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CCM 上美股份

Shanghai Chicmax Cosmetic Co., Ltd.

上海上美化妝品股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2145)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Shanghai Chicmax Cosmetic Co., Ltd. (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the 2024 annual results announcement of the Company dated 26 March 2025.

PERFORMANCE HIGHLIGHTS

	Year ended 31 December		Year-on-
	2025	2024	year change
	RMB in millions		%
Revenue	9,177.8	6,792.5	35.1
Gross profit	7,014.7	5,109.4	37.3
Profit of the year	1,154.2	803.3	43.7

FINANCIAL HIGHLIGHTS

Our revenue increased to RMB9,177.8 million in the full year of 2025 from RMB6,792.5 million in the full year of 2024. Our gross profit increased to RMB7,014.7 million in the full year of 2025 from RMB5,109.4 million in the full year of 2024. Our profit for the full year of 2025 was RMB1,154.2 million whereas our profit for the full year of 2024 was RMB803.3 million.

Final Dividend of RMB0.75 per share was proposed by the Board for the year ended 31 December 2025. The final dividend for the year ended 31 December 2024 of RMB0.75 per share was approved by the shareholders at general meeting held on 6 May 2025, and the dividend distribution has been completed. The interim dividends for the six months ended 30 June 2025 of RMB0.5 per share was approved by the shareholders at general meeting held on 25 September 2025, and the dividend distribution has been completed.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

BUSINESS REVIEW

Chicmax is a leader of multi-brand cosmetics industry driven by scientific research, we establish a presence in six major segments, i.e. mass skin care, maternity and childcare & teenagers skin care, washing and personal care, makeup, dermocosmetics and premium skin care, building two multinational research centers and two multinational supply chain bases worldwide. We focus on the implementation of multi-brand strategy and have remained dedicated to it since our establishment. With an operational history of more than 20 years, today we are one of the front runners in China's cosmetics industry, possessing comprehensive multi-brand development, operational capability and expertise, and we have successfully built a variety of popular cosmetic brands. Our decisive strategy originally to embark on and persist with a multi-brand strategy gives us an advantage to timely grasp market opportunities and sets us apart from our peers.

KANS

Launched in 2003, *KANS*, being positioned as a “**scientific anti-aging**” skincare brand, focuses on addressing the evolving anti-aging needs of Asian females of various age groups, with a broad target customer base, and is positioned to be a go-to brand in the anti-aging skincare market. For more than 20 years, *KANS* has been deeply engaging in anti-aging research, and continues to launch better products and aims to build *KANS* into a super Chinese cosmetics brand.

According to industry media reports, in 2025, the GMV of *KANS* on the online channel ranked first among domestic cosmetics brands.

In 2025, *KANS*, with scientific research as its foundation, continued to deepen its research and development in the field of peptides. Among its products, the series of Polypeptide Collagen Softening (紅蠻腰系列) of *KANS*, which features “CYCLOHEXAPEPTIDE-9 (環六肽-9)” as its core ingredient, continued to sell well, with sales performance hitting record highs. At the same time, the brand continuously improved the X-Peptide high-end product line, successively launching new products such as X-Peptide essence, make-up water and lotion, ampoule and cleanser, building a more complete polypeptide anti-wrinkle skincare system. Based on the polypeptide research achievements of Polypeptide Collagen Softening Of *KANS* and X-peptide series, the brand launched the industry content asset, *KANS* Red Book of Polypeptide (《韓束多肽紅寶書》), and made its debut at the European Academy of Dermatology and Venereology (EADV) annual meeting. *KANS* thus became the first domestic beauty brand being invited to attend, further highlighting the brand's scientific research strength and industry influence, bringing Chinese ingredients to the world.

In the same year, the Lucky Makeup series (紅運彩妝系列) of *KANS* was officially launched, with new products such as Lucky powder (紅運粉餅), Lucky cushion (紅運氣墊) and Lucky foundation (紅運粉底液) released successively, continuously enriching the makeup product matrix. Following the variety show Partners in Paris (《巴黎合夥人》) to go international, it made a stunning debut in Paris, showcasing the unique charm of Chinese beauty brands in the global fashion context.

At the same time, *KANS* continued to make efforts in categories such as men's, hair care and body care, constantly introducing new products. Leveraging positive market feedback, it further expanded its consumer base and usage scenarios, meeting more diverse consumer needs, and steadily advancing the brand toward becoming a full-category beauty and fashion brand.

In 2025, *KANS* focused on the core marketing strategy of “precise layout, full-scale breakthroughs and value accumulation”, achieving a dual leap in marketing effectiveness and brand value through systematic operation and refined strategies.

In terms of brand warmth and care, *KANS* continued its past collaborations with intangible cultural heritage, focusing on the two main festivals of the Spring Festival and Women's Day. By leveraging “cultural empowerment and emotional resonance”, it continuously deepened the core brand connotation of “*KANS* Luck (韓束紅運)”, achieving the transmission of brand warmth and accumulating brand assets.

At the same time, throughout the year, a comprehensive spokesperson matrix strategy was established to build a clearly layered and diversified global endorsement system. International top-tier artist Jackson Wang (王嘉爾) was signed as the global brand ambassador of *KANS*, deeply linking his international influence with the scientific research strength of *KANS*, showcasing the brand quality and high-end image. Additionally, Liu Haocun (劉浩存), Tian Xuning (田栩甯) and Zhang Hao (章昊) were newly signed as brand ambassadors. Through content co-creation and strong and multi-point exposure via online and offline, precise breakthroughs in various categories were achieved, effectively enhancing brand favorability and user loyalty, providing strong support for continuous business growth.

We strive to consolidate the market position of *KANS* as a leading Chinese domestic scientific anti-aging brand to meet the daily beauty needs of the vast majority of Chinese consumers through a diverse range of high-quality, effective products. We are devoted to develop more advanced technologies, in order to meet the increasing needs of the consumers of *KANS*.

The revenue generated from *KANS* in 2025 was RMB7,359.6 million, representing an increase of 31.6% as compared to 2024 and accounting for 80.2% of our total revenue for the year.

newpage

newpage was launched in May 2022. It is positioned as a functional skincare brand focusing on sensitive skins of babies and children. It was jointly established by Ms. Zhang Ziyi (章子怡), a famous actress, Mr. Cui Yutao (崔玉濤), a puericulturist, and our scientists. This brand positioned in “medical + research”, forming a close-loop of “user experience + pediatric experience + scientific research”, and advocated natural and simple, professional science popularisation, peace of mind and effectiveness and environmental friendliness. In terms of products, *newpage* has laid out three major directions for children aged 0-18: skincare, washing and cleaning.

The bestselling online single product, *newpage*'s Baby Balancing Cream (嬰童安心霜), continued to rank No.1 in the best-selling list of baby face cream on Tmall. In the summer of 2025, summer products such as *newpage*'s Dingding Soothing Spray (叮叮舒緩噴霧) and *newpage*'s Refreshing Body Lotion (爽身露) were widely praised. In the winter of 2025, *newpage*'s Baby Moisturizing Oil (嬰童潤膚油) achieved a strong breakthrough by precisely targeting “nourishing skin with oil,” steadily ranking first in the baby moisturizing oil category in Douyin. During Double Eleven, *newpage*'s Lip Balm were sold out. Through strong brand power, product strength, marketing capability and channel power, *newpage*'s category sales structure showed a healthy state with multiple category explosion.

With in-depth research in the field of infants and children skincare, *newpage* gained insights into the unique needs of children's skin at different ages. With a high standard of infants and children skincare, it launched more targeted skincare solutions for 0-6 infants and children skin, 6-12 school-age skin and 12-18 adolescent skin, meeting more refined product demands in the market, capturing skincare market share across different age groups, and allowing *newpage*'s professional care to accompany children as they grow.

In 2025, *newpage* placed more emphasis on building deeper and more co-channel connections with consumers. At the same time, *newpage* also cooperated with the central media, Xinhuanet, to create authoritative dialogue interviews to help resolve the parenting anxiety of parents nowadays with the efficacy of medical research-grade products. In December 2025, *newpage* brand launched a series of special care products that have been refined for nearly 2 years – special care cream and shower oil. The brand deeply analyzed the users with special skin conditions, cooperated with such users to shoot a documentary interview film “Emotions Hidden under the Skin (藏在皮膚裡的情緒)”, and launched the “Friendly Partner Program for Users with special Skin Conditions (特皮友好夥伴計劃)”, attracting brand friends from 8 different industries and the Shanghai Children's Foundation to participate in creating a friendly living environment for the users with special skin conditions. At the same time, it, together with the nurturing center of the founder Cui Yutao, jointly compiled a care guide for special skin conditions for the families with such problems. *newpage* not only provides products to users, but also looks back at the brand's original intention of effective skin care for all ages, effectively helping families with special skin conditions problems and allowing their children to grow up healthily and happily.

In 2025, *newpage* brand won numerous awards, including the Tmall Golden Baby Award (天貓金嬰獎), the Emerging Brand of the Year (年度新銳品牌), Douyin Pioneer Brand of the Year (抖音年度先鋒品牌) and Xiaohongshu Growth Brand of the Year (小紅書年度成長型品牌). Furthermore, according to iResearch, *newpage* brand ranked first in online sales revenue in the children face cream in China, and first in online sales in the premium baby moisturizing oil in China.

The revenue generated from *newpage* in 2025 was RMB879.6 million, representing an increase of 134.2% as compared to 2024, accounting for 9.6% of the total revenue for the year.

Baby Elephant

We launched *Baby Elephant* in 2015. With “**simple ingredients, safe and effective**” as its core, it is positioned as a professional maternity and childcare brand that suits the skin of Chinese babies and children to accompany each baby during its happy and healthy growth.

In 2025, in terms of brand, *Baby Elephant* continued to strengthen brand building, focusing on growth protection across all scenarios, and launched marketing and public welfare activities during key events such as the Spring Festival, Children’s Day and the beginning of school term to enhance brand warmth.

In terms of products, *Baby Elephant* iterated its infants and children skincare and washing care products by upgrading ingredients and packaging, and launched a double-layer children’s makeup gift box to keep paying attention to appreciations and a sense of ritual. In terms of the teenage line, it continuously enriched product categories, covering all daily care needs of teenagers from skincare, washing care and sun protection to lip care, maintaining *Baby Elephant*’s leading position in the infants and children care sector in China.

In terms of brand marketing, emotional marketing was carried out in rich scenarios such as the festive atmosphere of the Spring Festival, the childishness on Children’s Day and the light in children’s hearts for Christmas at the end of the year and New Year’s Day, safeguarding the happiness in children’s hearts. In terms of public welfare, the “Safe Guardian Plan (安心守護計劃)” was launched. On 2 April, World Autism Awareness Day, *Baby Elephant* organized a love-themed painting therapy course, encouraging children with autism to write down their wishes and hoping to let more people hear their voices. On Children’s Day, *Baby Elephant* visited the Zhangjiang campus of Shanghai Children’s Medical Center affiliated to Shanghai Jiao Tong University School of Medicine (上海交通醫學院附屬上海兒童醫學中心張江園區) and prepared 1,000 Children’s Day care gift packages to cheer on the little warriors in the wards and celebrate the festival together. During the school season in September, *Baby Elephant* went to Kashgar, Xinjiang, to provide free expert consultations, science popularization and assistance to extend frontline medical resources to remote areas.

The children’s makeup series of *Baby Elephant* was certified by Sullivan as “No. 1 online sales of children’s makeup in China”. At the same time, two industry in-depth reports were released. 2025 White Paper on Children’s Makeup Safety and Development (《2025兒童彩妝安全與發展白皮書》). 2025 White Paper on Adolescent Acne Health Management (《2025青少年祛痘健康管理白皮書》), reflecting the brand’s deep care for its user base and professional problem-solving capability.

Baby Elephant intend to continue to offer skincare products suitable for the skin type of Chinese babies and children to adapt to the rising demand for high-quality maternity and childcare products.

The revenue generated from *Baby Elephant* in 2025 was RMB297.8 million, representing a decrease of 20.8% as compared to 2024, accounting for 3.2% of the total revenue for the year.

ARMIYO

Founded in 2022, ARMIYO is dedicated to addressing sensitive skin concerns among Chinese consumers using “artemisia annua oil AN+” (derived from artemisia annua extract) as the core ingredient, thereby pioneering the field of artemisia-based skincare in Asia. The brand’s artemisia oil skincare range has ranked first in national sales for three consecutive years.

In 2025, ARMIYO’s research findings on artemisia were presented at the European Academy of Dermatology and Venereology (EADV), gaining recognition at the forefront of international academia and marking the emergence of Chinese ingredient research on the global stage. In the same year, the brand was honored with the “Beauty Science Brand Award for Science Communication” (科學傳播美妝科學品牌獎) at the 11th China Cosmetics Trend Conference (中國化妝品趨勢大會), reflecting its dual breakthroughs in scientific research and innovation as well as science communication.

At the same time, in order to continuously strengthen brand assets and convey scientific research connotations, ARMIYO partnered with well-known media hosts to go deep into the original production area of artemisia annua in Youyang, Chongqing, tracing the millennium-long heritage of “artemisia annua oil AN+”, further consolidating the brand story and emotional connection with users.

In terms of online channels, in 2025, ARMIYO consistently ranked among the top brands in the facial serums and liquid serums categories on the Tmall platform, as well as the beauty and skincare liquid serum charts on the Douyin platform.

The revenue generated from ARMIYO in 2025 was RMB197.8 million, representing an increase of 62.7% compared with 2024, accounting for 2.2% of the total revenue for the year.

Other Brands

To meet the increased demands for high-quality products from consumers, we have a multi-brand layout in multiple categories. In the skincare category, we launched ATISER (聚光白), a professional-grade efficacy skincare brand focused on brightening and anti-ageing. In the maternity and childcare category, we launched the eponymous maternity and childcare brand *Anpanman* (麵包超人) which is licensed to use well-known IPs, and preparation is underway to launch a maternity and childcare brand based on a physician IP, as well as an eponymous maternity and childcare brand Guardian of Light Ultraman, which is licensed to use the well-known IP. In the washing and care category, we launched a washing and care brand *KYOCA*, which is committed to strengthening hair and scalp decompression. In the makeup category, we will launch *NAN beauty*, a makeup brand jointly established with make-up artist Chunnan. In addition, we are also developing more new brands.

In 2025, the total revenue from other brands amounted to RMB443.0 million, representing an increase of 34.9% compared with 2024, accounting for 4.8% of total revenue during the year.

Research and Development

We started our independent R&D activities in 2003 and have insisted on product self-development. Our dual R&D centers are dedicated to building powerful platforms for advanced fundamental research and product development work. Staying close to consumers' needs, we focus on product development and new technology applications in response to the changing market. We strive to attract and cultivate talents and have formed a strong team with rich R&D experience. We maintained high and effective R&D investment persistently. In 2025 and 2024, we incurred R&D expenses of RMB224.7 million and RMB179.9 million, respectively, representing a year-on-year increase of 24.9% in 2025.

In 2025, we were deeply involved in the standardization of the cosmetics industry, participating as a core drafting unit in the formulation of five group standards, promoting the standardized upgrade of the industry.

Efficacy evaluation standards: We led the development of the Evaluation Method for Facial Skin Whitening in Chinese People (《中國人面部皮膚美白狀態評價方法》), establishing a scientific skin tone classification system suitable for the Chinese population, and published the Acne Treatment and Mild Efficacy Test Methods for Cosmetics Suitable for Teenagers (《青少年適用型化妝品祛痘與溫和功效試驗方法》) and the Test Methods for High-SPF Sunscreen Cosmetics Suitable for Sensitive Skin in Children (《兒童高倍防曬類化妝品適用敏感皮膚試驗方法》), filling the gap in human testing standards in the fields of adolescent and infant skincare.

Raw material technical standards: We participated in the formulation of the General Requirements for Raw Material Products of Plant-Derived Vesicle Cosmetic (《植物源囊泡化妝品原料製品通用要求》) and the General Testing Requirements for Polydeoxyribonucleotide (PDRN) Raw Materials for Cosmetics (《化妝品用多聚脫氧核糖核苷酸(PDRN)原料檢測通用要求》), establishing the technical threshold and quality assurance system for new biological raw materials.

Patents

In 2025, we newly applied for 61 patents, including 33 invention patents. We have been granted 49 patents, 9 of which are invention patent.

Academic Achievements

In 2025, we published a total of 10 scientific research papers, covering fields such as polypeptide anti-aging, skin repair and infants and children care, forming a complete scientific research system covering basic research, process optimisation and clinical validation. The core achievements include:

1. Polypeptide anti-aging field: The independently developed core ingredient "CYCLOHEXAPEPTIDE-9 (環六肽-9)" (Cyclic Hexapeptide-9) has been proven by randomized and double-blind clinical trials to be more effective than the retinol control group in improving wrinkles around the eyes and on the forehead. The related results were published in the Journal of Cosmetic Dermatology. Simultaneously, molecular mechanism research conducted in collaboration with Shanghai Jiao Tong University revealed that it bound to the tyrosinase active site through hydrogen bonds, significantly inhibiting melanin production, while maintaining over 90% cell viability at high concentrations. These findings were published in Skin Research and Technology.

2. Post-aesthetic surgery care: In collaboration with the Ninth People's Hospital affiliated to Shanghai Jiao Tong University School of Medicine (上海交通大學醫學院附屬第九人民醫院), research was conducted on an active combination containing fibronectin, NADH and hydrolyzed fibrin. In vitro experiments confirmed that it can significantly promote fibroblast migration. The clinical data indicated that this formula provides immediate soothing and long-term improvement of skin conditions after M22 photorejuvenation. The related results were selected for a poster at the 2025 Annual Meeting of Chinese Dermatologists Association (CDA).
3. Infants and Children Care Research: In collaboration with the Key Laboratory of Environment and Health Education Department of School of Public Health of Tongji Medical College of Huazhong University of Science and Technology, the first large-scale empirical study on cosmetic consumption behavior of Chinese children aged 0-12 was conducted, obtaining key data on the usage frequency and exposure amounts of 15 product categories, filling the gap in domestic scientific knowledge on children's skin exposure. The results were published in the Journal of the European Academy of Dermatology and Venereology.

Awards

In 2025, the independently developed “CYCLOHEXAPEPTIDE-9 (環六肽-9)” won the Annual Efficacy Ingredient of InnoCosme Awards (InnoCosme Awards 美耀年度功效原料獎) and the ICIC Technology Innovation Spotlight Ingredient Award (ICIC 科技創新矚目原料獎) for its breakthrough cyclization technology and outstanding efficacy, and was selected as one of the “Top Ten Technological Advances in the Chinese Cosmetics Industry 2025” (2025 中國化妝品行業十大科技進展).

The Company became the first and only Chinese beauty enterprise to appear at the European Academy of Dermatology and Venereology (EADV) annual meeting. With the 2025 KANS Yearbook of Peptides Research and Efficacy Skincare Application (《2025 韓束肽類研究與功效護膚品應用年鑑》) and the innovative achievement of “CYCLOHEXAPEPTIDE-9 (環六肽-9)”, it filled the domestic gap in cyclic peptides raw material technology and established academic authority in the global anti-aging field.

Employees and Remuneration Policy

As at 31 December 2025, we had 3,508 full-time employees, amongst which 3,401 full-time employees were based in the PRC and 107 full-time employees were based in overseas. The total remuneration cost for the year of 2025 was RMB969.3 million, as compared to RMB551.3 million for the year of 2024. The Group continuously reviews and refines its remuneration policy and employee benefits scheme, striving to offer remuneration packages that are both competitive in the market and fair internally, in order to maintain the Group's strong appeal and competitiveness in the human resources market.

The Group recruits employees through a variety of channels, including on-campus recruitment, job fairs, professional recruitment agencies and internal and external referrals. We are committed to upholding the principle of equal opportunities in all our employment practices, and have established relevant policies and procedures such as the adoption of professional candidate competency assessment model, to enhance the objectivity and consistency of the selection process and ensure the standardized and orderly recruitment and hiring procedures. As an important part of our talent retention strategy, the Group offers employees competitive salaries, insurance and other benefits, merit-based incentive schemes, and equity incentive or share award schemes for outstanding employees, to encourage them to develop together with the Group. Relevant remuneration and incentives are generally determined based on job responsibilities, performance and the Group's overall results.

We place great emphasis on employees training and career development, providing new hire training to new joiners on enterprise culture, business operation and industry knowledge to improve their understanding of the Group and their abilities to perform their duties. We also regularly provide employees with internal and external training sessions tailored to business needs and job requirements, with a view to enhancing their professional and technical capabilities. In addition, the Group offers management and leadership training to certain employees to assist them in gradually assuming managerial responsibilities.

Capital Expenditures

The Group's capital expenditure of RMB514.7 million in 2025 was mainly related to the new items of property, plant and equipment amounting to RMB414.4 million, purchase of land amounting to RMB99.7 million, and additions to intangible assets amounting to RMB 0.6 million.

Right-of-use Assets and Lease Liability

International Financial Reporting Standards No. 16 – Lease (IFRS 16) came into effect on 1 January 2019. At the commencement date, the Group should recognise a right-of-use asset and a lease liability. The related right-of-use assets and lease liabilities are located in the PRC and overseas. As of 31 December 2025, the Group's right-of-use assets were RMB480.8 million (RMB125.7 million as of 31 December 2024) and its lease liabilities were RMB342.1 million (RMB51.6 million as of 31 December 2024). In 2025, depreciation charges of right-of-use assets amounted to RMB52.2 million and interest charges of lease liabilities amounted to RMB6.6 million.

OUTLOOK

We are committed to our “six-six” strategy to promote overall business growth through six main competitive aspects and the planning of six major sectors in order to support sustainable development of the Group.

Six main competitive aspects:

1. *Maintain organisation-driven leadership and support sustainable development of the Group with talents*

We believe that talents with excellent management or technical skills are our valuable assets as well as the impetus of providing customers with products of continuous innovation and high quality, and is the necessary condition for the achievement of a multi-brand cosmetics group. Implementing our corporate values of “Diversity, Optimism, Innovation and Legacy”, we plan to continuously improve our corporate structure and corporate culture to attract talents.

We will continue to focus on improving our recruitment and training system to recruit talents with an international perspective, such as graduates from prestigious schools such as the world's first-class universities and disciplines and the QS200. By establishing joint training projects in cooperation with universities, we can more effectively identify suitable talents. In order to remain competitive in the recruitment market, we strive to provide industry-leading salary and welfare systems and open up promotion channels, forming a scientific talent selection and incentive mechanism. In addition, we will implement job rotation and duty rotation for our employees to promote the all-rounder employee model, and prevent solidification of hierarchy. By leveraging a flat and effective management system, we encourage employees at the primary level to give play to their creativity, and maintain the enthusiasm and stability of management and technical staff. We aim to build up corporate culture and team atmosphere among employees to enhance their sense of belonging, and a talent training system for our employees to achieve their personal growth and to support the operation and development of multiple brands of the Group.

2. *Maintain R&D leadership, continue to invest in R&D to drive product innovations and make popular products enjoyed by our consumers*

Leveraging our advanced R&D and production capabilities in the PRC and overseas, we will increase investments in fundamental research projects on trendy core ingredients in the skincare area such as anti-aging technology and skin barrier repairing technology, including development on new raw materials, new technologies, and new formulas; and applied science projects including application of the raw materials and formulas, and improving the overall skin feel of consumers. We have now established an independent scientific research system of Chicmax, with the aim of breaking down international scientific research barriers. We will continue to conduct pilot projects for new brands and new products to improve consumer experience and meet diverse consumer demands, and ultimately create more growth opportunities.

3. *Artificial intelligence (AI) leadership and introduce AI empowered management tools to improve the Group's management and operation efficiency*

We introduce leading AI empowered tools which will be used to intelligently process large amounts of data and information to conduct intelligent data analysis and prediction, providing data and insights to support decision-making, further optimising the allocation and utilization of resources, and thus improving the Group's management and operation efficiency, innovation capabilities and competitiveness.

4. *Maintain marketing leadership and continue to enhance and expand products marketing networks to penetrate users and build a consumer-centric mindset*

We will make full use of our advantageous resources and adopt stronger and more effective competitive strategies and marketing tools to increase the breadth and depth of our sales channels and in particular, to further deepen the marketing and promotion of our online e-commerce platforms and the offline omnichannel strategy. In addition to continuing to maintain and enhance KANS's leading position in the *Douyin* channel and driving more of the Group's brands to achieve breakthroughs in *Douyin*, we aim to achieve better development on platforms such as *Tmall/Taobao*, *JD* and *Kuaishou*.

5. *Maintain intelligent production leadership and accelerate the Group's intelligent production to enhance the production efficiency and standardized product quality*

We have completed the construction of China's first AI-intelligent unmanned cosmetics workshop and put into production, with a daily output of 2 million bottles, and increase the production efficiency and improve standardized product quality of the Group.

6. *Promote the Group's strategies from "personalization" development to "generality" development and drive development with platforms to further expand our business*

We aim to achieve development of our business by diversified cooperation with our talents and business partners. We are committed to gathering talents and providing them with a broad platform to assist them in achieving their development. We will continue to strengthen cooperation with multiple partners to build a brand incubation platform and to continuously cultivate breakthroughs in various aspects of our business.

Planning of six major sectors:

Based on our existing multi-brand matrix, we will have a broader strategic layout in the next decade in building six major sectors of mass skin care, washing and personal care, maternal and baby and teens products, skin medical beauty, makeup, high-end skin care, hence expanding our business boundaries in the cosmetics industry.

Looking forward, we are committed to conveying Chinese branding power to the world and promoting the brand image of Chinese domestic cosmetics products. Through developing our international R&D capabilities, business presence and brand awareness, we aim to become a world-class cosmetics group.

FINANCIAL REVIEW

Revenue

We generated revenue primarily from the manufacture and sales of cosmetic products. Due to the successful multi-brand and multi-category layout of the Group, the revenue from the scientific anti-aging skincare brand *KANS* continued to grow, the revenue from the Chinese infants and children efficacy skincare brand *newpage* increased significantly year-on-year and *ARMIYO*, our efficacy skincare brand dedicated to sensitive skin achieved a breakthrough growth. Revenue of the Group in 2025 increased by 35.1% to RMB9,177.8 million compared to RMB6,792.5 million in 2024.

Revenue by brands

	Year ended 31 December			
	2025	% of	2024	% of
	Amount	Revenue	Amount	Revenue
	<i>(RMB in millions, except percentages)</i>			
<i>KANS</i>	7,359.6	80.2	5,591.0	82.3
<i>newpage</i>	879.6	9.6	375.6	5.5
<i>Baby Elephant</i>	297.8	3.2	376.0	5.5
<i>ARMIYO</i>	197.8	2.2	121.6	1.8
Others Brands ^(Note)	443.0	4.8	328.3	4.9
Total	9,177.8	100.0	6,792.5	100.0

Note: Other brands primarily consist of *One Leaf*, *KYOCA*, *ATISER* (聚光白) etc.

The Group's revenue attributable to *KANS* increased by 31.6% from RMB5,591.0 million in 2024 to RMB7,359.6 million in 2025, primarily due to the overall upgrading of the *KANS* brand, and achieved rapid increase in revenue across all channels.

Revenue attributable to the Group from *newpage* increased by 134.2% from RMB375.6 million in 2024 to RMB879.6 million in 2025, primarily due to the continued growth of *newpage*'s flagship products, the successful expansion of new products, as well as rapid growth across all channels and overall brand sales.

Revenue attributable to the Group from *Baby Elephant* decreased by 20.8% from RMB376.0 million in 2024 to RMB297.8 million in 2025, primarily due to the brand's adjustment phase and reduced marketing expenditure.

Revenue attributable to the Group from *ARMIYO* increased by 62.7% from RMB121.6 million in 2024 to RMB197.8 million in 2025, primarily due to the rapid growth of our star product, the Redness-Relief BFS.

Revenue by sales channels

	Year ended 31 December			
	2025	% of Revenue	2024	% of Revenue
	Amount	Amount	Amount	Amount
	<i>(RMB in millions, except percentages)</i>			
Online Channels	8,618.1	93.9	6,149.7	90.5
Online direct sales	7,837.8	85.4	5,311.7	78.2
Sales to Online Retailers	696.6	7.6	539.9	7.9
Sales to Online Distributors	83.7	0.9	298.1	4.4
Offline Channels	495.4	5.3	578.1	8.5
Sales to Offline Retailers	279.9	3.0	328.6	4.8
Sales to Offline Distributors	215.5	2.3	249.5	3.7
Others	64.3	0.8	64.7	1.0
Total	9,177.8	100.0	6,792.5	100.0

The Group's revenue attributable to online direct sales increased by 47.6% from RMB5,311.7 million in 2024 to RMB7,837.8 million in 2025 primarily driven by the improvement of online self-operating ability, the sustained growth of KANS's brand and the rapid growth of *newpage*.

The Group's revenue attributable to sales to online retailers increased by 29.0% from RMB539.9 million in 2024 to RMB696.6 million in 2025, primarily due to the increase in revenue generated by *KANS* and *newpage* from online retailers such as *JD*, *Tmall Supermarket*.

The Group's revenue attributable to sales to online distributors decreased by 71.9% from RMB298.1 million in 2024 to RMB83.7 million in 2025, primarily due to adjustments of our online sales strategies to enhance our online direct sales channel.

The Group's revenue attributable to sales to offline retailers decreased by 14.8% from RMB328.6 million in 2024 to RMB279.9 million in 2025, primarily due to the changes in consumption habits, which led to an adjustment in channel strategy.

The Group's revenue attributable to sales to offline distributors decreased by 13.6% from RMB249.5 million in 2024 to RMB215.5 million in 2025, primarily due to the optimization and adjustment of cooperation with offline distributors.

Revenue by categories

	Year ended 31 December			
	2025	% of	2024	% of
	Amount	Revenue	Amount	Revenue
	<i>(RMB in millions, except percentages)</i>			
Skin Care	7,288.9	79.4	5,921.6	87.2
Maternity and childcare	1,177.8	12.8	766.7	11.3
Others	711.1	7.8	104.2	1.5
Total	9,177.8	100.0	6,792.5	100.0

The Group's revenue attributable to skin care increased by 23.1% from RMB5,921.6 million in 2024 to RMB7,288.9 million in 2025, primarily due to the increase in revenue generated from *KANS*.

The Group's revenue attributable to maternity and childcare increased by 53.6% from RMB766.7 million in 2024 to RMB1,177.8 million in 2025, primarily due to the increase in revenue generated from *newpage*.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by 37.3% from RMB5,109.4 million in 2024 to RMB7,014.7 million in 2025. Our gross profit margins were 76.4% and 75.2% in 2025 and 2024, respectively, primarily due to the increase in the revenue share of online self-operated channels and the proportion of brands with mid-to-high end positioning increased.

Other Income and Gains

The Group's other income and gains amounted to RMB333.2 million in 2025, compared with RMB251.2 million in 2024. This was mainly attributable to the fact that other income and gains primarily comprised interest income, changes in fair value, other income and subsidies.

Selling and Distribution Expenses

The Group's selling and distribution expenses increased by 35.9% to RMB5,362.7 million in 2025 from RMB3,947.3 million in 2024.

Among which, the marketing and promotion expenses increased by 42.0% to RMB4,708.2 million in 2025 from RMB3,316.6 million in 2024, primarily due to increased brand exposure, seizure of new channel opportunities, increased brand building and channel construction investments. Employee benefits expenses in relation to distribution work increased by 73.8% to RMB590.1 million in 2025 from RMB339.6 million in 2024.

Administrative Expenses

The Group's administrative expenses increased by 32.0% to RMB320.5 million in 2025 as compared to RMB242.8 million in 2024. Administrative expenses mainly comprised employee benefits expenses (including directors' emoluments) of RMB109.4 million, profession and consulting fees of RMB26.7 million, depreciation and amortisation charges of RMB50.8 million and office, utility expense of RMB96.6 million and others of RMB37.0 million in 2025.

Research and Development Costs

The Group's R&D costs increased by 24.9% from RMB179.9 million in 2024 to RMB224.7 million in 2025, primarily due to the increase in R&D activities.

Impairment Losses on Financial Assets, net

The Group's impairment losses on financial assets, net increased from the loss of RMB7.0 million in 2024 to RMB11.7 million in 2025, primarily due to the increase in provision for bad debts in respect of trade receivables.

Other Expenses

The Group's other expenses decreased by 46.9% from RMB49.0 million in 2024 to RMB26.0 million in 2025, primarily due to the decrease of inventory impairment and scrap.

Finance Costs

The Group's finance costs increased by 21.3% from RMB6.1 million in 2024 to RMB7.4 million in 2025, primarily due to the increase of lease liabilities and bank borrowings.

Income Tax Expense

Income tax expense costs increased to RMB242.2 million in 2025 from RMB123.7 million in 2024.

Profit for the Year

In summary, our profit for the year was RMB1,154.2 million and RMB803.3 million in 2025 and 2024, respectively.

Prepayments, other receivables and other assets

As at 31 December 2025, the Group's prepayment, other receivable and other assets were RMB1,291.7 million. Amount which the prepayments increased by 75.0% to RMB760.3 million as at 31 December 2025 from RMB434.5 million as at 31 December 2024, primarily due to increased marketing and promotion expenditures aimed at enhancing brand exposure and driving sales growth.

As of the date of this announcement, a substantial portion of the Group's prepayments, other receivables and other assets have been settled or utilized.

Liquidity and Capital Resources

Cash generated from operating activities of the Group in 2025 was approximately RMB1,205.2 million, compared with RMB547.0 million which were generated in 2024. As of 31 December 2025, the Group had cash and cash equivalents of approximately RMB802.3 million and external bank borrowings of approximately RMB290.1 million; whereas as at 31 December 2024, the Group had cash and cash equivalents of approximately RMB459.4 million and external bank borrowings of approximately RMB60.1 million.

In terms of gearing, the Group's debt to asset ratios (defined as total liabilities divided by total assets) in 2025 and 2024 were 42.1% and 37.9%, respectively. The current ratios of the Group (defined as current assets divided by current liabilities) as at 31 December 2025 and 31 December 2024 were 1.8 times and 1.8 times respectively. The Group's gearing ratios (defined as total interest-bearing bank borrowings and lease liabilities divided by total equity) in 2025 and in 2024 were 22.0% and 5.0%, respectively. As at 31 December 2025, the Group had no material contingent liabilities, other than those disclosed in its consolidated financial statements and the notes thereto. With the cash and bank balances in hand, the Group's liquidity position remains strong to meet its working capital requirements.

As at 31 December 2025, the Group's interest-bearing bank borrowings were RMB290.1 million, which comprised of bank loans (current) of RMB290.1 million at effective interest rates of 0.75% to 2.75% per annum. The Group's interest-bearing bank borrowings increased by 382.7% to RMB290.1 million as at 31 December 2025 from RMB60.1 million as at 31 December 2024, primarily due to the Group's abundant working capital and proactive reduction in the interest-bearing bank borrowings.

Pledge of Assets

As at 31 December 2025, the Group did not have any secured bank borrowings. As at 31 December 2024, the Group did not have any secured bank borrowings.

As at 31 December 2025, the amount of the Group's pledged deposits were RMB7,112,000 (nil as at 31 December 2024).

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

On 17 April 2025, the Company, Shanghai Manli Industrial Co., Ltd.* (上海蠻力實業有限公司, “**Shanghai Manli**”), Guangzhou Lechuang Handle Cultural Industry Investment Partnership Enterprise (Limited Partnership)* (廣州樂創拉手文化產業投資合夥企業(有限合夥), “**Guangzhou Lechuang**”), Ms. Song Yang and Shanghai Qingdao Enterprise Management Co., Ltd.* (上海青道企業管理有限公司, “**Shanghai Qingdao**”)(collectively, the “**Parties**”) entered into the Joint Venture and Cooperation Agreement (as supplemented by a supplemental agreement dated the same date), pursuant to which the Parties agreed to form the Joint Venture whereby the Company contributed RMB5,100,000, Ms. Song Yang contributed RMB500,000 and Shanghai Qingdao contributed RMB500,000 in cash to the Joint Venture, accounting for 51%, 5% and 5% respectively of the total initial registered capital of the Joint Venture. As at the date of such announcement, Ms. Song Yang was our executive Director. Accordingly, the formation of the Joint Venture constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the formation of the Joint Venture was more than 0.1% but less than 5%, the formation of the Joint Venture was only subject to the reporting and announcement requirements but exempt from the circular and independent shareholders’ approval requirement under Chapter 14A of the Listing Rules. For further details, please refer to the Company’s announcement on 17 April 2025.

On 28 August 2025, the Company as the tenant entered into the Lease Agreements with Shanghai Tianyu Shihong Enterprise Development Co., Ltd.* (上海天宇實宏企業發展有限公司), an Independent Third Party as the landlord, pursuant to which, the Company agreed to lease the premises (as defined in the announcement) from 16 February 2026 to 15 February 2035 (both days inclusive) for office and research purposes. As at the date of such announcement, since one or more than one of the applicable percentage ratios in respect of the Lease Agreements was more than 5% and below 25%, the Lease Agreements constitute a disclosable transaction of the Company, and was therefore subject to the notification and announcement requirement but exempt from the circular and Shareholders’ approval requirements pursuant to Chapter 14 of the Listing Rules. For further details, please refer to the Company’s announcement on 28 August 2025 and the supplemental announcement on 5 September 2025.

Save as disclosed herein, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Treasury Policies and Exposure to Fluctuations in Exchange Rates

The Group’s operations are mainly carried out in the PRC, with most transactions settled in Renminbi, and the reporting currency of the Group is Renminbi. The Group’s subsidiaries in Hong Kong and overseas use local currencies as their functional currencies, including US dollar, Hong Kong dollar, Singapore dollar, Japanese yen, Indonesian Rupiah and Vietnamese Dong. The Group has a partial amount of cash and bank deposits denominated in US dollar, Hong Kong dollar, Singapore dollar, Japanese yen, Indonesian Rupiah and Vietnamese Dong. The Group continues to adopt a conservative approach in its foreign exchange exposure management. In 2025, the Group did not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group reviews its foreign exchange risks periodically and uses derivative financial instruments to hedge against such risks when necessary.

FINANCIAL INFORMATION

The Board announces the consolidated results of the Group for the year ended 31 December 2025, with comparative figures for the year ended 31 December 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Revenue	4	9,177,796	6,792,518
Cost of sales		<u>(2,163,141)</u>	<u>(1,683,131)</u>
Gross profit		7,014,655	5,109,387
Other income and gains		333,202	251,163
Selling and distribution expenses		(5,362,717)	(3,947,293)
Administrative expenses		(320,451)	(242,764)
Research and development costs		(224,701)	(179,867)
Impairment losses on financial assets, net		(11,690)	(6,969)
Other expenses		(25,970)	(49,002)
Finance costs	6	(7,397)	(6,072)
Share of profits and losses of:			
Joint ventures		–	(3,889)
Associates		<u>1,493</u>	<u>2,276</u>
PROFIT BEFORE TAX		1,396,424	926,970
Income tax expense	7	<u>(242,211)</u>	<u>(123,673)</u>
PROFIT FOR THE YEAR		<u>1,154,213</u>	<u>803,297</u>
Attributable to:			
Owners of the parent		1,102,574	781,205
Non-controlling interests		<u>51,639</u>	<u>22,092</u>
		<u>1,154,213</u>	<u>803,297</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
– For profit for the year	8	<u>RMB2.77</u>	<u>RMB1.96</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the year	<u>1,154,213</u>	<u>803,297</u>
Other comprehensive loss		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>(6,569)</u>	<u>(6,902)</u>
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	<u>(6,569)</u>	<u>(6,902)</u>
Total comprehensive income for the year	<u>1,147,644</u>	<u>796,395</u>
Attributable to:		
Owners of the parent	1,096,005	774,303
Non-controlling interests	<u>51,639</u>	<u>22,092</u>
	<u>1,147,644</u>	<u>796,395</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		928,487	674,078
Investment properties		5,623	6,829
Prepayments, other receivables and other assets		106,298	76,646
Right-of-use assets		480,847	125,663
Other intangible assets		30,090	13,511
Investments in joint ventures		–	429
Investments in associates		159,115	109,667
Deferred tax assets		94,916	118,934
Total non-current assets		1,805,376	1,125,757
CURRENT ASSETS			
Inventories	<i>10</i>	652,933	690,639
Trade and bills receivables	<i>11</i>	365,845	425,557
Prepayments, other receivables and other assets		1,185,383	650,871
Financial assets at fair value through profit or loss		148,383	244,324
Pledged deposits		7,112	–
Cash and cash equivalents		802,308	459,449
Total current assets		3,161,964	2,470,840
CURRENT LIABILITIES			
Trade payables	<i>12</i>	678,323	638,407
Other payables and accruals		559,374	472,143
Interest-bearing bank borrowings		290,064	60,080
Lease liabilities		17,159	42,143
Tax payable		164,416	129,190
Total current liabilities		1,709,336	1,341,963
NET CURRENT ASSETS		1,452,628	1,128,877
TOTAL ASSETS LESS CURRENT LIABILITIES		3,258,004	2,254,634

Continued/...

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
NON-CURRENT LIABILITIES		
Lease liabilities	324,978	9,448
Other payables	37,314	10,516
Deferred tax liabilities	21,208	—
	<hr/>	<hr/>
Total non-current liabilities	383,500	19,964
	<hr/>	<hr/>
Net assets	2,874,504	2,234,670
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Equity attributable to owners of the parent		
Share capital	398,107	398,025
Reserves	2,370,050	1,793,163
	<hr/>	<hr/>
	2,768,157	2,191,188
	<hr/>	<hr/>
Non-controlling interests	106,347	43,482
	<hr/>	<hr/>
Total equity	2,874,504	2,234,670
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION

Shanghai Chicmax Cosmetic Co., Ltd. (the “Company”) is a joint-stock company established in the People’s Republic of China (the “PRC”). It was originally established as a limited company on 11 June 2004 and restructured into a joint-stock company on 15 December 2020. The registered office is located at Room 308-3, 3rd Floor, No. 8.10 Quanzhou Road, Xuhui District, Shanghai, Chinese Mainland. The Company was listed on The Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 22 December 2022.

In the opinion of the directors, the controlling shareholder is Mr. Lyu Yixiong.

During the year, Shanghai Chicmax Cosmetic Co., Ltd. and its subsidiaries (the “Group”) were principally involved in the following activities: research and development, production and sale of cosmetics.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations) as issued by International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

3. OPERATING SEGMENT INFORMATION

Geographical information

(a) Revenue from external customers

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
Chinese Mainland	9,117,733	6,772,324
Other countries/regions	<u>60,063</u>	<u>20,194</u>
Total revenue	<u><u>9,177,796</u></u>	<u><u>6,792,518</u></u>

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
Chinese Mainland	1,495,631	949,901
Other countries/regions	<u>55,714</u>	<u>56,922</u>
Total non-current asset	<u><u>1,551,345</u></u>	<u><u>1,006,823</u></u>

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets and investment in associates.

4. REVENUE

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers		
Sales of goods	9,173,176	6,779,376
Transportation services	<u>4,620</u>	<u>13,142</u>
Total	<u><u>9,177,796</u></u>	<u><u>6,792,518</u></u>

(a) Disaggregated revenue information

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Types of goods or services		
Sales of goods	9,173,176	6,779,376
Transportation services	<u>4,620</u>	<u>13,142</u>
Total	<u><u>9,177,796</u></u>	<u><u>6,792,518</u></u>

Timing of revenue recognition

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Goods transferred at a point in time	9,173,176	6,779,376
Services transferred over time	<u>4,620</u>	<u>13,142</u>
Total	<u><u>9,177,796</u></u>	<u><u>6,792,518</u></u>

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the current reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the year:		
Sales of goods	<u><u>27,610</u></u>	<u><u>25,678</u></u>

4. REVENUE (continued)

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon receipt of the goods by customers or delivery of goods, and the payment period is generally uncertain, except for certain major customers where payment is due within 60 to 90 days from receipt.

Transportation services

The performance obligation is satisfied over time as services are rendered. Transportation services are for periods of within one month, and are billed based on the time incurred.

As at the end of the reporting period, the amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are immaterial and all the amounts are expected to be recognised as revenue within one year.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Cost of inventories sold		2,163,141	1,683,131
Depreciation of property, plant and equipment		133,843	63,737
Depreciation of right-of-use assets		41,400	38,201
Amortisation of intangible assets		3,608	2,774
Employee benefit expense (including directors' and chief executive's remuneration)			
Wages and salaries		681,804	431,010
Pension scheme contributions, social welfare and other welfare		144,723	114,462
Equity-settled share option expense		8,783	6,549
Total		835,310	552,021
Loss/(gains) on disposal of items of property, plant and equipment		155	(160)
Loss on lease termination		1,874	–
Foreign exchange differences		3,814	(1,616)
Marketing and promotion expenses		4,708,177	3,316,567
Inventory impairment and scrap		14,509	38,740
Interest expense	6	7,397	6,072
Impairment losses on financial assets, net		11,690	6,969
Auditors' remuneration		4,020	3,920
Fair value gains on financial assets at fair value through profit or loss, net		(17,510)	(19,302)

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank borrowings	3,592	2,961
Interest on lease liabilities	6,592	3,111
Less: capitalised into leasehold improvement	<u>(2,787)</u>	<u>–</u>
Total	<u><u>7,397</u></u>	<u><u>6,072</u></u>

7. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current – PRC	195,309	128,443
Current – other jurisdictions	1,676	1,223
Deferred tax	<u>45,226</u>	<u>(5,993)</u>
Total tax charge for the year	<u><u>242,211</u></u>	<u><u>123,673</u></u>

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 398,057,215 (2024: 397,985,656) outstanding during the year.

The Group had no potentially dilutive shares in issue during the years ended 31 December 2025 and 2024.

The calculation of basic earnings per share is based on:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation:	<u><u>1,102,574</u></u>	<u><u>781,205</u></u>
	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares in outstanding during the year used in the basic earnings per share calculation	398,057,215	397,985,656
Basic earnings per share (RMB)	<u><u>2.77</u></u>	<u><u>1.96</u></u>

9. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interim – RMB0.50 (2024: RMB0.75) per ordinary share	199,053	298,519
Proposed final – RMB0.75 (2024: RMB0.75) per ordinary share	<u>298,543</u>	<u>298,519</u>
	<u><u>497,596</u></u>	<u><u>597,038</u></u>

The dividends paid in 2025 and 2024 were RMB497,572,000 and RMB511,542,000, respectively.

The proposed final dividend for the year ended 31 December 2025 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10. INVENTORIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Raw materials	141,978	160,253
Work in progress	22,711	21,371
Finished goods	<u>488,244</u>	<u>509,015</u>
Total	<u><u>652,933</u></u>	<u><u>690,639</u></u>

11. TRADE AND BILLS RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	385,086	439,090
Bills receivable	400	905
Impairment	<u>(19,641)</u>	<u>(14,438)</u>
Trade and bills receivables, net	<u><u>365,845</u></u>	<u><u>425,557</u></u>

The Group's trading terms with its customers are mainly payment in advance, except for certain major customers, where is normally on credit. The credit period is generally due within 45 to 90 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing. Bills receivable are non-interest-bearing and have a maturity period ranging from 1 to 180 days for the financial years ended 31 December 2024 and 31 December 2025.

In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such endorsed bills, and accordingly, it continued to recognise the full carrying amounts of the endorsed bills and the associated trade payables settled. The expected credit losses rate for bills receivable is assessed to be immaterial, and thus the loss allowance is immaterial.

11. TRADE AND BILLS RECEIVABLES (continued)

An ageing analysis of the Group's trade receivables and bills receivable as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	323,034	419,137
Over 1 year	42,811	6,420
Total	365,845	425,557

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At beginning of year	14,438	12,005
Impairment losses, net	10,783	6,803
Amount written off as uncollectible	(5,580)	(4,370)
At end of year	19,641	14,438

12. TRADE PAYABLES

An ageing analysis of trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	675,242	637,926
Over 1 year	3,081	481
Total	678,323	638,407

The trade payables are non-interest-bearing and are normally settled within 6 months.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company recognises the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders of the Company (the “**Shareholders**”) as a whole. During the Reporting Period, the Company has adopted corporate governance practices based on the principles and code provisions listed in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its own code of corporate governance practices.

The Board is of the view that during the Reporting Period, the Company has complied with all the applicable provisions as set out in the CG Code, except for Code Provision C.2.1 described below. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

Code Provision C.2.1 of the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lyu Yixiong is both the chairman of the Board and the chief executive officer of the Company. Notwithstanding the deviation from Code Provision C.2.1 of the CG Code, given Mr. Lyu Yixiong’s extensive knowledge and experience of the Group’s business, the Board considers that vesting the roles of both chairman of the Board and chief executive officer of the Company in the same person brings the benefit of ensuring consistent leadership within the Group and enabling more effective and efficient overall strategic planning for the Group. The Board believes that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and efficiently.

The amendments to the CG Code came into effect on 1 July 2025 and the requirements under the new CG Code will apply to the corporate governance reports and annual reports of the Company for the financial years commencing on or after 1 July 2025. The Company will continue to review and enhance the corporate governance practices to ensure compliance with the new CG Code and align with the latest developments.

Compliance with the Model Code

During the Reporting Period, the Company has adopted the Model Code (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors and the supervisors of the Company (the “**Supervisors**”), and the Group’s employees who, because of his/her office or employment, are likely to possess inside information in relation to the Group or the Company’s securities. Specific enquiries have been made to all Directors and Supervisors and the Directors and Supervisors have confirmed that they have complied with the Model Code during the Reporting Period.

No incident of non-compliance of the Model Code by the employees was noted by the Company for the Reporting Period.

Purchase, Sale or Redemption of the Company’s Securities

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares).

Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that were pending or threatened against the Group during the Reporting Period.

Use of Proceeds from the Global Offering

The shares of the Company (the “Share(s)”) were listed on the Main Board of the Stock Exchange on the Listing Date with net proceeds received by the Company from the Global Offering in the amount of approximately HK\$859.7 million⁽¹⁾ after deducting underwriting commissions and all related expenses. The following table sets forth the Company’s use of the proceeds from the Listing and the planned timetable as at 31 December 2025.

	Approximate percentage of the total net proceeds	Net proceeds from the Global Offering (HKD' million)	Remaining net proceeds as at 31 December 2024 (HKD' million)	Utilised amount during the reporting period (HKD' million)	Remaining net proceeds as of 31 December 2025 (HKD' million)	Expected time to utilise the remaining net proceeds in full
Branding activities to continue to enhance the brand image and raise brand awareness of our existing brands, as well as to establish the brand images of our new brands	32%	275.5	0.4	0	0.4	By 31 December 2026
Enhancing our R&D capabilities by strengthening our fundamental research and product development, to maintain the continuous innovation of our brands	12.2%	104.9	0.0	0	0	Fully utilised
Strengthen our production and supply chain capabilities, mainly involving the renovation of our production facilities, upgrading our automation equipment, and the expansion of production capacities in the Fengxian Plant	19.8%	170.6	23.8	0	23.8	By 31 December 2026
Increasing the breadth and depth of our sales networks to enhance the penetration of our products	18%	154.5	0.0	0	0	Fully utilised
Enhancing our digitisation and information infrastructure	8%	69.2	54.2	0	54.2	By 31 December 2026
Working capital and other general corporate purposes	9.9%	85.1	0	0	0	Fully utilised
Total ⁽²⁾	100%	859.7	78.3	0	78.3	

Notes:

- (1) The total proceeds of approximately HK\$859.7 million include approximately HK\$835.1 million from the Global Offering in December 2022 and approximately HK\$24.6 million from the partial exercise of the Over-allotment Option in January 2023 as disclosed in the announcement of the Company dated 16 January 2023.
- (2) Any discrepancies in the above table between the total shown and the sum of the amounts listed are due to rounding.

The expected timeline is based on the best estimation of future market conditions and business operations made by the Company currently, and will be subject to change based on future development of market conditions and actual business needs.

Audit Committee

The audit committee of the Board (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Mr. Leung Ho Sun Wilson, Ms. Luo Yan (羅妍), and Mr. Li Yang. The chairman of the Audit Committee is Mr. Leung Ho Sun Wilson.

The Audit Committee has reviewed the consolidated annual results of the Group for the year ended 31 December 2025 with the management and the auditor of the Company. The Audit Committee considered that the consolidated annual results of the Group for the year ended 31 December 2025 are in compliance with the applicable accounting standards, laws and regulations. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and issues in relation to internal control, risk management and financial reporting with the management of the Company.

Scope of Work of the Auditor

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this annual results announcement have been agreed by the Group’s auditor, Ernst & Young, to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Ernst & Young on this annual results announcement.

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed in this annual report, there is no other important event affecting the Group since 31 December 2025 and up to the date of this annual report.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “**AGM**”) will be on held on 8 May 2026. A notice convening the AGM will be dispatched in the manner required by the Listing Rule in due course.

FINAL DIVIDEND

The Board has resolved to recommend the payment of final dividends of RMB0.75 per share for the year ended 31 December 2025 (2024: RMB0.75 per share). The payment of final dividends above is still subject to the approval from Shareholders at the forthcoming AGM, and will be made on or around 23 June 2026.

ANNUAL GENERAL MEETING, CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

The register of members of the Company will be closed from 5 May 2026 to 8 May 2026, both days inclusive, in order to determine the eligibility of Shareholders who are entitled to attend and vote at the AGM to be held on 8 May. In order to be eligible to attend and vote at the AGM, all transfer accompanied by relevant share certificates and transfer forms must be lodged with the Company's H share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on 4 May 2026. The record date for determining the eligibility of Shareholders who are entitled to attend and vote at the AGM is 8 May 2026.

For determining the entitlement to the final dividend, the register of members of the Company will be closed from 14 May 2026 to 18 May 2026, both days inclusive. In order to be entitled to the final dividend, all transfer accompanied by relevant share certificates and transfer forms must be lodged with the Company's H share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on 13 May 2026. The record date for determining eligibility of the Shareholders to receive the final dividend is 18 May 2026.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chicmaxgroup.com).

The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be published on the aforementioned websites of the Stock Exchange and the Company in due course.

By order of the Board
Shanghai Chicmax Cosmetic Co., Ltd.
上海上美化妝品股份有限公司

Mr. Lyu Yixiong

Chairman of the Board, Executive Director and Chief Executive Officer

Shanghai, the PRC
26 March 2026

As at the date of this announcement, the Board comprises Mr. Lyu Yixiong, Ms. Zhou Wei, Ms. Luo Yan (羅燕), Mr. Feng Yifeng and Ms. Song Yang as executive Directors; Mr. Sun Hao as employee representative Director; Mr. Leung Ho Sun Wilson, Ms. Luo Yan (羅妍) and Mr. Li Yang as independent non-executive Directors.

* *For identification purpose only*