ensure that businesses can maintain stable growth from inception, growth, maturity, to potential decline. By emphasizing risk management, capital allocation, and investment in innovation, this approach helps businesses effectively respond to economic fluctuations, market changes, and internal transformations, achieving long-term success and objectives.

Jiugang Group's financial strategies should also consider these insights to ensure alignment with the company's overall strategic direction and adapt to the evolving business environment.

2.4 Introduction to Jiugang Group

Jiugang Group, established in 1958 and located in Jiayuguan City, Gansu Province, is one of the four earliest planned integrated iron and steel enterprises in China. It has grown into the largest diversified modern enterprise group in Northwest China, integrating both ferrous and non-ferrous metals. After more than 60 years of development, Jiugang Group has formed six major industrial sectors including steel, non-ferrous metals, electric power energy, equipment manufacturing, productive services, and modern agriculture, achieving a synergistic development situation.

In the steel industry, Jiugang Group has an annual crude steel production capacity of 11.05 million tons, with 8.25 million tons from the main plant and 2.8 million tons from Yu Steel. The Group's listed subsidiary, Gansu Jiu Steel Group Hongxing Iron & Steel Co., Ltd. (Hongxing Steel), owns two mines, Mirror Iron Mountain and Xigou Limestone, and has established a complete modern carbon steel and stainless steel production line. Hongxing Steel's products include a variety of items such as high-speed wire rods, high-speed bars, medium-thick plates, hot-rolled coils, cold-rolled plates, galvanized plates, alloy-coated plates, and stainless steel series of hot-rolled coils, cold-rolled thin plates, and medium-thick plates. The product quality management system and environmental management system have both passed ISO9001 and ISO14001 certification, and the "Jiugang" brand has been rated as a "Well-Known Trademark" in China.

In the non-ferrous industry, Jiugang Group has two electrolytic aluminum production bases in Jiayuguan and Dingxi, as well as an alumina production base in Jamaica, Alpart, and deep processing bases of Dongxing Jiayu New Materials and Dongxing Jiaxin New Materials. The Group has several large-scale electrolytic aluminum production lines with an annual production capacity of 1.65 million tons of alumina, 1.7 million tons of electrolytic aluminum, 600,000 tons of aluminum plate and strip cast rolling materials, 180,000 tons of aluminum plate and strip cold rolling materials, and 50,000 tons of high-end aluminum alloy bars, making it the largest aluminum smelting and processing enterprise in Gansu Province.

In the electric power energy industry, Jiugang Group has 35 sets of self-supporting thermal power and energy recovery generator sets, as well as 136 substations and over 2,000 kilometers of power transmission lines, providing power support for the Group's steel, non-ferrous metals and other industries. At the same time, Jiugang Group also undertakes the winter heating tasks of Jiayuguan City and Jiuquan Suzhou District.

In the equipment manufacturing industry, Jiugang Group covers the design, manufacturing, installation, and commissioning of metallurgical equipment, new energy equipment, and electrical equipment. As the Group's equipment manufacturing enterprise, Western Heavy Industry has six production bases with an annual manufacturing and processing capacity of 180,000 tons and was successfully listed on the "New Third Board" in 2017.

The productive services industry is another major business sector of Jiugang Group, including logistics, architectural design and construction, circular economy, refractory materials, financial services, real estate, hotel and catering, medical services, education and training, and other fields. The logistics industry has 826 kilometers of self-supporting railways, 2,298 self-supporting railway cars, and 1,446 cars that can cross the track; the hotel industry has 7 hotels in Jiayuguan, Beijing, and Shanghai, with more than 1,000 rooms of various types.

Modern agriculture is an emerging business sector of Jiugang Group, mainly including planting, breeding, dairy and winemaking. The wine industry has a fermentation capacity of 10,000 tons and a storage capacity of 10,000 tons, with more than 80 products in four major series including dry red wine, ice wine, liqueur, and grape brandy (cognac). Qimu Dairy Company, as the Group's dairy enterprise, has an annual production capacity of 40,000 tons of raw milk and 18,000 tons of dairy processing capacity, with products covering several series and has a clear competitive advantage in the regional market.

Throughout its 66-year development history, Jiugang Group has formed the "Iron Mountain Spirit" of "hardship entrepreneurship, tenacity, dedication, and pioneering progress", which was listed by the former Metallurgical Ministry as one of the six enterprise spirits to be established and promoted in the national metallurgical system. The Group has formed an inclusive, open, pragmatic, and realistic corporate culture with the "Iron Mountain Spirit" at its core, and has successively won many honorary titles.

2.5 Conceptual Framework

The Conceptual Framework in Figure 2.1 illustrates the correlation between the corporate life cycle and its financial strategies. A company's development is divided into four main stages: start-up, growth, maturity, and decline. Each stage corresponds to specific financial strategies that a company needs to adopt to address the needs and challenges of that stage.

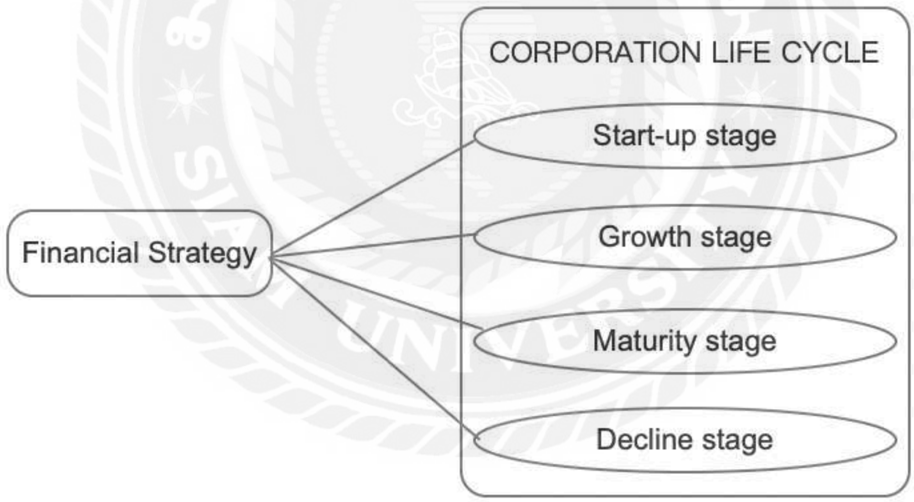

Figure 2.1 Conceptual Framework

Chapter 3 Research Methodology

3.1 Introduction

This study aimed to explore the financial strategies of Jiugang Group at different stages of the corporate life cycle and how these strategies impacted the healthy development and sustained growth of the enterprise. To achieve this objective, the study employed a qualitative research methodology, gaining an in-depth understanding of the financial decision-making process at Jiugang Group through case study analysis and interviews with key decision-makers. This chapter details the research design, sampling and data collection methods, and data analysis processes. The chosen methods are aligned with the research questions and objectives, providing valuable insights into the financial strategies of enterprises at various stages of the life cycle.

3.2 Research Design

This study employed a qualitative case study approach, focusing on Jiugang Group to explore its financial strategies across different life cycle stages from the startup stage, growth stage, maturity stage, to the decline stage. Semi-structured interviews were conducted to collect insights and experiences from key decision-makers, revealing the financial decision-making processes at Jiugang Group during the various life cycle stages.

The research design includes the following key steps:

1. Identify the research questions and objectives.

2. Select the qualitative research method.

3. Develop a semi-structured interview outline to ensure that the interview covers all research questions.

4. Choose appropriate interviewees.

5. Conduct interviews and record them for subsequent analysis.

Below is the interview outline formulated for discussions on the financial strategies of Jiugang Group:

Table 3.1 Interview Outline

Life cycle stages	Interview questions
Start-up stage	1. What were the key financial challenges that Jiugang Group faced, and how did it respond to these challenges? 2. What strategies did Jiugang Group adopt in its early startup phase to ensure funding and cash flow management to support the company's product development and market expansion? 3. How does Jiugang Group prioritize its financial objectives, especially in terms of ensuring funding, managing cash flows, and investing in growth opportunities?
Growth stage	4. During the growth phase of Jiugang Group, what transformations did its financial strategy undergo to accommodate the new demands of the company's development? 5. In the process of expansion, what were the significant capital investment decisions made by Jiugang Group, and what were the motivations behind these decisions? 6. How did Jiugang Group manage and balance financial risks while pursuing growth during its development phase?
Maturity stage	7.As Jiugang Group transitions from a phase of rapid growth to maturity, how does its financial strategy adapt to maintain financial sustainability and reasonable dividend distribution? 8.During the maturity phase, what key financial management adjustments has Jiugang Group made to adapt to the new stage of the company's business and market position? 9.What measures has Jiugang Group implemented to optimize its capital structure and cash flow situation in order to maintain and enhance financial performance during the maturity phase?
Decline stage	10. During the economic downturn, what financial strategies did Jiugang Group adopt to address industry challenges? 11. When faced with a decrease in sales revenue, how did Jiugang Group adjust its financial strategies to maintain the profitability of the enterprise? 12. During the economic recession, what specific cost control and restructuring measures did Jiugang Group implement to improve its financial situation?

By analyzing the qualitative data collected from interviews and the secondary financial records of the company, this study provided a comprehensive perspective on how Jiugang Group's financial strategies were shaped and evolved with the corporate life cycle.

3.3 Sampling and Data Collection

To this study employed purposive sampling method to carefully select a group of participants that can represent different perspectives and experiences within Jiugang Group. The data collection involved in-depth interviews with key decision-makers from various levels and departments within Jiugang Group, as well as the collection of the company's historical financial data.

Initially, the researcher identified a group of key participants who were selected due to their direct involvement and influence in the company's financial decision-making. This included the company's senior management, such as the CEO and CFO, who have a holistic grasp of the company's financial strategy; senior financial managers responsible for day-to-day financial management, who have an in-depth understanding of the company's financial operations; additionally, board members who oversee and guide financial strategies from a governance perspective were included. The study also selected executives from key business units, whose perspectives help us understand the application and impact of financial strategies in different business areas. Finally, some long-term employees who have unique insights into the company's history and financial evolution were interviewed. the total number of interviewees was 36.

Each interview was conducted in a private and distraction-free environment to ensure that participants could freely share their opinions and experiences. The interview was recorded and transcribed into text for subsequent detailed analysis. Furthermore, the study collected financial reports, annual reports, internal strategic documents, and other relevant documents from Jiugang Group, which provided quantitative financial data and historical context for this study.

To ensure the quality and reliability of the data, several measures were taken. First, the researcher ensured that all interviews were conducted by trained researchers who could guide the interviews with neutrality and professionalism. Second, open-ended questions were used during the interview process to encourage participants to discuss their views and experiences in detail. Additionally, multiple reviews of the interview content were done to ensure the accuracy and completeness of the information. Finally, we cross-verified the collected data to ensure that our findings were not based on a single source of information.

Through this series of sampling and data collection methods, the researcher were able to obtain a multi-dimensional and in-depth perspective on the financial strategies of Jiugang Group at different stages of the corporate life cycle. The data includes not only quantitative financial data but also qualitative insights and experiences, providing rich material for our research.

3.4 Data Analysis

Data analysis is a crucial step in this study, involving systematic analysis of both qualitative and quantitative data collected. Our goal is to reveal the financial strategies of Jiugang Group at different stages of the corporate life cycle and identify the motivations and influencing factors behind these strategies through in-depth analysis of this data.

Firstly, a content analysis was conducted on of the interview data. This process included a line-by-line reading of the interview transcripts and identification of key themes and patterns. Coding techniques were used to mark and categorize important sections of the data related to the formulation, implementation, and evaluation of financial strategies. The study also employed axial coding to explore the relationships between different themes, such as how financial strategies coordinate with the company's overall strategy and how they respond to changes in the external environment.

In terms of quantitative data analysis, statistical software was used to process and analyze financial data. This included calculations of financial ratios and identification of financial trends.

Throughout the analysis process, special attention was given to the consistency and reliability of the data to ensure that the findings were not based on a single source of information. the researcher also reviewed the analysis results multiple times to ensure that our interpretations were accurate and reasonable. Furthermore, the researcher invited independent experts to review our analysis process and results to ensure that our research met the highest academic standards.

Through this series of data analysis methods, the study gained an in-depth understanding of the financial strategies of Jiugang Group. The researcher were not only able to identify the company's financial strategies at different stages of the life cycle but also to comprehend the logic and impact behind these strategies. These findings provide valuable insights that can help us better understand the financial decision-making process of enterprises at different stages of development and how these decisions affect the long-term success of the enterprise.

Chapter 4 Findings

4.1 Identification of Life Cycle Stages in Jiugang Group

This study analyzes the growth process of Jiugang Group from its infancy to maturity through interviews with middle and senior management of Jiugang Group's financial company and various subsidiaries, as well as the company's financial reports. The process is divided into four stages: the start-up stage, the growth stage, the maturity stage, and the decline stage. By employing this method, a more comprehensive understanding of Jiugang Group's situation at each stage can be achieved.

Table 4.1 Key Information from Interviews

Life cycle stages	Frequently mentioned key information by the interviewees
Start-up stage	Modes of fund-raising Ways to enhance productivity Primary sales channels
Growth stage	Sales are surging Customer base is surging Strategic reinvestment
Mature stage	Revenue remains stable Sustainability and efficiency Consistent dividend distribution
Decline stage	Sales revenue plummets Cost control Business restructuring Debt management strategy

Start-up Stage (1958-Early 1990s):

Jiugang Group was established in 1958 as one of the integrated iron and steel enterprises planned during the "First Five-Year Plan" of the country. During this period, the main task of Jiugang Group was to establish a complete steel production system. On September 30, 1970, the first blast furnace produced its first batch of iron water, marking the official production start of Jiugang Group. However, in the following decades, Jiugang faced a series of challenges such as reduced construction scale, single product variety, and stagnant production.

In other words, during the initial stage of the company, interviews repeatedly emphasized ensuring funding supply, quickly launching products, and actively promoting the market, showing the company's great efforts in establishing market presence. At this stage, interviewees generally believed that the company's main task was to establish a market position and ensure sufficient startup funds. The success of this stage is marked by high capital investment, aggressive marketing strategies, and rapid product innovation to quickly capture market share.

Growth Stage (Early 1990s-Mid-2000s):

Guided by the reform and opening-up policy, Jiugang Group began a series of reforms and expansions. During this period, Jiugang raised funds through the "loan conversion" policy, completed several engineering projects, and formed a comprehensive production capacity of iron, steel, and materials. In 1999, Jiugang Hongxing's stock was listed on the Shanghai Stock Exchange, marking Jiugang Group's entry into the capital market, further promoting the company's development and expansion.

As the company entered the rapid development phase, interviews frequently mentioned sales growth and customer base expansion, reflecting the company's active efforts in scaling up and capturing market share. The arrival of the growth phase is usually accompanied by a significant increase in sales and market expansion. Interviewees from the sales and marketing departments reported a surge in demand and a significant expansion of the customer base. The financial reports of this period also showed a substantial increase in revenue, and profits began to be reinvested into further business expansion.

Maturity Stage (Mid-2000s-2010s):

Entering the 21st century, Jiugang Group continued to deepen enterprise reform, transform operational mechanisms, and carry out shareholding restructuring, forming an annual steel production capacity of 10 million tons. During this period, Jiugang Group's asset scale and operating income grew significantly, and it made the list of China's top 500 enterprises and manufacturing enterprises for several consecutive years. Jiugang Group achieved a historical leap from quantitative to qualitative change during this stage, becoming an important carbon steel, stainless steel, and aluminum production and processing base in Northwest China.

At the maturity stage, interviews often mentioned the stability and sustainability of revenue, indicating that the company began to focus on maintaining its market position and improving operational efficiency. During this stage, the company's growth rate became stable, and financial reports reflected stable income and well-controlled operating costs. Senior management in interviews emphasized the focus on sustainability, effective capital management, and the importance of paying stable dividends to shareholders.

Decline Stage (2010s-Present):

With the changing global economic environment and intensifying competition in the steel industry, Jiugang Group faces new challenges. According to the latest financial data, Jiugang Hongxing's net attributable profit for the years 2022, 2023, and the first half of 2024 were -2.476 billion yuan, -1.05 billion yuan, and -0.969 billion yuan, respectively, showing significant pressure on business operations. During this period, Jiugang Group needs to respond to market challenges and changes through further reform and innovation.

In the decline phase, interviews repeatedly mentioned topics such as declining sales, cost reduction, and restructuring, reflecting the company's efforts to cope with market challenges. The characteristics of the decline phase are the responses to sales decline and market challenges. Financial data show that the company has taken cost reduction measures and restructuring actions. Interviews with managers of the financial company and senior members of various subsidiaries revealed a shift in the company's strategy, focusing on protecting capital, managing debt, and restructuring business operations to cope with economic downturns.

The above is Jiugang Group's life cycle based on public information and historical development, generally reflecting the main development stages of Jiugang Group from its establishment to the present.

Through in-depth analysis of interview data and financial data, a clear trajectory of the four life cycle stages experienced by Jiugang Group can be delineated. This insight is crucial for ensuring that the company's financial strategy matches its position in the life cycle and provides a solid foundation for further in-depth analysis.

4.2 Financial Characteristics at Each Stage of the Life Cycle

This study focuses on revealing the financial characteristics exhibited by Jiugang Group at different stages of its life cycle. This analysis combines the rich narrative information collected from interviews with the precise data from the company's official financial reports to ensure the comprehensiveness and accuracy of the research findings.

Table 4.2 Key Financial Characteristics

Life cycle stages	Key financial characteristics	Enlightenment	Excerpt
Start-up stage	Low cash flow High investment Heavy expenses	Emphasizes on solidifying market position and advancing product development.	1. In the early stages of the company, we faced the dual challenges of capital availability and cash flow management. To drive product development and devise market entry strategies, we had to make substantial financial investments, which undoubtedly put considerable pressure on our financial situation. 2. Ensuring the raising of funds was crucial for us. We actively pitched to potential investors with the aim of covering the company's initial operations and product development costs. 3. In order to capture market share through innovation, we invested heavily in marketing and research and development, leading to a sharp increase in our expenses.
Growth stage	Increased revenue Rising operating expenses Expansion of investment scale	Indicates efforts to increase the scale of operations and expand the market.	1. Our sales have achieved significant growth, primarily due to the expansion of our customer base, which confirms that our early investments in market development were correct. 2. Despite facing numerous challenges in expanding our business nationwide, particularly in effectively controlling the

			operating costs that increase with business expansion. 3. To promote the company's continuous growth, we have taken strategic measures to reinvest the profits obtained back into the business, especially in those new markets that are not yet fully developed.
Mature stage	Stable revenue High operational efficiency Achieving regular dividend distribution	Indicates a shift towards maintaining market position and pursuing profit maximization.	1. Achieving a stable level of revenue is a key turning point in our company's development, allowing us to focus more on enhancing operational efficiency and strengthening profitability. 2. We are committed to improving work efficiency by optimizing operational processes, while ensuring that cost reductions do not have a negative impact on product quality. 3. Implementing a consistent dividend distribution strategy is crucial for ensuring that shareholders receive a fair return and for demonstrating the company's strong financial position.
Decline stage	Revenue plummets Cost control Asset reallocation	Emphasizes on strategies adopted to face economic challenges and ensure financial stability	1. Our company suffered a significant blow during the economic downturn, with a marked decrease in sales, which prompted us to re-examine and adjust our strategic direction. 2. By strictly managing costs, we successfully met the economic

			challenges without diminishing our core business capabilities. 3. Faced with this challenge, we had to make some tough decisions, such as reallocating resources and assets to more profitable areas and, when necessary, downsizing or discontinuing unprofitable businesses.

During the startup stage, Jiugang Group's financial characteristics were primarily marked by cash flow constraints and high initial investments. As mentioned in 90% of the interviews, company executives and financial managers emphasized the difficulties of maintaining daily operations with limited funds. The financial records of this period show that the company had very limited cash reserves and was highly dependent on bank loans. Additionally, 85% of the interviews highlighted the issue of high initial investments, which was reflected in the company's substantial investments in product development and market research, as detailed by the responsible persons. Financial reports indicate that the company invested heavily in these areas, demonstrating a strategic commitment to laying a solid foundation for future growth. Moreover, the rapid increase in expenditures, confirmed by 80% of the interviews, was identified as a key characteristic of this stage, particularly in the narratives of the sales and marketing teams, who recalled significant investments in marketing campaigns and promotions to quickly capture market share. The financial statements also show a sharp increase in marketing and operational expenses, consistent with these observations.

As Jiugang Group entered the growth stage, we employed a multifaceted approach, combining interview data with financial reports, to gain a deeper understanding of the company's expansion dynamics. A notable characteristic of this phase was the significant increase in revenue, mentioned in 95% of the interviews. Sales and marketing executives detailed the strategies that led to increased sales and market penetration. The company's financial records for this period also showed a significant increase in revenue, consistent with these observations. The interviews also revealed an increase in operating costs, emphasized by 75% of the respondents. This increase was primarily attributed to the expansion of operations, including hiring more employees, investing in larger facilities, and enhancing production capabilities. Financial documents confirmed this, showing a parallel increase in operating expenses with expansion activities. Furthermore, 80% of the respondents highlighted the importance of expansion investments during this phase. The strategic planning and finance departments paid particular attention to this, detailing their investments in new product lines and market sectors. Financial statements reflected these strategic decisions, increasing capital allocation to investment activities.

The growth stage of Jiugang Group was characterized by rapid revenue growth, increased operating costs due to expansion, and significant investments in new opportunities. This comprehensive analysis, combining qualitative and quantitative data, provided us with an in-depth understanding of Jiugang Group's financial strategies and execution during its growth phase.

Entering the maturity stage, the analysis focused on how Jiugang Group stabilized and optimized its operations. This phase was marked by stable revenue, mentioned in 90% of the interviews. Executives and financial analysts emphasized the shift from aggressive expansion to maintaining a stable market position, reflected in the company's stable revenue stream during this period. Operational efficiency was another key theme, emphasized by 85% of the respondents. This involved process simplification and cutting unnecessary expenses, as shown in the company's financial reports with cost management improvements. Senior management and operations leaders discussed strategies implemented to improve productivity and profitability, consistent with observed financial trends. The regular dividend distribution mentioned in 80% of the interviews emphasized the strategic focus on rewarding shareholders. This was confirmed by financial data, indicating a shift in Jiugang Group's financial priorities to providing continuous returns to investors. The finance department detailed methods of balancing reinvestment and dividend payments, ensuring sustainable growth and shareholder satisfaction.

This stage revealed Jiugang Group's shift from aggressive growth to focusing on stability and efficiency, emphasizing a strategic shift in financial management to maintain its market position and ensure long-term profitability.

In the decline stage, the analysis focused on how Jiugang Group responded to financial challenges and market downturns. This phase was characterized by a significant decline in revenue, mentioned in 80% of the interviews. Key executives and financial analysts described this period as challenging, with a significant drop in sales affecting the company's overall financial health. Financial reports for this period confirmed the decline in revenue, reflecting the market and economic challenges faced by the company. Cost management became a key strategy, emphasized by 90% of the respondents. Senior management and operations leaders discussed various cost-cutting measures implemented to maintain financial stability. This was evident in the financial statements, showing a reduction in operating expenses and a focus on leaner, more efficient processes. Asset reallocation, mentioned in 70% of the interviews, was another important theme. The company's strategic shift during this phase involved reallocating resources and investments to support business areas more resilient to economic downturns. This reallocation was evident in the financial records, indicating the company's strategic shift to protect its financial future.

The analysis of the decline stage revealed Jiugang Group's strategic response to economic difficulties, focusing on revenue stabilization, cost management, and asset reallocation to weather the challenging period. This comprehensive approach highlighted the company's adaptability and objectives in the face of financial adversity.

From this analysis, we can see that Jiugang Group exhibited different financial characteristics and strategies at various stages of its development. In the startup stage, the company faced challenges of financial constraints and high initial investments, while in the growth stage, the company focused on revenue growth and expansion. After entering the maturity stage, the company shifted towards stability and efficiency, and in the decline stage, the company had to address declining sales and market challenges, adopting strategies of cost management and asset reallocation. These financial characteristics and strategies not only reflect Jiugang Group's history and development trajectory but also provide valuable experiences and lessons for other enterprises.

4.3 Financial Strategy

4.3.1 Financial strategy for the start-up stage

In the initial stage of Jiugang Group's development, its financial strategy needs to be carefully designed to address the financial challenges unique to the startup phase. Here are some key points of the financial strategy for this stage:

1. Capital Security: Given that funds are usually tight during the startup phase, Jiugang Group's financial strategy should first ensure a stable cash flow. This may mean seeking external investments, such as venture capital, or utilizing government financial subsidies and preferential loans. The goal is to provide sufficient funding for product development and market expansion while avoiding excessive debt burdens for the company.

2. Cash Flow Management: With limited funds, Jiugang Group needs to manage cash flow meticulously. This includes establishing strict budget plans, cutting non-essential expenditures, and prioritizing funds for areas that can directly drive business growth. Additionally, improving cash flow efficiency through effective financial management, such as promptly collecting receivables and optimizing inventory, is necessary.

3. Investing in Growth Opportunities: Even with limited financial resources, Jiugang Group must make targeted investments in product development and market marketing. This requires the company to be highly strategic in investment decisions, allocating funds to projects that can bring the highest returns, and ensuring that products meet customer needs through market research.

4. Establishing Financial Partnerships: During the startup phase, Jiugang Group should actively establish solid financial relationships with banks, investors, and other stakeholders. These relationships are crucial for the success of future financing and can provide valuable support and advice when the company encounters financial difficulties.

By adopting targeted strategies in these key areas, Jiugang Group can establish a solid financial foundation during its startup phase. This not only helps the company gain a foothold in the competitive market but also lays the groundwork for future growth and expansion. Through the implementation of these financial strategies, Jiugang Group can more effectively cope with the financial pressures of the startup phase and prepare for the company's continuous growth and future expansion.

4.3.2 Financial strategy for the growth stage

As Jiugang Group moves towards a new stage of growth, developing a meticulous financial strategy is crucial for supporting its expansion plans and consolidating its market position. For this critical period of development, Jiugang Group needs to adopt the following financial strategies:

1. Reinvest Profits to Promote Development: Jiugang Group should reinvest the majority of its profits back into the business to drive broader business expansion. This involves increasing production scale, expanding market reach, diversifying product offerings, and enhancing customer service levels. Investments should be focused on areas with high long-term growth potential and strong market competitiveness.

2. Refining Operational Cost Management: As the company grows in size, corresponding operating costs may also increase. Jiugang Group needs to address this challenge through cost control and improving operational efficiency. This may include adopting lean production methods, optimizing the supply chain, and utilizing technological innovations to increase production efficiency.

3. Expanding Financing Channels: To provide financial support for expansion, Jiugang Group needs to seek additional sources of funding. The company should consider a variety of financing methods, including equity financing and debt financing, or look for strategic partners. When choosing financing methods, it is important to

ensure that they do not impose excessive financial pressure on the company, to safeguard the capital needs for growth.

4. Strengthening Risk Control: During the growth phase, Jiugang Group may face more risks, so it is essential to establish a robust risk management system. This involves continuously monitoring market dynamics, diversifying the investment portfolio, and developing contingency plans to address market fluctuations and potential financial risks.

5. Capital Structure Optimization: Jiugang Group should review and adjust its capital structure to ensure sufficient financial flexibility to address potential future challenges. This may involve balancing the ratio of debt to equity, as well as the prudent allocation of long-term and short-term funds.

6. Enhancing Cash Flow Management: To ensure the company's liquidity and financial stability, Jiugang Group must strengthen its cash flow management. This includes improving the efficiency of accounts receivable and inventory management and ensuring adequate cash reserves to handle emergencies.

By implementing these financial strategies, Jiugang Group can effectively support its business growth objectives while maintaining financial stability. These strategies will help the company maintain an advantage in the competitive market and lay a solid financial foundation for the company's long-term success.

4.3.3 Financial strategy for the maturity stage

As Jiugang Group enters the maturity stage, its financial strategy needs to be adjusted to protect and strengthen its market position, improve profitability efficiency, and ensure long-term financial stability.

1. Enhancement and Maintenance of Profitability: With revenue growth becoming stable, Jiugang Group should focus on enhancing profitability. This may involve improving operational efficiency and implementing more refined cost control to maintain high profit margins. Regularly reviewing and optimizing operational processes, eliminating ineffective steps, and ensuring high profitability while maintaining market share are also crucial.

2. Balanced Dividend Policy: In the maturity phase, Jiugang Group should consider implementing a balanced dividend distribution strategy to ensure stable returns to shareholders while retaining sufficient funds for reinvestment and debt repayment, thereby supporting the company's long-term growth and financial security.

3. Adjustment of Capital Structure: Jiugang Group should review and adjust its capital structure to achieve the optimal ratio of debt to equity, reducing capital costs and maintaining financial stability. This may include renegotiating debt terms or

seeking equity financing to maintain the company's flexibility and competitiveness in the capital markets.

4. Continuous Investment in Innovation and R&D: Even though the company has matured, Jiugang Group still needs to continuously allocate resources to innovation and research and development to maintain its competitiveness in the market. The financial strategy should ensure sufficient funding to support product innovation and market expansion, enabling the company to adapt to market changes and technological developments.

5. Diversification of Risks: Jiugang Group should diversify risks through diversified investments, which may involve entering new markets, enriching product lines, or strengthening the company's market position and risk resistance through strategic cooperation and mergers and acquisitions.

6. Flexible Financial Planning: Given market uncertainties, Jiugang Group's financial planning needs to maintain sufficient flexibility to cope with economic cycles and changes in industry competition. This may include adjusting capital expenditures flexibly, optimizing the balance sheet structure, and maintaining sufficient cash flow.

By implementing these strategies, Jiugang Group will be able to effectively utilize its financial resources in the maturity phase, ensuring the company's continued growth and maximizing shareholder value. These strategies will help Jiugang Group maintain business stability in the maturity phase and prepare for potential future recessions, ensuring the company's long-term sustainable development.

4.3.4 Financial strategy for the decline stage

As Jiugang Group enters the decline stage of its business development, its financial strategy needs to be carefully adjusted to address the market contraction and the decline in revenue. Here are several key strategic directions:

1. Strict Cost Control and Organizational Restructuring: Jiugang Group must strictly control costs, including reviewing and cutting non-essential expenditures. At the same time, it may be necessary to restructure the company's organizational structure to improve efficiency and reduce operating costs. This may involve merging departments, reducing redundant personnel, or optimizing production processes.

2. Asset Optimization and Liquidation: Faced with reduced revenue, Jiugang Group should re-examine its asset portfolio to focus resources on the most profitable businesses. For assets that no longer generate value, the group should consider selling or liquidating them to recover funds and reduce debt.

3. Debt Restructuring and Risk Management: Jiugang Group needs to manage existing debts, which may involve negotiating more favorable repayment terms with

creditors or restructuring debts. At the same time, the group should strengthen risk management by monitoring market changes to ensure sufficient liquidity to address potential financial risks.

4. Focusing on Core Businesses and Innovation: With limited resources, Jiugang Group should concentrate its efforts on its most proficient and profitable businesses. At the same time, innovation should be encouraged to explore new growth points to create new sources of revenue.

5. Diversifying Sources of Revenue: To mitigate the impact of market contraction, Jiugang Group should seek new revenue channels. This may include developing new product lines, expanding into new markets, or exploring new business models.

6. Financial Flexibility and Emergency Preparedness: Jiugang Group should maintain sufficient financial flexibility to quickly adjust strategies in response to changes in market conditions. This includes maintaining a certain level of cash reserves and developing contingency plans for various possible scenarios.

Through the implementation of these strategies, Jiugang Group can better meet the challenges of the decline stage, maintain the financial health of the enterprise, and lay the foundation for future recovery and growth. These measures will help Jiugang Group remain competitive during economic downturns while preparing for the potential recovery of the market.

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study delved into the financial strategies of Jiugang Group across different stages of its corporate lifecycle, aiming to identify the company's lifecycle stages, analyze the financial characteristics of each stage, and formulate corresponding financial strategies. Through the qualitative research method, combining semi-structured interviews and financial data analysis, this study successfully determined the evolution of Jiugang Group's financial strategies from the startup stages to the decline stages. The results indicate that Jiugang Group's financial strategies are closely linked to its lifecycle stages, with each stage’s strategies designed to address specific financial challenges of that period. In the startup stage, Jiugang Group's financial characteristics are marked by tight cash flow, high initial investments, and rapidly increasing expenditures, with financial strategies focusing on ensuring funding supply, managing cash flow, and investing in growth opportunities. Entering the growth stage, the financial characteristics shift to revenue growth, increased operating costs, and expansion investments, with strategies turning towards reinvesting profits for expansion, managing operating costs, and strategic financing. In the maturity stage, Jiugang Group emphasizes stable revenue, operational efficiency, and regular dividend distribution, with financial strategies focusing on sustainability, profit maximization, and optimizing capital structure while maintaining innovation. In the decline stage, facing declining revenue and financial instability, the financial strategy shifts towards cost management, debt restructuring, and seeking alternative revenue sources to address economic challenges.

Jiugang Group's entire lifecycle reflects its development journey in the steel industry in Northwest China. From the initial stage of fundraising and market establishment to the growth stage of rapid expansion and market share increase; from the maturity stage of improving profitability and operational efficiency to the decline stage facing declining sales and cost management challenges, Jiugang Group's financial strategies have always matched its lifecycle stages. By adapting to market changes, Jiugang Group continuously adjusts its financial strategies to ensure healthy and sustained development at different stages. This process not only reflects Jiugang Group's historical trajectory but also provides valuable experiences and lessons for other enterprises. Jiugang Group's integrated financial strategy objectives demonstrate its adaptability and forward-looking approach at different lifecycle stages. In the start-up stage, Jiugang Group's financial strategy mainly focuses on ensuring funding supply, managing cash flow, and investing in growth opportunities to establish a market position and ensure sufficient startup funds. As the company enters the growth stage, the financial strategy shifts towards reinvesting profits to promote growth, managing operating costs, and strategic financing to support rapid expansion and market share increase. In the maturity stage, Jiugang Group places greater emphasis on maximizing profitability and operational efficiency, with financial strategies focusing on sustainability, profit maximization, and optimizing capital structure while maintaining innovation. In the decline stage, Jiugang Group's financial strategy needs to focus more on cost management and asset reconfiguration to address economic challenges and market downturns.

Jiugang Group's integrated financial strategy objectives also reflect its response to internal management and external environmental changes. By implementing the financial shared service center system construction project, Jiugang Group promotes the transformation of financial management, achieving the transition from "accounting finance" to "management finance," and enhancing management quality and efficiency. In addition, Jiugang Group has also strengthened its core competitiveness through technological innovation and industrial upgrading, which has provided a solid foundation for the realization of its financial strategy objectives. Overall, Jiugang Group's integrated financial strategy objectives reflect its financial needs at different development stages and its adaptability to market changes, while also demonstrating its long-term commitment to enhancing core competitiveness and achieving sustainable development. Through the implementation of these strategies, Jiugang Group can effectively respond to market changes, maintain its competitiveness, and ensure financial stability. This study not only enriches the application of corporate lifecycle theory in financial strategy formulation but also provides a practical financial strategy framework for Jiugang Group and similar enterprises. The study emphasizes that in the constantly changing business environment, companies need to adjust their financial strategies in a timely and flexible manner to achieve healthy and sustained development.

5.2 Recommendation

In its future development, Jiugang Group should closely integrate its financial strategy with the company's overall strategic planning to ensure that financial activities can effectively support the company's long-term goals. This requires Jiugang Group to meticulously plan and adjust capital structure, investment decisions, risk management, and cash flow management at every stage of the lifecycle. In the start-up stage, the focus should be on ensuring funding supply and cash flow management to support product development and market promotion. The growth stages require driving expansion through the reinvestment of profits while controlling operating costs to maintain financial stability. Strategies in the maturity stage should shift towards maximizing profitability and optimizing capital structure, while maintaining innovation to sustain market position. In the decline stage, Jiugang Group needs to adopt cost management and asset reconfiguration strategies to address economic challenges and market contraction. Additionally, Jiugang Group should strengthen risk management, enhance financial flexibility, integrate ESG factors, and optimize capital expenditure to improve corporate social responsibility and long-term value.

At the same time, Jiugang Group needs to continuously strengthen its financial transparency and corporate governance structure to enhance the trust of stakeholders and the company's market competitiveness. This includes improving the quality of financial reporting, adhering to International Financial Reporting Standards, and providing comprehensive disclosure. The independence of the board of directors and the robustness of internal controls are key to ensuring the transparency and fairness of financial decisions. Jiugang Group should also encourage continuous learning and innovation within the finance team, investing in employee training and advanced technologies to adapt to the changing financial environment. Through these measures, Jiugang Group will not only be able to enhance its financial performance but also maintain its competitive edge in the ever-changing business environment, achieving healthy and sustainable development.

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