CHINA ORAL INDUSTRY GROUP HOLDINGS LIMITED
中國口腔產業集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 8406

2026
INTERIM REPORT

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This report, for which the directors (the "**Directors**") of China Oral Industry Group Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

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CORPORATE INFORMATION
(as at 25 August 2026)

BOARD OF DIRECTORS

Executive Directors
Ms. Yan Ping *(Chairlady)*
Mr. Liu Yao Guang *(Chief Executive Officer)*
Mr. Xiao Jiansheng

Independent non-executive Directors
Ms. Lian Jingyu
Ms. Tseung Choi Wing Queenie
Mr. Geng Chuan Long

BOARD COMMITTEE

Audit Committee
Ms. Lian Jingyu *(Chairlady)*
Ms. Tseung Choi Wing Queenie
Mr. Geng Chuan Long

Remuneration Committee
Mr. Geng Chuan Long *(Chairman)*
Ms. Lian Jinyu
Mr. Liu Yao Guang
Ms. Tseung Choi Wing Queenie

Nomination Committee
Ms. Yan Ping *(Chairlady)*
Ms. Lian Jinyu
Ms. Tseung Choi Wing Queenie
Mr. Geng Chuan Long

COMPLIANCE OFFICER

Mr. Xiao Jiansheng

AUTHORISED REPRESENTATIVES

Ms. Yan Ping
Ms. Chan Lok Yin

COMPANY SECRETARY

Ms. Chan Lok Yin

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Windward 3, Regatta Office Park
P.O. Box 1350, Grand Cayman
KY1-1108, Cayman Islands

HEAD OFFICE

Dongcheng Industrial Zone
Xinping Road, Minzhong Town
Zhongshan City, Guangdong Province
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 304, 3/F, Dominion Centre
43 Queen's Road East
Hong Kong

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
31/F., Gloucester Tower, The Landmark
11 Pedder Street, Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office
Park PO Box 1350, Grand Cayman
KY1-1108, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

PRINCIPAL BANKERS

Bank of China
Industrial & Commercial Bank of China (Asia) Limited
Bank of Dongguan-Hong Kong Branch

GEM STOCK CODE

8406

COMPANY'S WEBSITE

www.chinaoral.co

The directors of the Company (the "**Directors**") announce the unaudited condensed consolidated results of the Group for the six months ended 30 June 2026 (the "**Period**"), together with the comparative figures as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		For the six months ended 30 June	
	Notes	**2026 RMB'000 (Unaudited)**	2025 RMB'000 (Unaudited)
Revenue	6	**74,247**	109,263
Cost of sales		**(71,074)**	(90,141)
Gross profit		**3,173**	19,122
Other income and gains	7	**8,819**	6,895
Distribution and selling expenses		**(3,558)**	(7,516)
Administrative expenses		**(19,352)**	(12,079)
Finance costs	8	**(273)**	(72)
(Loss)/profit before tax		**(11,191)**	6,350
Income tax credit/(expense)	9	**205**	(2,281)
(Loss)/profit for the period	10	**(10,986)**	4,069
Other comprehensive income/(expense), net of income tax			
Item that may not be reclassified to profit or loss:			
Exchange differences on translation from functional currency to presentation currency		**1,209**	(788)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**–**	12
Other comprehensive income/(expense) for the period		**1,209**	(776)
Total comprehensive (expense)/income for the period		**(9,777)**	3,293
		RMB cent	RMB cent
(Loss)/earnings per share			
– Basic	11	**(0.73)**	0.30
– Diluted	11	**(0.73)**	0.30

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment	13	3,634	2,374
Right-of-use assets		1,302	1,670
Goodwill		8,062	8,062
Intangible assets		–	–
		12,998	12,106
Current assets			
Inventories		61,626	52,247
Trade receivables	14	55,490	31,863
Prepayments, deposits and other receivables		17,495	29,347
Tax recoverable		327	122
Cash and bank balances		16,549	39,936
		151,487	153,515
Assets classified as held for sale		–	614
		151,487	154,129
Total assets		164,485	166,235

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Current liabilities			
Trade and other payables	15	**29,233**	37,261
Amount due to a shareholder		**1,208**	1,208
Lease liabilities		**4,716**	4,742
Contract liabilities		**7,061**	7,693
Bank borrowings		**10,283**	29
		52,501	50,933
Liabilities classified as held for sale		**–**	4,590
		52,501	55,523
Net current assets		**98,986**	98,606
Total assets less current liabilities		**111,984**	110,712
Non-current liabilities			
Lease liabilities		**10,400**	12,800
Deferred tax liabilities		**1,204**	1,204
		11,604	14,004
Net assets		**100,380**	96,708
Capital and reserves			
Equity attributable to owners of the Company			
Share capital	16	**14,598**	12,200
Reserves		**85,782**	84,508
Total equity		**100,380**	96,708

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company							
	Share capital RMB'000	Share premium RMB'000	Special reserve RMB'000	Statutory reserve RMB'000	Share options reserve RMB'000	Foreign currency translation reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance at 1 January 2026 (Audited)	12,200	106,853	17,429	9,044	4,087	814	(53,719)	96,708
Issue of shares *(Note 16)*	2,398	11,051	–	–	–	–	–	13,449
Loss for the period	–	–	–	–	–	–	(10,986)	(10,986)
Other comprehensive income for the period	–	–	–	–	–	1,209	–	1,209
Total comprehensive income/(expense) for the period	–	–	–	–	–	1,209	(10,986)	(9,777)
Balance at 30 June 2026 (Unaudited)	14,598	117,904	17,429	9,044	4,087	2,023	(64,705)	100,380
Balance at 1 January 2025 (Audited)	10,059	79,109	17,429	9,567	–	2.499	(11,525)	107,138
Issue of shares	2,121	27,572	–	–	–	–	–	29,693
Transfer from statutory reserve upon disposal of assets and liabilities classified as held for sale	–	–	–	(523)	–	–	–	(523)
Profit for the period	–	–	–	–	–	–	4,069	4,069
Other comprehensive expense for the period	–	–	–	–	–	(776)	–	(776)
Total comprehensive (expense)/income for the period	–	–	–	–	–	(776)	4,069	3,293
Balance at 30 June 2025 (Unaudited)	12,180	106,681	17,429	9,044	–	1,723	(7,456)	139,601

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net cash used in operating activities	**(23,855)**	(21,430)
Cash flows from investing activities		
Interest received	**1**	272
Payments for property, plant and equipment	**–**	(14)
Payments for intangible assets	**–**	(35)
Proceeds from disposal of assets and liabilities classified as held for sale	**–**	2,400
Purchase of subsidiary companies, net of cash acquired	**151**	–
Decrease in bank deposit with maturity period over 3 months	**–**	10,000
Net cash generated from investing activities	**152**	12,623
Cash flows from financing activities		
Interest paid	**(160)**	–
Increase in bank borrowings	**1,806**	–
Issue of shares	**–**	29,693
Capital element of lease liabilities	**(2,426)**	(2,317)
Interest element of lease liabilities	**(213)**	(72)
Net cash (used in)/generated from financing activities	**(893)**	27,304
Net (decrease)/increase in cash and cash equivalents	**(24,596)**	18,497
Cash and cash equivalents at the beginning of the period	**39,936**	57,045
Effect of foreign exchange rate changes, net	**1,209**	(776)
Cash and cash equivalents at the end of the period	**16,549**	74,766

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

China Oral Industry Group Holdings Limited (the "**Company**") was incorporated in the Cayman Islands under the Companies Act (as revised) of the Cayman Islands as an exempted company with limited liability on 3 November 2015.

The shares of the Company have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 7 December 2017.

Its ultimate controlling party is Ms. Yan Ping, who is also the chairlady and an executive director of the Company.

The addresses of the registered office and the principal place of business in Hong Kong of the Company are Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands and Unit 304, 3/F, Dominion Centre, 43 Queen's Road East, Hong Kong, respectively.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "**Group**") are principally engaged in (i) manufacturing and sales of inflatable products and related accessories, (ii) provision of dental clinic services and sales of dental related products and (iii) sales of yarn and polyester, and in the People's Republic of China (the "**PRC**").

Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the respective entity operates (the "**functional currency**"). The functional currency of the Company is Hong Kong dollars ("**HK$**"). The unaudited condensed consolidated financial statements are presented in Renminbi ("**RMB**"), rounded to the nearest thousand, which is different from the functional currency of the Company as the Group's dominated operations are substantially based in the People's Republic of China (the "**PRC**").

2. BASIS OF PREPARATION

The Group's unaudited condensed consolidated financial statements have been prepared in accordance with the accounting policies, which conform to the Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the GEM Listing Rules.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention.

Other than changes in accounting policies resulting from application of new and amendments to HKFRSs, the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the consolidated financial statements for the year ended 31 December 2025.

During the current period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, which are mandatorily effective for the annual period beginning on or after 1 January 2026 for the preparation of the Group's unaudited condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The application of the amendments to HKFRSs in the current period has no material impact on the Group's performance and financial positions for the current and prior periods and/or on the disclosures set out in these unaudited condensed consolidated financial statements.

3. ESTIMATES

In the application of the Group's accounting policies, the management is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience, expectations of the future and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are reviewed if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the unaudited condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The unaudited condensed consolidated financial statements does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements as at 31 December 2025.

There have been no changes in the risk management policies since year end.

4.2 Liquidity risk

Compared to the year ended 31 December 2025, there had been no material changes to the policies and practices for the Group's liquidity and funding risks management as described in the unaudited condensed consolidated financial statements for the six months ended 30 June 2026.

4.3 Fair value estimation

The carrying values of receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

5. SEGMENT INFORMATION

HKFRS 8, Operating Segments, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker ("**CODM**"), for the purpose of resources allocation and performance assessment.

Specifically, the Group's business activities are operated and managed as three segments as follows:

(i) Inflatable products business – manufacturing and sales of inflatable products and related accessories;

(ii) Dental clinic business – provision of dental clinic services and sales of dental related products in the PRC; and

(iii) Yarn and polyester business – sales of yarn and polyester in the PRC.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

For the six months ended 30 June 2026

	Inflatable products business RMB'000 (Unaudited)	Dental clinic business RMB'000 (Unaudited)	Yarn and polyester business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue				
Sales to external customers	36,519	6,671	31,057	74,247
Segment results	(10,547)	(1,365)	1,551	(10,361)
Interest income on bank deposits				1
Net foreign exchange losses				(758)
Gain on bargaining purchase				4,379
Directors' remuneration				(1,075)
Unallocated corporate expenses				(3,377)
Loss before tax				(11,191)

For the six months ended 30 June 2025

	Inflatable products business RMB'000 (Unaudited)	Dental clinic business RMB'000 (Unaudited)	Yarn and polyester business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue				
Sales to external customers	80,872	7,202	21,189	109,263
Segment results	7,048	1,499	1,615	10,162
Interest income on bank deposits				272
Net foreign exchange losses				(1,075)
Directors' remuneration				(890)
Unallocated corporate expenses				(2,119)
Profit before tax				6,350

There are no inter-segment sales for both periods.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

As at 30 June 2026

	Inflatable products business RMB'000 (Unaudited)	Dental clinic business RMB'000 (Unaudited)	Yarn and polyester business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment assets	58,406	25,582	61,539	145,527
Cash and bank balances				16,549
Corporate and other unallocated assets				2,409
Consolidated assets				164,485
Segment liabilities	26,263	13,832	14,683	54,778
Amount due to a shareholder				1,208
Deferred tax liabilities				1,204
Corporate and other unallocated liabilities				6,915
Consolidated liabilities				64,105

As at 31 December 2025

	Inflatable products business RMB'000 (Audited)	Dental clinic business RMB'000 (Audited)	Yarn and polyester business RMB'000 (Audited)	Total RMB'000 (Audited)
Segment assets	63,527	33,077	25,988	122,592
Cash and bank balances				39,936
Corporate and other unallocated assets				3,707
Consolidated assets				166,235
Segment liabilities	45,414	7,853	4,572	57,839
Amount due to a shareholder				1,208
Deferred tax liabilities				1,204
Corporate and other unallocated liabilities				9,276
Consolidated liabilities				69,527

Geographical information

All of the Group's operations are located in the PRC and Hong Kong. All of the Group's non-current assets (excluding goodwill) are located in the PRC. Accordingly no geographical analysis is presented.

The following is an analysis of the Group's revenue by geographical segments:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from external customers		
– China	**47,067**	31,462
– Europe	**929**	5,688
– Australia and Oceania	**365**	702
– North America	**2,605**	45,837
– Asia	**23,100**	24,679
– Africa	**181**	–
– Middle East	**–**	600
– Central and South America	**–**	295
	74,247	109,263

6. REVENUE

An analysis of the Group's revenue by category is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from external customers		
– Sales of inflatable products and related accessories	**34,547**	79,698
– Sub-contracting income	**1,972**	1,174
– Provision of dental clinic services	**6,671**	7,202
– Sales of yarn and polyester	**31,057**	21,189
	74,247	109,263

7. OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income on bank deposits	**1**	272
Grants and subsidies	**24**	72
Gain on disposal of assets and liabilities classified as held for sale	**–**	6,551
Gain on disposal of subsidiaries	**4,135**	–
Gain on bargaining purchases	**4,379**	–
Others	**280**	–
	8,819	6,895

8. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**213**	72
Interest on bank borrowings	**60**	–
	273	72

9. INCOME TAX (CREDIT)/EXPENSE

The amount of income tax (credit)/expense in the unaudited condensed consolidated statement of profit or loss and other comprehensive income represents:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax		
Hong Kong Profits Tax	**–**	600
PRC Enterprise Income Tax	**(205)**	1,681
Deferred tax	**–**	–
	(205)	2,281

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for both periods, unless preferential rate is applicable.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

10. (LOSS)/PROFIT FOR THE PERIOD

(Loss)/profit for the period has been arrived at after charging:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories recognized as an expense	**69,947**	88,231
Depreciation of property, plant and equipment	**784**	218
Depreciation of right-of-use assets	**559**	621
Amortisation of intangible assets	**–**	1
Net foreign exchange losses	**758**	1,075
Employee benefits expense (including directors' emoluments)		
Salaries, wages and other benefits	**14,863**	21,294
Contribution to retirement benefits schemes	**2,124**	2,900
	16,987	24,194

11. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to owners of the Company is based on the following data:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
(Loss)/Profit		
(Loss)/Profit for the period attributable to owners of the Company for the purpose of basic (loss)/earnings per share	**(10,986)**	4,069
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**1,503,953**	1,339,028
Effect of dilutive potential ordinary shares – share options	**–**	474
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	**1,503,953**	1,339,502

The computation of diluted loss per share for the six months ended 30 June 2026 does not assume the exercise of the Company's outstanding share options since their assumed exercise would result in a decrease in loss per share.

12. DIVIDENDS

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (2025: Nil).

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with a cost of approximately RMB1,980,000 (six months ended 30 June 2025: RMB14,000), which was due to acquisition of a subsidiary during the period (2025: Nil), and disposed property, plant and equipment with a net carrying value of RMB64,000 (six months ended 30 June 2025: nil).

14. TRADE RECEIVABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade receivables arising from:		
– Inflatable products business	**36,241**	20,166
– Dental clinic business	**8,837**	11,337
– Yarn and polyester business	**22,915**	7,572
Allowable for credit losses	**(12,503)**	(7,212)
	55,490	31,863

The credit terms granted to customers are varied and are generally the result of negotiations between individual customers and the Group. The Group generally allows credit period ranging from 0 to 270 days. No interest is charged on overdue receivables.

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the invoice date:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
0–30 days	**19,740**	15,924
31–60 days	**5,110**	6,352
61–90 days	**5,624**	3,080
91–120 days	**5,500**	2,404
121–365 days	**19,516**	4,103
	55,490	31,863

15. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables	**10,313**	16,564
Accrued salaries and other benefits	**6,207**	7,835
Other payables and accruals	**12,713**	12,862
	29,233	37,261

The following is an analysis of trade payables based on the invoice date:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
0–30 days	**1,542**	5,335
31–60 days	**1,551**	5,315
61–90 days	**2,794**	3,689
91–120 days	**910**	1,626
121–365 days	**1,541**	366
Over 365 days	**1,975**	233
	10,313	16,564

16. SHARE CAPITAL

Details of the authorised and issued ordinary share capital of the Company are as follows:

	Number of ordinary shares '000	**Share capital** HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 31 December 2025 and 30 June 2026	5,000,000	50,000
Issued and fully paid:		
At 31 December 2025 (Audited)	1,368,000	13,680
Issue of shares *(note)*	273,418	2,734
At 30 June 2026 (Unaudited)	**1,641,418**	**16,414**

Note: On 2 April 2026, 273,417,722 ordinary shares of the Company were issued to the vendor for the acquisition of the entire registered capital of 石獅市新梭成龍織造有限公司(“**新梭成龍**”).

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Equivalent to RMB	**14,598**	12,200

17. BUSINESS COMBINATION

As announced on 2 April l2026, the Group completed the acquisition of the entire issued share capital of 新梭成龍, a company established in the PRC with limited liability (the "**Acquisition**"). 新梭成龍 is a textile manufacturing enterprise that focuses on the research, development, production and sales of knitted fabrics; it owns a number of patented technologies related to knitted fabric processing, and its main product comprises knitted fabric (textile product knitted fabric).

The business of the 新梭成龍 is the upstream business of that of the Group. The acquisition aims at strengthening the stability of the supply chain and enhancing cost control of the Group's business and operation, help to achieve synergies and long-term development of the Group.

The total consideration for the Acquisition was equivalent to approximately RMB13,449,000, settled by the allotment and issue of 273,417,722 shares.

Since Acquisition, 新梭成龍 contributed approximately RMB31,237,000 to the Group's revenue and approximately RMB38,000 to the consolidated profit for the six-month period ended 30 June 2026.

The Group accounted for the Acquisition on a provisional basis. The amounts recognised as of the date of the Acquisition for each class of assets acquired and liabilities assumed have not been disclosed, as the initial accounting for the Acquisition has not been completed as of the date of approval of these condensed consolidated financial statements. The Group will adjust the provisional amounts recognised during the measurement period, based on new information obtained about the facts and circumstances that existed as at the date of Acquisition, and ends on 12 months from the date of the Acquisition.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

Founded in 2003, the Group has 20 years of experience in designing, manufacturing, and selling high-quality inflatable amusement parks and other inflatable products.

Since 2023, the Group has undergone various changes in its principal business.

In January 2023, the Group acquired the entire equity interest in HongKong Eko Holding Co., Limited. Hongkong Eko Holding Co., Limited and its subsidiary are engaged in the operation of a dental clinic, provision of dental clinic services and sales of dental related products in the PRC.

In January 2024, the Group has acquired the entire interest in HongKong Taixing Holding Co., Limited. HongKong Taixing Holding Co., Limited and its subsidiaries are engaged in the sales of yarn and polyester in the PRC.

Currently, the Group is mainly engaged in the manufacturing and sales of inflatable products and related accessories, the provision of dental services and sales of dental related products, and sales of yarn and polyester.

FINANCIAL REVIEW

Revenue

The Group's revenue was derived from three principal businesses, namely, sales of inflatable products and related accessories, provision of dental clinic services and sales of yarn and polyester which are analysed in Note 6 to the unaudited condensed consolidated financial statements.

The Group's revenue was approximately RMB74,247,000 for the Period, representing a decrease of approximately RMB35,016,000 or 32.0% as compared with the revenue of approximately RMB109,263,000 for the corresponding period in 2025. Revenue from the sales of inflatable products for the Period was approximately RMB36,519,000 (2025: approximately RMB80,872,000), representing a decrease of approximately RMB44,353,000 or 54.8% compared with the corresponding period in 2025. Revenue from the provision of dental clinic services for the Period was approximately RMB6,671,000 (2025: approximately RMB7,202,000) representing a decrease of approximately RMB531,000 or 7.4% compared with the corresponding period in 2025. Revenue from the sales of yarn and polyester for the Period was approximately RMB31,057,000 (2025: approximately RMB21,189,000), representing an increase of approximately RMB9,868,000 or 46.6% compared with the corresponding period in 2025.

Cost of sales

Cost of sales was approximately RMB71,074,000 for the Period, representing a decrease of approximately RMB19,067,000 or 21.2% as compared with that of approximately RMB90,141,000 for the corresponding period in 2025.

Gross profit and gross profit margin

The Group recorded a gross profit of approximately RMB3,173,000 for the Period, representing a decrease of approximately RMB15,949,000 or 83.4% as compared with the corresponding period in 2025 (2025: approximately RMB19,122,000). Overall gross profit margin was approximately 4.3% for the Period, representing a decrease of approximately 13.2% compared with that of the corresponding period in 2025 (2025: approximately 17.5%). Such decrease was mainly due to the decrease in gross profit margin of inflatable business. During the Period, the gross profit margin was approximately -2.5% (2025: approximately 17.1%) from the inflatable products business, approximately 14.3% (2025: approximately 42.0%) from the dental clinic business and approximately 10.1% (2025: approximately 10.8%) from the sales of yarn and polyester business.

Other income and gains

Total other income and gains was approximately RMB8,819,000 for the Period, representing an increase of approximately RMB7,924,000 or 27.9% as compared with that of the corresponding period (2025: approximately RMB6,895,000). The increase was mainly due to the gain on disposal of subsidiaries of approximately RMB4,135,000 and gain on bargaining purchase of approximately RMB4,379,000 offset by the gain on disposal of assets and liabilities classified as held for sale of approximately RMB6,551,000 recognised in the corresponding period.

Distribution and selling expenses

Total distribution and selling expenses was approximately RMB3,558,000 for the Period (2025: approximately RMB7,516,000), representing a decrease of approximately RMB3,958,000 or 52.7% as compared with that of the corresponding period in 2025.

Administrative expenses

The administrative expenses was approximately RMB19,352,000 for the Period (2025: approximately RMB12,079,000), representing an increase of approximately RMB7,273,000 or 60.2% as compared with that of the corresponding period in 2025.

Finance costs

Finance costs was approximately RMB273,000 for the Period (2025: approximately RMB72,000), representing an increase of approximately RMB201,000 or 279.2% as compared with that of the corresponding period in 2025. The increase was mainly due to an increase in interest on lease liabilities of approximately RMB141,000 and the interest on bank borrowings of approximately RMB60,000.

(Loss)/profit for the period

Loss for the Period was approximately RMB11,191,000 (2025: profit for the period of approximately RMB4,069,000), representing a decrease of approximately RMB17,541,000 or -276%. The decrease in profit for the period was mainly due to the decrease in gross profit in inflatable products business and increase in expected credit losses on trade receivables.

Dividends

The Board does not recommend the payment of any interim dividend for the Period (2025: Nil).

Liquidity, Financial Resources, Capital Structure and Gearing Ratio

The Group finances its liquidity and financial requirements primarily through cash generated from operations and equity contributed from the shareholders of the Company.

As at 30 June 2026, the Group's total equity attributable to owners of the Company amounted to approximately RMB100,380,000 (31 December 2025: RMB96,708,000).

The current ratio of the Group as at 30 June 2026 was approximately 2.88 as compared with that of approximately 2.78 as at 31 December 2025. The quick ratio of the Group as at 30 June 2026 was approximately 1.71 as compared with that of approximately 1.83 as at 31 December 2025. The Group had bank borrowings of approximately RMB10,283,000 as at 30 June 2026 (31 December 2025: approximately RMB29,000) and the gearing ratio of the Group, as calculated by the total debt divided by the total equity, was approximately 10.2% (31 December 2025: approximately 0.03%). The Directors believe that the Group is in a healthy financial position to expand its principal business and to achieve its business objectives.

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures, and Future Plan for Material Investments or Capital Assets

During the Period, there was no significant investment, material acquisition or disposal of subsidiaries or associated companies by the Group.

Contingent Liabilities

As at 30 June 2026, the Group did not have any significant contingent liabilities (31 December 2025: Nil).

Pledge of Assets

As at 30 June 2026, the Group had no assets pledged for bank borrowings or for other purpose (31 December 2025: Nil).

Commitments

As at 30 June 2026, the Group has not entered into any contractual commitments for the acquisition of property, plant and equipment (31 December 2025: Nil).

Events After the Reporting Period

Please refer to the section headed "Subsequent Events" in this interim report.

Foreign Currency Exposure

As the majority of the Group's revenue is denominated in US Dollars but the costs incurred by the Group for the production are denominated in RMB, significant fluctuation in the exchange rate between RMB against US Dollars may materially affect the business results of operations. As a result of the business expansion to overseas markets, the Group will continue to generate a significant amount of sales, assets and liabilities denominated in a currency other than RMB. In this case, the Group would be exposed to risks related to the exchange rate and the currency in which its assets and liabilities are denominated. A depreciation of RMB would require the Group to use more RMB to service the same amount of foreign currency liabilities, or a depreciation of foreign currency against RMB may result in receipts from receivables substantially less than the contractual amounts in terms of RMB at the settlement date.

Having considered the cost effectiveness with reference to the business model, the Group currently does not have a formal foreign currency hedging policy or engage in hedging activities designed or intended to manage such exchange rate risk during the reporting periods. Because RMB is not freely convertible, the ability of the Group to reduce foreign exchange risk is limited.

Treasury Policies

The Group is exposed to credit risk primarily arising from trade receivables and bank deposits. Trade receivables are from customers with good collection track records with the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history to mitigate credit risks. No allowance for credit loss was recognised during the six months ended 30 June 2025 and 2024 because there were subsequent settlements or no historical default of payments by the respective customers and the amounts are still considered recoverable.

Bank deposits are mainly deposits with banks with good credit ratings assigned by international credit-rating agencies or with good reputation. For bank deposits, the Group adopts the policy of dealing only with high credit quality counterparties.

Employees and Remuneration Policies

As at 30 June 2026, the Group had 418 full-time employees (31 December 2025: 524). Most of the employees of the Group are located in the PRC. The total employee remuneration, including remuneration of Directors, for the six months ended 30 June 2025 amounted to approximately RMB16,987,000 (2025: approximately RMB24,194,000).

The Group entered into separate labour contracts with each of its employees in accordance with the applicable labour laws in Hong Kong and the PRC. The Group provides its employees with various benefits including discretionary bonus, contribution to social insurance premium and housing provident fund, and contribution to mandatory provident fund. The Group also offers options that may be granted to employees under the share option scheme.

Use of proceeds for share subscription

On 24 January 2025, the Company completed the Share Subscription with the Subscriber and allotted and issued 228,000,000 ordinary shares of HK$0.01 each at the subscription price of HK$0.14 per subscription share. The net proceeds from the Subscription are approximately HK$31,720,000. For more details, please refer to the announcements of the Company dated 6 December 2024, 30 December 2024 and 24 January 2025.

On 27 July 2026, the Board has resolved to change the use of the unutilised net proceeds of HK$20 million to general working capital of the Group. For more details, please refer to the Company's announcement dated 27 July 2026.

	Planned use of net proceeds (HK$' million)	Utilised net proceeds during the period ended 30 June 2026 (HK$' million)	Unutilised net proceeds as at 30 June 2026 (HK$' million)	Changed use of the unutilised net proceeds (HK$' million)
Identifying potential acquisition or investment opportunities	20.00	11.72	20.00	–
General working capital	11.72	–	–	20.00
Total	31.72	11.72	20.00	20.00

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company (the "**Chief Executive**") in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) as recorded in the register required to be kept under section 352 of SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuer as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules (the "**Required Standard of Dealings**") were as follows:

Long positions in ordinary shares of the Company

Name of Director/ Chief Executive	Capacity/Nature of interest	Number of shares	Percentage of shareholding *(note 1)*
Ms. Yan Ping *(note 2)*	Interest of a controlled corporation	424,560,000	25.87%

Notes:

(1) The percentage is calculated on the basis of 1,641,417,722 ordinary shares of the Company in issue as at 30 June 2026.

(2) Ms. Yan Ping ("**Ms. Yan**") beneficially owns the entire issued share capital of RISEN THRIVE LIMITED. Ms. Yan is deemed, or taken to be, interested in all the Shares held by RISEN THRIVE LIMITED for the purpose of the SFO. Ms. Yan is the sole director of RISEN THRIVE LIMITED

Save as disclosed above, as at 30 June 2026, none of the Directors or the Chief Executive or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Required Standard of Dealings.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL AND OTHER SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, the interests or short positions of the persons (other than a Director or Chief Executive) in the Shares and underlying Shares which would require disclosure to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, beneficially interested in 5% or more of the issued share capital of the Company, or as recorded in the register of interests required to be kept by the Company under section 336 of the SFO were as follows:

Name	**Capacity/Nature of Interest**	**Number of Shares**	**Percentage of shareholding** *(note 1)*
Risen Thrive Limited *(note 2)*	Beneficial owner	424,560,000	25.87%
King Tower Global Absolute Return Fund *(note 3)*	Beneficial owner	228,000,000	13.89%
King Tower Global Investment Company Limited *(note 3)*	Interest of controlled corporation	228,000,000	13.89%
Zhang Yingbiao *(note 3)*	Interest of controlled corporation	228,000,000	13.89%
Chan Rongren	Beneficial owner	105,000,000	6.40%

Notes:

(1) The percentage is calculated on the basis of 1,641,417,722 ordinary Shares in issue as at 30 June 2026.

(2) Please refer to note 2 of the section headed "Interests and Short Positions of Directors and Chief Executive in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" in this interim report for details.

(3) King Tower Global Absolute Return Fund ("**King Tower Fund**") is incorporated in Cayman Islands as an exempted company limited by shares and registered as a segregated portfolio company. King Tower Fund is an independent private fund and King Tower Global Absolute Return Fund SPC – KTC Opportunity 7 SP is a segregated portfolio established by King Tower Fund. All the voting non-redeemable non-participating management shares of King Tower Fund are owned by King Tower Global Investment Company Limited, a limited liability company registered in the Cayman Islands, which is in turn beneficially owned wholly by Mr. Zhang Yingbiao.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any person (other than Directors or Chief Executive) who had an interest or short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

2017 Share Option Scheme

The Company adopted a share option scheme (the "**2017 Share Option Scheme**") pursuant to the written resolution of the Shareholders on 15 November 2017.

As disclosed in the announcement of the Company dated 8 August 2025 and the circular of the Company dated 12 August 2025, in view of the 2017 Share option Scheme expiring on 14 November 2027 and the amendments to Chapter 23 of the GEM Listing Rules which came into effect on 1 January 2023, the Company proposed to terminate the 2017 Share Option Scheme and adopt the 2025 Share Option Scheme (as defined and detailed below). The proposed termination of the 2017 Share Option Scheme was approved by the Shareholders in the extraordinary general meeting of the Company held on 29 August 2025.

Details of the movements in the share options under 2017 Share Option Scheme during the Period are as follows:

Category and name of grantee	Date of grant	Outstanding as at 1 January 2026	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period	Outstanding as at 30 June 2026	Exercise price per share	Closing price prior to grant	Exercise period
Directors										
Ms. Yan Ping *(Note 1)*	6 June 2025	1,300,000	–	–	–	–	1,300,000	HK$0.095	HK$0.095	6 June 2026 to 5 June 2035
Mr. Liu Yao Guang *(Note 2)*	6 June 2025	7,200,000	–	–	–	–	7,200,000	HK$0.095	HK$0.095	6 June 2026 to 5 June 2035
Employee(s) of the Group	6 June 2025	71,500,000	–	–	–	–	71,500,000	HK$0.095	HK$0.095	6 June 2026 to 5 June 2035
Total		80,000,000	–	–	–	–	80,000,000			

Notes:

1. Ms. Yan Ping is an executive Director.

2. Mr. Liu Yao Guang is an executive Director.

2025 Share Option Scheme

A share option scheme was adopted by the Company on 29 August 2025 (the "**2025 Share Option Scheme**"). The 2025 Share Option Scheme provides eligible participants with the opportunity to acquire proprietary interests in the Company and to encourage eligible participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its Shareholders as a whole, as well as to motivate eligible participants to contribute to the success of the Group's operations. The 2025 Share Option Scheme motivates employees and directors to stay in the Group and strive for the benefit of the Group as well as themselves and aims to foster a long-term relationship with directors and employees by granting them an equity interest to share in any future growth of the Group. Eligible participants of the 2025 Share Option Scheme include directors and employees of the Company or any of its subsidiaries.

The summary of the principal terms of the 2025 Share Option Scheme are as follows:

Eligible participants	Directors and employees of the Company or any of its subsidiaries
Total number of shares available for issue under the Scheme and percentage to the issued share capital	136,800,000 shares (equivalent to approximately 8.3% and 6.95% of total issued share capital as at 30 June 2026 and the date of this interim report respectively).
Maximum entitlement of each participant	Not exceeding 1% of the issued share capital of the Company for the time being in any 12 month period. Any further grant of share option in excess of such limit must be separately approved by Company's shareholders in general meeting.
The period within which the shares must be taken up under an option	A period (which may not expire later than 10 years from the date of offer of that option) to be determined and notified by Directors to the grantee thereof.
The minimum period for which an option must be held before it can be exercised	The Board may from time to time, in their absolute discretion, determine the vesting period upon which the share option may be vested. Save for the circumstances prescribed under the 2025 Share Option Scheme, the vesting period in respect of any share option shall be not less than twelve months.
The amount payable on application or acceptance of the option	An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to our Company on acceptance of the offer for the grant of an option is HK$1.
The basis of determining the exercise price	Being determined by the Directors and being not less than the highest of: (a) the closing price of shares of the Company as stated in the Stock Exchange's daily quotation sheet on the offer date;

	(b)	the average closing prices of the shares of the Company as stated in the Stock Exchange's daily quotation sheet for the five business days immediately proceeding the offer date; and
	(c)	the nominal value of the share on the offer date.
The remaining life of the Scheme	The 2025 Share Option Scheme is valid and effective for a period of 10 years commencing on 29 August 2025 (being the date of adoption of the 2025 Share Option Scheme).	

For further details, please refer to the announcements of the Company dated 8 August 2025 and 29 August 2025 and the circular of the Company dated 12 August 2025.

No share options were granted or exercised or cancelled or lapsed under the 2025 Share Option Scheme during the Period.

COMPETING AND CONFLICT OF INTERESTS

None of the Directors, the controlling shareholders or substantial shareholders of the Company and their respective close associates had engaged in any business which competes or may compete, directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during the Period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.46 to 5.67 of the GEM Listing Rules. Having made specific enquiries with all Directors, all Directors confirmed that they had complied with the Required Standard of Dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the Period.

SUBSEQUENT EVENTS

On 27 July 2026, the Company entered into separate subscription agreements with seven subscribers, pursuant to which the Company has conditionally agreed to allot and issue, and each of the subscribers has conditionally agreed to subscribe for an aggregate of 328,200,000 subscription shares at the subscription price of HK$0.056 per share (the "**Subscription**"). The Subscription was completed on 19 August 2026. The net proceeds from the Subscription were approximately HK$18.29 million. For further details, please refer to the Company's announcements dated 27 July 2026, 7 August 2026 and 19 August 2026.

Since 30 June 2026 and up to the date of this report, save as disclosed above, there is no significant event affecting the Group that have occurred.

CORPORATE GOVERNANCE CODE

The Company has applied the principles and code provisions of the Corporate Governance Code as set out in Appendix C1 of the GEM Listing Rules (the "**CG Code**"). During the Period, to the best knowledge of the Board, the Company had complied with all applicable code provisions of the CG Code.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established on 20 June 2017 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and code provision D.3 of the CG Code. During the six months ended 30 June 2026, the Audit Committee comprised all three independent non-executive Directors and chaired by Ms. Lian Jingyu. The other members are Mr. Geng Chuan Long and Ms. Tseung Choi Wing Queenie. The primary duties of the Audit Committee are mainly to review and supervise the financial reporting process and the internal control procedures of the Group.

The unaudited condensed financial results for the Period have not been audited by the Company's independent auditors, but have been reviewed by the Audit Committee. The Audit Committee is of the opinion that such results complied with the applicable accounting standards, GEM Listing Rules and that adequate disclosures have been made.

By order of the Board
China Oral Industry Group Holdings Limited
Yan Ping
Chairlady and executive Director

Hong Kong, 25 August 2026

As at the date of this report, the Board comprises Ms. Yan Ping, Mr. Liu Yao Guang and Mr. Xiao Jiansheng as executive Directors; and Ms. Lian Jingyu, Ms. Tseung Choi Wing Queenie and Mr. Geng Chuan Long as independent non-executive Directors.