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Blue Moon Group Holdings Limited

藍月亮集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6993)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL SUMMARY

	2025	2024
	HK\$'000	HK\$'000
Revenue	8,408,911	8,555,601
Gross profit	5,020,951	5,183,436
Gross profit margin	59.7%	60.6%
Loss for the year and Loss attributable to equity holders of the Company	(328,933)	(749,312)

The Board recommended the payment of final dividend of HK10.0 cents per share.

ANNUAL RESULTS

The board of directors (the “**Board**” or the “**Directors**”) of Blue Moon Group Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025, together with comparative information, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

		<i>2025</i>	<i>2024</i>
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	3	8,408,911	8,555,601
Cost of sales	4	(3,387,960)	(3,372,165)
Gross profit		5,020,951	5,183,436
Other income and other gains/(losses), net		60,863	(29,508)
Selling and distribution expenses	4	(4,467,954)	(5,048,522)
General and administrative expenses	4	(961,524)	(1,103,243)
Provision for impairment losses of financial assets		(7,399)	(6,327)
Operating loss		(355,063)	(1,004,164)
Finance income		121,774	223,808
Finance costs		(3,301)	(4,652)
Finance income, net		118,473	219,156
Loss before income tax		(236,590)	(785,008)
Income tax (expense)/credit	5	(92,343)	35,696
Loss for the year		(328,933)	(749,312)
Loss attributable to equity holders of the Company		(328,933)	(749,312)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Note</i>	2025 HK\$'000	2024 HK\$'000
Loss for the year		(328,933)	(749,312)
Other comprehensive income/(loss)			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences from translation of financial statement of subsidiaries		100,709	(103,790)
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Changes in the fair value of financial assets at fair value through other comprehensive income		(1,026)	(308)
Other comprehensive income/(loss) for the year, net of tax		99,683	(104,098)
Total comprehensive loss for the year		(229,250)	(853,410)
Total comprehensive loss attributable to equity holders of the Company		(229,250)	(853,410)
Loss per share attributable to equity holders of the Company			
Basic	6	HK(6.23) cents	HK(13.74) cents
Diluted	6	HK(6.23) cents	HK(13.74) cents

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2025

		As at 31 December	
		2025	2024
	Note	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Intangible assets		94,036	109,630
Property, plant and equipment	8	1,428,006	1,402,965
Right-of-use assets		373,568	387,812
Prepayments for property, plant and equipment		61,038	35,673
Deferred income tax assets		610,782	584,761
Financial asset at fair value through other comprehensive income		8,477	9,281
		<u>2,575,907</u>	<u>2,530,122</u>
Current assets			
Inventories		520,751	487,579
Trade and bills receivables	9	1,655,644	1,208,123
Prepayments, deposits and other receivables		876,827	804,700
Financial asset at fair value through profit or loss		1,303	–
Tax recoverable		–	4,600
Fixed deposits		111,557	54,095
Cash and cash equivalents		3,604,664	5,216,379
		<u>6,770,746</u>	<u>7,775,476</u>
Total assets		<u>9,346,653</u>	<u>10,305,598</u>
EQUITY			
Equity attributable to owners of the Company			
Share capital	10	58,641	58,631
Other reserves		7,914,135	8,711,187
Accumulated losses		(455,458)	(105,219)
Total equity		<u>7,517,318</u>	<u>8,664,599</u>

CONSOLIDATED BALANCE SHEET (continued)

AS AT 31 DECEMBER 2025

		As at 31 December	
		2025	2024
	Note	HK\$'000	HK\$'000
LIABILITIES			
Non-current liabilities			
Deferred government grant		53,258	53,259
Deferred income tax liabilities		101,586	96,218
Lease liabilities		48,222	66,918
		<u>203,066</u>	<u>216,395</u>
Current liabilities			
Trade payables	11	742,106	659,681
Contract liabilities, accruals and other payables		807,725	697,875
Amounts due to a related company		412	447
Current income tax liabilities		39,339	33,855
Lease liabilities		36,687	32,746
		<u>1,626,269</u>	<u>1,424,604</u>
Total liabilities		<u>1,829,335</u>	<u>1,640,999</u>
Total equity and liabilities		<u>9,346,653</u>	<u>10,305,598</u>
Net current assets		<u>5,144,477</u>	<u>6,350,872</u>
Total assets less current liabilities		<u>7,720,384</u>	<u>8,880,994</u>

NOTES

1. Basis of preparation

(a) Compliance with HKFRS and the HKCO

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 (“HKCO”).

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

(b) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the financial asset at fair value through other comprehensive income (“FVOCI”) and financial asset at fair value through profit or loss (“FVTPL”), which are measured at fair value.

(c) Amendment to the existing standard adopted by the Group

The Group has applied the amendment to HKAS 21 Lack of Exchangeability for the first time for its annual report period commencing 1 January 2025. The amendment did not have any material impact on the amounts recognised in prior periods and is not expected to significantly affect the current or future periods.

(d) New standards, amendments to existing standards and interpretation issued not yet adopted

Certain new accounting standards, amendments to existing standards and interpretation have been published that are not mandatory for 31 December 2025 reporting period and have not been early adopted by the Group, are as follows:

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity (amendments)	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (2020) Presentation of Financial Statements (Amendments)	Classification by the borrower of a term loan that contains a repayment on demand clause	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statement of comprehensive income and providing management-defined performance measures within the financial statements.

The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18. The directors of the Group are currently assessing the detailed implications of applying the new standards on the Group’s consolidated financial statements.

The directors of the Group will adopt the above new standards, amendments and improvements to existing standards and interpretation when they become effective. Except for the above disclosed impact, the directors of the Group are in the process of assessing the financial impact of the adoption of the above new standards, amendments and improvements to existing standards and interpretation, none of which is expected to have a significant effect on the consolidated financial statements of the Group in the current or future reporting periods and on foreseeable future transactions.

2. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (“CODM”).

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors of the Company that make strategic decisions.

The CODM reviews the performance of the Group on a regular basis.

As substantial business operations of the Group relate to the manufacturing, selling and distribution of cleaning products, the CODM makes decisions about resources allocation and performance assessment based on the entity-wide consolidated financial information. Accordingly, there is only one single operating segment for the Group qualified as reportable segment under HKFRS 8. No separate segmental analysis is presented in the consolidated financial statements.

An analysis of the Group’s non-current assets excluding deferred income tax assets, by geographical locations, is as follows:

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Hong Kong	22,298	28,121
Mainland China	1,942,827	1,917,240
	<u>1,965,125</u>	<u>1,945,361</u>

3. Revenue

(a) Revenue by products

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Revenue recognised at a point in time:		
Fabric care products	7,401,256	7,627,243
Personal hygiene products	577,993	512,405
Home care products	429,662	415,953
	<u>8,408,911</u>	<u>8,555,601</u>

(b) Revenue from external parties contributing 10% or more of the total revenue of the Group

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Customer A	<u>937,136</u>	<u>743,697*</u>

* Revenue from this customer did not exceed 10% of the total revenue for the year ended 31 December 2024. The amount is shown for comparative purpose.

All of the Group’s revenue was generated from customers in the People’s Republic of China (the “PRC”) for the years ended 31 December 2025 and 2024, accordingly, no revenue by geographical location is presented.

4. Expenses by nature

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of inventories sold	3,047,375	3,020,885
Promotion expenses	2,286,825	2,597,637
Employee benefit expense	1,775,943	1,896,625
Transportation expenses	638,690	771,215
Advertising expenses	481,352	569,439
Depreciation of property, plant and equipment (Note 8)	147,683	146,920
Travelling expenses	61,295	58,794
Other tax expenses	61,207	101,684
Depreciation of right-of-use assets	41,811	65,153
Rental expenses related to short-term leases	39,539	23,652
Utility expenses	34,646	37,733
Consulting fee	21,323	18,701
Amortisation of intangible assets	20,176	22,683
Donation	15,244	25,901
Maintenance expenses	14,487	17,594
Motor expenses	13,656	15,502
Manufacturing overheads (excluding depreciation)	13,616	14,695
Property management fee	9,859	11,967
Telecommunication expenses	9,196	9,617
Consumables	8,410	9,176
Office expenses	5,649	6,231
Auditor's remuneration		
– Audit service	3,560	3,480
– Non-audit services	1,102	2,107
Recruitment fee	2,800	3,284
Training expenses	446	2,025
Provision for impairment on property, plant and equipment (Note 8)	305	3,923
Others	61,243	67,307
	<u>8,817,438</u>	<u>9,523,930</u>

5. Income tax expense/(credit)

The amount of income tax charged/(credited) to the consolidated profit or loss is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
– PRC corporate income tax	74,454	118,215
– Under-provision in prior years	1,381	8,597
Deferred income tax expense/(credit)	<u>16,508</u>	<u>(162,508)</u>
Income tax expense/(credit)	<u>92,343</u>	<u>(35,696)</u>

(a) Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Company and its subsidiaries have no assessable profit arising in or deriving from Hong Kong during the year ended 31 December 2025 (2024: Nil).

(b) PRC corporate income tax ("CIT")

Current income tax expense primarily represents the provision for CIT for subsidiaries operating in the PRC. These subsidiaries are subject to CIT on their taxable income as reported in their respective statutory financial statements in accordance with the relevant tax laws and regulations in the PRC.

Blue Moon (Chongqing) Co., Ltd. has been qualified as a Western Region Encouragement Industrial Enterprise and has enjoyed a preferential income tax rate of 15% since 2017 until 2030.

6. Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company of approximately HK\$328,933,000 (2024: Loss attributable to equity holders of the Company of approximately HK\$749,312,000) by the weighted average number of ordinary shares in issue, less shares held under the 2021 Share Award Plan and the 2022 Share Award Plan during the year of approximately 5,281,134,000 shares (2024: 5,453,865,000 shares).

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss attributable to equity holders of the Company used in calculating basic and diluted loss per share	(328,933)	(749,312)
Weighted average number of ordinary shares in issue less shares held under the 2021 Share Award Plan and the 2022 Share Award Plan during the year	5,281,134	5,453,865
Basic loss per share (HK cent per share)	<u>(6.23)</u>	<u>(13.74)</u>

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares. The Company has two categories of potential ordinary shares: share options and shares held under the 2021 Share Award Plan and the 2022 Share Award Plan during the year.

All shares granted under the Share Award Plan are not included in the calculation of diluted loss per share for the year ended 31 December 2025 because they are anti-dilutive (2024: Same). These shares could be potentially dilutive in future.

The basic and diluted loss per share for the year ended 31 December 2025 are the same because there are no dilutive potential ordinary shares (2024: Same).

7. Dividends

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim dividend paid of HK8.0 cents per share (2024: interim dividend of HK4.0 cents per share)	446,772	219,972
Proposed final dividend of HK10.0 cents per share (2024: final dividend of HK6.0 cents per share)	<u>557,573</u>	<u>332,546</u>
	<u>1,004,345</u>	<u>552,518</u>

An interim dividend of HK8.0 cents per share (2024: interim dividend of HK4.0 cents per share) was paid to shareholders whose names appeared on the Register of Members of the Company on 22 September 2025.

A final dividend in respect of the year ended 31 December 2024 of HK6.0 cents per share was proposed by the Board on 25 March 2025 and was approved by the shareholders of the Company (the “Shareholders”) in the annual general meeting held on 6 June 2025.

A final dividend in respect of the year ended 31 December 2025 of HK10.0 cents per share was proposed by the Board on 26 March 2026 and to be approved by the Shareholders in the forthcoming annual general meeting. This proposed final dividend, amounting to HK\$557,573,000, has not been recognised as a liability in the consolidated financial statements.

8. Property, plant and equipment

	Buildings <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Plant and machinery <i>HK\$'000</i>	Furniture, fixtures and equipment <i>HK\$'000</i>	Motor Vehicles <i>HK\$'000</i>	Construction- in-progress <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 January 2025							
Cost	1,184,902	78,995	810,674	209,175	25,989	61,583	2,371,318
Accumulated depreciation and impairment	(241,458)	(30,211)	(545,623)	(133,988)	(17,073)	–	(968,353)
Net book amount	<u>943,444</u>	<u>48,784</u>	<u>265,051</u>	<u>75,187</u>	<u>8,916</u>	<u>61,583</u>	<u>1,402,965</u>
Year ended 31 December 2025							
Opening net book amount	943,444	48,784	265,051	75,187	8,916	61,583	1,402,965
Additions	4,605	19,914	4,805	27,295	240	106,980	163,839
Disposals	(19,041)	(1,833)	(4,625)	(233)	(388)	–	(26,120)
Transfer	4,892	–	61,430	2,442	–	(68,764)	–
Depreciation	(31,143)	(18,440)	(68,793)	(28,096)	(1,211)	–	(147,683)
Impairment	–	–	–	(305)	–	–	(305)
Exchange differences	23,326	1,225	6,604	1,915	208	2,032	35,310
Closing net book amount	<u>926,083</u>	<u>49,650</u>	<u>264,472</u>	<u>78,205</u>	<u>7,765</u>	<u>101,831</u>	<u>1,428,006</u>
As at 31 December 2025							
Cost	1,200,257	82,982	884,145	233,844	25,932	101,831	2,528,991
Accumulated depreciation and impairment	(274,174)	(33,332)	(619,673)	(155,639)	(18,167)	–	(1,100,985)
Net book amount	<u>926,083</u>	<u>49,650</u>	<u>264,472</u>	<u>78,205</u>	<u>7,765</u>	<u>101,831</u>	<u>1,428,006</u>

9. Trade and bills receivables

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	1,541,924	1,063,481
Bills receivables	<u>240,777</u>	<u>263,183</u>
Trade and bills receivables	1,782,701	1,326,664
Less: Loss allowance	<u>(127,057)</u>	<u>(118,541)</u>
Trade and bills receivables, net	<u>1,655,644</u>	<u>1,208,123</u>

The Group generally allows a credit period of up to 60 days to its key account clients and major online e-commerce customers, as well as certain offline distributors with good credit history on a discretionary basis.

The aging analysis of trade and bills receivables as at the year-end date, based on invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0-30 days	1,224,043	853,491
31-60 days	241,403	190,297
61-180 days	171,940	159,609
Over 180 days	<u>145,315</u>	<u>123,267</u>
	<u>1,782,701</u>	<u>1,326,664</u>

The Group applies the HKFRS 9 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables.

10. Share capital

	Number of shares	Share capital <i>HK\$'000</i>
<u>Authorised ordinary shares of HK\$0.01 each:</u>		
At 1 January and 31 December 2024, and 1 January and 31 December 2025	10,000,000,000	100,000
<u>Ordinary shares of HK\$0.01 each, issued and fully paid:</u>		
At 1 January 2024	5,862,993,406	58,630
Issuance of ordinary shares upon – exercise of share options (Note)	110,000	1
At 31 December 2024 and 1 January 2025	5,863,103,406	58,631
Issuance of ordinary shares upon – exercise of share options (Note)	987,850	10
At 31 December 2025	5,864,091,256	58,641

Note:

For the year ended 31 December 2025, 987,850 (2024: 110,000) share options were exercised at weighted average exercise price of HK\$3.76 (2024: HK\$3.76) per share, resulting in the issuance of 987,850 (2024: 110,000) additional ordinary shares of the Company and additional share capital and share premium of approximately HK\$10,000 (2024: HK\$1,000) and HK\$3,704,000 (2024: HK\$413,000) respectively.

11. Trade payables

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	742,106	659,681

At 31 December 2025 and 2024, the aging analysis of the trade payables based on invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Up to 3 months	718,147	656,552
3 to 6 months	22,546	1,031
6 months to 1 year	948	804
Over 1 year	465	1,294
	742,106	659,681

BUSINESS REVIEW

The Group has continued to advance strategic optimisation, focused on technological innovation and quality upgrading, and strived to achieve a dual improvement in operational efficiency and brand value. Amid the complex and volatile market environment, the Group has maintained steady development, and led the industry's healthy development with the responsibility and commitment as a leading enterprise.

The Group achieved significant improvement in its results of operation in 2025. For the year ended 31 December 2025, the Group achieved revenue of approximately HK\$8,409 million, and its loss for the year substantially narrowed by 56.1% year-on-year to approximately HK\$329 million, marking substantial progress in the Group's strategic adjustment and its entry into the next stage of development. The Group has accelerated its omni-channel layout and development, proactively expanded emerging channels and continuously optimised business operations, achieving steady development of channels.

The Group has always actively implemented the national “dual carbon” strategy and adhered to high industry standards. With an active ingredient concentration of up to 47%, far exceeding the requirements of national standards and industrial standards, Blue Moon's Zhizun biotech liquid laundry detergent innovatively adopts a multi-complex bio-enzyme technology that precisely decomposes various types of stains, achieving both high-efficiency decontamination and gentle fabric care, and enabling a win-win outcome of cleaning performance and water conservation and emission reduction. This has not only strongly driven the industry's transformation and upgrading toward the “Concentrate Plus” direction, but also accurately met consumers' sophisticated laundry and care needs. Blue Moon products are highly popular among consumers. In 2025, the two trademark brands, “Blue Moon” and “Zhizun”, both attained the highest AAA rating¹ in the Well-Known Trademark Brand Evaluation conducted by the China Trademark Association. Blue Moon is the first enterprise in the industry to receive this distinguished recognition.

Fabric Care Products

The Group continued to strengthen its product portfolio in fabric care products, which generated revenue of HK\$7,401 million in 2025. Among the Group's products, Zhizun biotech liquid laundry detergent (至尊生物科技洗衣液) has performed steadily across major e-commerce platforms, consistently holding the leading position in the “618 Shopping Festival”, the “Double 11” and other large-scale promotional events in terms of sales across multiple platforms.

Sources:

¹ China Trademark Association (中華商標協會)

In 2025, the Group continued to advance market penetration of its Zhizun “Concentrate Plus” liquid laundry detergent series. Through optimised channel layout, product portfolio, promotional strategies and platform resource allocation, the Group aimed to enhance product promotion, expand customer base and unlock new business growth opportunities with the empowerment of knowledge-based marketing. With core advantages including instantly dissolving in water within 1 second, precisely cleaning 8 items with only 1 pump, rapid cleaning, concentrated and high-efficiency, as well as eco-friendly, this series of products have benefited consumers with water, electricity and time saved, and have been receiving high recognition from consumers. Since its launch, Zhizun biotech liquid laundry detergent has performed consistently well across major e-commerce platforms, maintaining a cumulative positive review rate of over 98%. The Group also has continued to promote the marketing for best-selling categories such as underwear liquid laundry detergent (內衣專用洗衣液), bacteria and odor removal liquid laundry detergent (除菌去味洗衣液) and sports liquid laundry detergent (運動型洗衣液), continuously enrich its product portfolio and diversify its product portfolio to better meet consumers’ diverse and sophisticated cleansing needs. Furthermore, through in-depth household surveys, the Group has discovered that children’s clothing and school uniforms are easily stained with large areas of dispersed dust, sweat stains and oil stains during daily wear, making them difficult to clean. Targeting the pain points of fabric cleaning mentioned above, the Group conducted innovative research and development and launched the new product Blue Moon Fabrics Stain Remover (藍月亮衣物去漬劑). This product can deeply penetrate into fabric fibers to precisely target and break down all kinds of stains that are difficult to remove. Moreover, owing to the adoption of the convenient spray design, it is capable of not only evenly coating, but also precisely acting on key areas of stains such as collar and cuff. The use of Blue Moon Fabrics Stain Remover with Zhizun (至尊) series detergents can effectively improve the efficiency of fabric stain removal, while the usage process is convenient and hassle-free.

The Group has continued to deepen the strategic layout of knowledge-based marketing, and has systematically established a diverse communication system and an in-depth user communication mechanism through an integrated online and offline channel matrix with multi-touchpoints and full coverage, continuously reinforcing the brand's professional image and users' trust. Over 380 immersive experience events under the theme of "Journey to Cleanliness" (至尊潔淨之旅) were held annually with the laundry science and technology hub opened to consumers. These events were centered on scenario-based instruction, immersive experience and interactive science popularisation, and aimed to comprehensively and systematically convey the concept and awareness of scientific laundry in order to help consumers truly master the healthy laundry washing way that is efficient, hassle-free and fabric-friendly. To achieve the aim, the Group launched a series of activities, including inviting consumers to attend the laundry science and technology museum to explore secrets of cutting-edge technology, have a face-to-face dialogue with senior laundry scientists and take part in the professional practical training on washing and care. Meanwhile, the Group has created the brand IP known as "Remarkable Laundry Technologies for the Future (了不起的未來洗衣科技)", employing a variety of youthful and diverse narrative formats, including music videos, creative micro-dramas and light-weight micro-variety shows. This approach achieved entertaining and scenario-based communication and emotional connections with the new generation. Furthermore, the Group has continued to conduct in-depth collaboration with the Mid-Autumn Festival galas broadcast by CCTV and Hunan TV, promoting Blue Moon's brand philosophy of freshness, cleanliness, reunion and a better life.

Blue Moon Liquid Laundry Detergent has continued to receive widespread recognition from consumers and the industry. According to statistics from the China National Commercial Information Center (中華全國商業信息中心), Blue Moon Liquid Laundry Detergent ranked first in terms of overall market share among similar products for 16 consecutive years (2009-2024)¹. Based on the China Brand Power Index(C-BPI) brand ranking and analysis report released by Chnbrand, Blue Moon Liquid Laundry Detergent topped the C-BPI list for 15 consecutive years (2011-2025)².

Personal hygiene products

In 2025, revenue from personal hygiene products reached HK\$578 million, representing a year-on-year increase of 12.8%. The increase was mainly attributable to the optimisation and expansion of the Group's online and offline channels, as well as the launch of new products.

Sources:

1 China National Commercial Information Center (中華全國商業信息中心)

2 Chnbrand (Beijing) Brand Consulting Co., Ltd. (中企品研(北京)品牌顧問股份有限公司)

In the personal care segment, the Group launched the new product of Jingxiang Foaming Body Wash Moisturizing Type (淨享泡沫沐浴露水潤型). The product adopts micron-sized foam technology, allowing a single pump to deliver dense foam without the need of rubbing; with easy-rinse formula, it can be rinsed off immediately with no slippery or sticky residue; formulated with multiple amino acid surfactants, combined with hydration-balancing technology and high-moisturizing ingredients, it achieves an average moisture retention rate of over 98%, truly achieving efficient cleansing, mild moisturisation, and comfortable experience, and caters to the hydrating and moisturizing needs of all seasons.

The Group has steadily advanced its market layout of Jingxiang Foaming Body Wash: the Group successively enriched the portfolio of new products in the Jingxiang series in 2025. The Group collaborated with CCTV News to launch the thematic campaign “Blue Moon Renewed Technology, Unveils the New Jingxiang Experience”, which greatly enhanced the influence and value of the Jingxiang brand. At the same time, the Group partnered with brand ambassador Tan Jianci, and launched the co-branded gift boxes across multiple platforms such as JD.com, Tmall, and Douyin. On the launch day, Jingxiang Foaming Body Wash ranked Top 1 on the sales charts of new body wash on multiple platforms, achieving a simultaneous growth in brand awareness and product sales.

Blue Moon liquid soap has also been widely recognised by consumers and the industry. According to statistics from China National Commercial Information Center (中華全國商業信息中心), Blue Moon liquid soap ranked first in the overall market share of similar products for 13 consecutive years (2012-2024)¹. According to the China Brand Power Index Brand Ranking and Analysis Report released by Chnbrand, Blue Moon liquid soap ranked first in the China Brand Power Index (C-BPI) for 15 consecutive years (2011-2025), thanks to its outstanding brand strength².

Home care products

In 2025, the revenue of the Group’s home care products reached HK\$430 million, representing a year-on-year increase of 3.3%, with sales revenue maintaining a steady growth. The Group continued to innovate its products and expand its market presence, improving its portfolio of professional home care products for various scenarios. The home care products cover a wide range of scenarios such as utensil, fruit and vegetable washing, kitchen hood cleaning, toilet cleaning, washing machine cleaning, floor cleaning, glass cleaning, furniture cleaning and household disinfection, providing solutions for consumers’ diversified daily living scenarios. Through omni-channel synergy, optimisation of product mix, expansion of offline distribution network and in-store display, adjustment of resource allocation of online platform, expansion of customer base for home care categories, the Group can achieve an increase in market penetration through a two-pronged approach.

Sources:

1 China National Commercial Information Center

2 Chnbrand (Beijing) Brand Consulting Co., Ltd. (中企品研(北京)品牌顧問股份有限公司)

Supply chain management

The Group has deepened its comprehensive quality management. Adhering to the philosophy of “prevention first, process control and continuous improvement”, the Group has implemented quality control throughout its entire process, established a stable and reliable quality assurance system, and built a solid line of defense for product quality to serve a broad consumer base.

At the same time, the Group expanded the application of digital factories, drove supply chain optimisation and on-site improvement with data, and enhanced the intelligence of manufacturing and logistics through the technology integration of IT (Information Technology) and OT (Operational Technology). The Group optimised the operation of factories and logistics bases across the country to adapt to the development of new channels, and improved the product delivery model, so as to elevate the e-commerce 2C delivery capabilities to industry-leading level.

On the other hand, focusing on supply chain synergy and cost control, the Group achieved improvement in both efficiency and effectiveness. Adhering to the supplier collaboration strategy, we deepened the professional integration of core businesses; optimised production and logistics costs, improved e-commerce packaging protection, enhanced operational efficiency, and accurately optimised costs.

Talent Management

In response to the development trend of emerging markets and the needs of business strategies, the Group actively pioneered the selection, cultivation and motivation of innovative talents, so as to inject new impetus into the strategic growth of the Company. Adhering to the concept of “talent-driven business”, the Group continued to increase the introduction of high-quality talents. In the development of talents’ professional ability, the Group paid attention to “unleashing potential and applying knowledge in practice”, and encouraged employees to deepen their cultivation, refinement and development in core business and specialised technologies to improve their professional capabilities. In terms of incentive mechanism, the Group continued to optimize the job grade system to broaden career development paths for talent, promoted the precise empowerment of remuneration strategy and strengthened the orientation of value creation, and implemented share incentive plans to build a long-term system for shared growth. In addition, the Group empowered the transformation and upgrading of human resources management through digitalisation to accelerate digitalisation reconstruction of the entire chain.

Optimisation and breakthrough of cost structure

In 2025, the Group continued to deepen its lean management and cost control, and significantly optimised its overall cost structure.

Selling and distribution expenses decreased by 11.5% year-on-year, mainly due to the continuous optimisation of sales channel structure, the precise allocation of market resources and the in-depth application of digital marketing, which effectively reduced channel promotion and logistics-related costs and significantly improved cost efficiency.

General and administrative expenses decreased by 12.8% year-on-year, mainly due to the streamlining of the organisational structure, the automation upgrading of business processes, and the implementation of the shared service system, which continuously released management efficiency and promoted a steady decline in administrative expenses.

FINANCIAL REVIEW

The Group recorded a substantial reduction of 56.1% in the loss attributable to equity holders of the Company for the year ended 31 December 2025, being HK\$328.9 million, as compared to the loss attributable to equity holders of the Company of approximately HK\$749.3 million for the year ended 31 December 2024, for reasons of improvement in operational efficiency and the benefits of channel strategy investments.

Revenue

For the year ended 31 December 2025, the Group recorded revenue of approximately HK\$8,408.9 million, which remained stable as compared to approximately HK\$8,555.6 million for the year ended 31 December 2024.

The following table sets forth a breakdown of the Group's revenue from sales of products by product categories for the periods indicated.

	Year ended 31 December				
	2025	2024		Change	
	Revenue <i>HK\$'000</i>	Total (%)	Revenue <i>HK\$'000</i>	Total (%)	(%)
Fabric care products	7,401,256	88.0	7,627,243	89.1	(3.0)
Personal hygiene products	577,993	6.9	512,405	6.0	12.8
Home care products	429,662	5.1	415,953	4.9	3.3
Total	<u>8,408,911</u>	<u>100.0</u>	<u>8,555,601</u>	<u>100.0</u>	<u>(1.7)</u>

The sales of fabric care products and home care products remained stable for the year ended 31 December 2025 compared to the year ended 31 December 2024. On the other hand, the sales of personal hygiene products for the year ended 31 December 2025 recorded a 12.8% growth compared to the year ended 31 December 2024, mainly driven by the Group's improved online and offline marketing and the launch of new products.

The following table sets forth a breakdown of the Group's revenue contribution by channels for the periods indicated.

	Year ended 31 December				
	2025	2024		Change	
	Revenue <i>HK\$'000</i>	Total (%)	Revenue <i>HK\$'000</i>	Total (%)	(%)
Online sales channels	4,975,338	59.2	5,103,690	59.7	(2.5)
Offline distributors	3,074,355	36.5	3,128,989	36.5	(1.7)
Direct sales to key account clients	359,218	4.3	322,922	3.8	11.2
Total	<u>8,408,911</u>	<u>100.0</u>	<u>8,555,601</u>	<u>100.0</u>	<u>(1.7)</u>

The sales via online channels and sales to offline distributors remained stable for the year ended 31 December 2025 compared to the year ended 31 December 2024. The sales to key account clients increased by around 11.2% during the year ended 31 December 2025 compared to the year ended 31 December 2024, primarily due to better sales performance at major key account clients.

Cost of Sales

Cost of sales remained stable at approximately HK\$3,388.0 million for the year ended 31 December 2025 as compared to approximately HK\$3,372.2 million for the year ended 31 December 2024.

Gross Profit

The Group's gross profit decreased by approximately 3.1% to approximately HK\$5,021.0 million for the year ended 31 December 2025 as compared to approximately HK\$5,183.4 million for the year ended 31 December 2024. The gross profit margin of the Group remained relatively stable, with a slight decrease from 60.6% for the year ended 31 December 2024 to 59.7% for the year ended 31 December 2025.

Other Income and Other Gains/(Losses), Net

The Group recorded a net gain in other income and other gains of approximately HK\$60.9 million for the year ended 31 December 2025 compared to a net loss of approximately HK\$29.5 million for the year ended 31 December 2024, primarily due to the net foreign exchange gains recognised during the year. The net foreign exchange gains for the year ended 31 December 2025 mainly arose from the revaluation of the offshore assets held by the Group in United States dollar ("USD") and Renminbi ("RMB"), as the USD and RMB appreciated against HK\$ during the year ended 31 December 2025.

Selling and Distribution Expenses

The Group's selling and distribution expenses decreased by approximately 11.5% from approximately HK\$5,048.5 million for the year ended 31 December 2024 to approximately HK\$4,468.0 million for the year ended 31 December 2025 was primarily due to optimisation of marketing and omni-channel sales strategy.

General and Administrative Expenses

The Group's general and administrative expenses decreased by approximately 12.8% from HK\$1,103.2 million for the year ended 31 December 2024 to approximately HK\$961.5 million for the year ended 31 December 2025, which was primarily due to the reduction in staff costs as a result of the improvement of the operational efficiency.

Provision for Impairment Losses of Financial Assets

Additional provision for impairment losses of financial assets amounted to approximately HK\$7.4 million was provided for the year ended 31 December 2025.

Operating Loss

As a result of the foregoing, the Group recorded an operating loss of approximately HK\$355.1 million for the year ended 31 December 2025 as compared to an operating loss of approximately HK\$1,004.2 million for the year ended 31 December 2024.

Finance Income and Costs

Finance income decreased by approximately 45.6% from approximately HK\$223.8 million for the year ended 31 December 2024 to approximately HK\$121.8 million for the year ended 31 December 2025.

Finance costs decreased by approximately 29.0% from approximately HK\$4.7 million for the year ended 31 December 2024 to approximately HK\$3.3 million for the year ended 31 December 2025.

Loss before Income Tax

As a result of the foregoing, the Group recorded a loss before income tax of approximately HK\$236.6 million for the year ended 31 December 2025, which was substantially reduced by 69.9% as compared to a loss before income tax of approximately HK\$785.0 million for the year ended 31 December 2024.

Income Tax Expense/(Credit)

The Group recorded an income tax expense of approximately HK\$92.3 million for the year ended 31 December 2025, with an effective tax rate of approximately -39.0%, compared to an income tax credit of approximately HK\$35.7 million and an effective tax rate of approximately 4.5% for the year ended 31 December 2024, primarily due to the revised utilisation plan of deductible temporary difference.

Loss for the Year and loss attributable to Equity Holders of the Company

As a result of the foregoing, the Group's loss attributable to equity holders of the Company was approximately HK\$328.9 million for the year ended 31 December 2025, which was substantially reduced by 56.1% as compared to a loss attributable to equity holders of the Company of approximately HK\$749.3 million for the year ended 31 December 2024. Such reduction in losses was mainly due to the improvement in the Group's overall operational efficiency and the reflection of the results of its channel strategy investments. Cost optimisation and process simplification have enabled the Group to allocate resources more accurately and efficiently, cutting down redundant expenditures. Meanwhile, the Group has continued to invest in the promotion of new products and knowledge-based marketing, identifying "achieving omni-channel reach for concentrated liquid laundry detergents and other new products" as one of its core strategic expenditures. It is committed to popularising the method of scientific washing and expanding the consumer reach of new products. Investment in channel strategy has expanded the market coverage of products and enhanced customer reach. Through continuous investment in emerging e-commerce platforms and promotion of new products, the Group has successfully attracted more new customers among the younger demographic.

In 2025, the Group further consolidated its product market share by consistently driving the popularisation of concentrated liquid laundry detergents. In the second half of 2025, the Group began to actively promote its JingXiang foaming body wash (淨享泡沫沐浴露), which features an innovative foam technology and a mild amino acid cleaning formula. This product meets consumers' demands for convenient, efficient, safe and healthy lifestyles. By expanding the promising personal care market and optimising its product mix, the Group has laid a solid foundation for the further development of full-category products in the future.

Basic and Diluted Loss Per Share

Loss per share (basic and diluted) for the year ended 31 December 2025 was approximately HK6.23 cents and HK6.23 cents respectively.

Liquidity and Financial Resources

The total bank deposits and cash of the Group, comprising the Group's cash and cash equivalents and fixed deposits, decreased by approximately 29.5% from approximately HK\$5,270.5 million as at 31 December 2024 to approximately HK\$3,716.2 million as at 31 December 2025, primarily due to net cash used in operating activities, the payment of 2024 final dividend and 2025 interim dividend during the year and purchase of shares held for the Group's share award plan.

As at 31 December 2025, the net current assets of the Group were approximately HK\$5,144.5 million (31 December 2024: approximately HK\$6,350.9 million). The Group's current ratio (current assets/current liabilities) was approximately 4.16 times as at 31 December 2025 (31 December 2024: approximately 5.46 times).

As at 31 December 2025, the Group had no borrowings (31 December 2024: Nil). Gearing ratio, which is calculated using total bank borrowings divided by total equity, is therefore not applicable as at 31 December 2025 and 31 December 2024.

Capital Expenditure and Capital Commitment

During the year ended 31 December 2025, the capital expenditure of the Group was approximately HK\$188.0 million, which was primarily used to finance the Group's production capacity expansion for its existing production base.

As at 31 December 2025, the capital commitment of the Group amounted to approximately HK\$141.2 million, which was primarily related to the expansion in production capacity of the Group's existing production base.

Pledge of Assets of the Group

As at 31 December 2025, the Group did not have any pledge on assets.

Exposure to Foreign Exchange

The majority of the Group's subsidiaries are operating in the PRC with most of the transactions and assets (other than the unutilised proceeds raised from the Global Offering (as defined in the Prospectus) denominated in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of the foreign exchange control promulgated by the PRC government. Due to the simplicity of the Group's financial structure and current operations, save as aforementioned, no hedging activities are undertaken by management of the Group.

Contingent Liabilities

As at 31 December 2025, the Group had no material contingent liabilities.

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

The Company did not have significant investments, acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2025.

Future Plan for Material Investments or Capital Assets

Save as disclosed in this announcement under "Capital Expenditure and Capital Commitment" and "Use of Unutilised Net Proceeds from the Company's Global Offering", the Group did not have any future plan for other material investments or acquiring capital assets.

AWARDS

The Group has received numerous awards and recognitions in recognition of its brand, business operations, products and corporate social responsibility achievements. The table below sets forth a summary of significant awards and recognitions that the Group has received:

Awards/Certifications	Awarding Year	Awarding Body
Blue Moon liquid laundry detergent and liquid soap brands ranked first in China Brand Power Index (C-BPI) (藍月亮洗衣液、洗手液獲中國品牌力指數(C-BPI)第一名)	2011-2025	Chnbrand (Beijing) Brand Consulting Co., Ltd. (中企品研(北京)品牌顧問股份有限公司)
Blue Moon liquid laundry detergent and liquid soap ranked first in comprehensive market share among similar products (藍月亮洗衣液及洗手液榮列同類產品市場綜合佔有率第一位)	2009-2024 (liquid laundry detergent) 2012-2024 (liquid soap)	China National Commercial Information Center (中華全國商業信息中心)
Responsible Brand Award at the 14th China Philanthropy Festival (第十四屆中國公益節年度責任品牌獎)	2015-2025	The 14th China Philanthropy Festival Organizing Committee (第十四屆中國公益節組委會)
Caring Company (商界展關懷)	2021-2025	The Hong Kong Council of Social Services (香港社會服務聯會)
Both the “Blue Moon” and “Zhizun” trademarks have been awarded the highest AAA rating in Famous Trademark Brand Evaluation Certification (“藍月亮”及“至尊”兩大商標品牌獲得知名商標品牌評價的最高級 AAA 級)	2025.9.3-2028.9.2	The China Trademark Association (中華商標協會)
Hong Kong Corporate Governance Excellence Awards (香港公司管治卓越獎)	2024-2025	The Chamber of Hong Kong Listed Companies (香港上市公司商會)
ESG Excellence Awards – Honourable Mention (環境、社會及管治卓越獎評獎委員會嘉許)	2025	The Chamber of Hong Kong Listed Companies (香港上市公司商會)

RESEARCH AND DEVELOPMENT

The Group's business has benefited from its strong track record in research and development. In 2025, the Group devoted considerable resources in enhancing its research and development capabilities from its internal resources as well as the net proceeds raised from the Global Offering (as defined in the prospectus of the Company dated 4 December 2020 (the "**Prospectus**")). The Group has a two-pronged research and development focus, including (i) introducing new products to meet evolving consumer preferences and to elevate user experience; and (ii) developing and sharing scientific and practical cleaning methods with consumers.

HUMAN RESOURCES

The Group had approximately 6,514 employees as at 31 December 2025. Salaries of employees are maintained at competitive levels.

2021 Share Award Plan

On 3 June 2021, the Board approved the adoption of the 2021 share award plan and on 26 March 2024, the Board approved amendments thereto (the "**2021 Share Award Plan**") to recognise and reward the contribution of certain eligible participants to the growth and development of the Group.

Pursuant to the rules relating to the 2021 Share Award Plan, the Board may, acting through the Awards Committee, during the continuation of the 2021 Share Award Plan, at its absolute discretion select any eligible participant (other than an excluded participant) to participate in the 2021 Share Award Plan as a selected participant and determine the awards to be granted, subject to such terms and conditions as it may in its absolute discretion determine (including but not limited to, where applicable, the vesting schedule and lock-up, if any, applicable to the awarded shares).

As at 31 December 2025, 276,670,999 share awards have been granted pursuant to the 2021 Share Award Plan to 610 eligible participants, all of which are to be satisfied by existing shares. Under 2021 Share Award Plan, no share awards have been granted to any connected persons (as defined under the Listing Rules) of the Company. As at the date of this announcement, 265,843,589 share awards granted have been vested in accordance with the 2021 Share Award Plan and the relevant grant notices.

2022 Share Award Plan

On 29 March 2022, the Board approved the adoption of the 2022 share award plan and on 26 March 2024, the Board approved amendments thereto (the "**2022 Share Award Plan**") to recognise and reward the contribution of certain eligible participants who are executive Directors of the Company or directors of the subsidiaries of the Group to the growth and development of the Group and to give incentives in order to retain them for the continual operation and development of the Group.

Pursuant to the rules relating to the 2022 Share Award Plan, the Board may, make an award out of the share pool to any of the eligible participants such number of issued shares of the Company as it shall determine. The eligibility of any of the eligible participants under the 2022 Share Award Plan to an award shall be determined by the Board from time to time on the basis of the Board's opinion as to his or her contribution and/or the anticipated future contribution to the development and growth of the Group and the grant of an award to eligible participants who are executive Directors of the Company shall be approved by members of the remuneration committee of the Company (other than by himself or herself).

As at 31 December 2025, 119,600,000 share awards have been granted pursuant to the 2022 Share Award Plan to 3 executive Directors and 3 directors of subsidiaries of the Company. As at 31 December 2025, 75,700,000 share awards granted have been vested in accordance with the 2022 Share Award Plan and the relevant grant notices which are subject to lock-up arrangement.

FUTURE PROSPECTS

In 2025, the Group's strategic adjustments yielded remarkable results, with overall competitiveness continuously enhanced, losses substantially narrowed, and operational resilience fully demonstrated. Looking ahead, with a user-centric approach, the Group will continue to adhere to the principles of innovation, green development and sustainability, closely monitor market trends, continuously optimise its business strategies, increase investment in research and development, and launch more high-quality products that meet consumer needs and align with environmental objectives, thereby providing users with a lifetime of trouble-free cleaning solutions. The Group will focus on the following core strategic directions, and accelerate high-quality development and long-term sustainable growth.

- **Develop comprehensive household cleaning solutions:** the Group will continue to upgrade its existing product lines and refine its product matrix across all scenarios spanning fabric care, personal care and home care to consistently enhance the professionalism and convenience of its comprehensive household cleaning solutions. At the same time, the Group will actively expand into new product categories to better meet consumers' diverse needs.
- **Enhance omni-channel sales efficiency and product penetration:** the Group will optimise coordination across its sales channels, promoting deep integration of its online and offline channels. In terms of online channels, the Group will focus on refining its product mix and improving the effectiveness of its targeted marketing campaigns, while strengthening its layout and penetration in social e-commerce and emerging platforms. In terms of offline channels, the Group will implement refined management for distributors, deepen its channels to lower-tier cities, expand regional coverage and enhance in-store execution. Through establishing an omni-channel integration, the Group will reach more consumers precisely.
- **Enhance knowledge-based marketing:** the Group will continue to conduct thematic campaigns such as "scientific washing" (科學洗滌) and "Journey to cleanliness" (至尊潔淨之旅) to strengthen consumers' understanding of and trust in its product functions and brand philosophies. At the same time, through innovating forms of IP content delivery and leveraging short videos, live streaming and interactive marketing, the Group will seek to enhance its brand communication effectiveness.
- **Digitalisation and sustainable development:** the Group will continue to advance the development of its digital factories, promoting intelligent manufacturing and data-driven optimisation of production and operation. We will also promote green packaging system to reduce plastic usage and carbon emissions. On the supply chain side, the Group will continuously strengthen its system resilience and improve its risk response capabilities. In terms of corporate governance, the Group will rigorously implement ESG principles and further integrate environmental responsibility, social contribution, and corporate governance to build a core competitiveness in sustainable development.
- **Continuously deepen talent strategy:** adhering to talent-driven development, the Group will continuously attract and cultivate high-level and versatile talents, improve its incentive and development systems, empower human resources management with digitalisation, and build an agile and efficient organisation, so as to support the Company's high-quality growth.
- **Dividend:** the Group will continuously review its dividend policy to provide stable and sustainable return to its shareholders.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK10.0 cents per Share out of the share premium account of the Company for the year ended 31 December 2025. Subject to approval of the shareholders of the Company (the “**Shareholders**”) at the forthcoming annual general meeting of the Company (the “**AGM**”) and compliance with the Companies Law of the Cayman Islands, the final dividend will be paid in cash on Thursday, 11 June 2026 to those Shareholders whose name appear on the register of members of the Company on Wednesday, 3 June 2026.

CORPORATE GOVERNANCE

The Company’s corporate governance practices are based on the principles and code provisions of the Corporate Governance Code (the “**CG Code**”), as set out in Appendix C1 to the Rules Governing the Listing (the “**Listing Rules**”) of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) during the year ended 31 December 2025, and the Company has adopted the CG Code as its own corporate governance code.

The Board is of the view that the Company has complied with all applicable code provisions as set out in the CG Code during the year ended 31 December 2025.

The Board will periodically review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its code of conduct for Directors’ securities transactions. Each Director had been given a copy of the code of conduct regarding security transactions upon his/her appointment, and the Company issues two reminders each year thereafter, being 30 days prior to the Board meeting approving the interim results of the Company and 60 days prior to the Board meeting approving the annual results of the Company, reminding the Directors that they (including their respective spouse, minor child and others whose dealings are treated as dealings by them under the Model Code) are not allowed to deal in the securities of the Company prior to and on the day of publication of the announcement of the results (the periods during which the Directors are prohibited from dealing in shares), and that all transactions must be conducted according to the Model Code.

After having made specific enquiries, each Director has confirmed that he/she has complied with the requirements of the Model Code during the year ended 31 December 2025.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company (the “**Audit Committee**”) has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2025. The Audit Committee has also reviewed the accounting principles and practices adopted by the Group and its internal controls and financial reporting matters.

The figures in respect of the Group’s consolidated balance sheet, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Group’s auditor, PricewaterhouseCoopers, to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on this announcement.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the second amended and restated articles of association of the Company, or the applicable laws of the Cayman Islands where the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the year ended 31 December 2025 and up to the date of this announcement, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities. As at 31 December 2025, the Group did not hold any treasury shares.

EVENTS AFTER REPORTING PERIOD

Pursuant to Rule 13.32B of the Listing Rules and the announcement of the Company dated 8 January 2026, the Company has adopted the alternative threshold for the minimum prescribed public float, i.e. the class of shares of the Company listed on the Stock Exchange and held by the public must, at all times (a) have a market value of at least HK\$1,000,000,000; and (b) represent at least 10% of the Company’s total number of issued shares in that class of shares (excluding treasury shares).

ANNUAL GENERAL MEETING

The AGM will be held on Friday, 22 May 2026. The notice of AGM will be published and issued to the Shareholders on Friday, 24 April 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed as follows:

- (a) For the purpose of ascertaining the Shareholder's eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both days inclusive. In order to be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, for registration no later than 4:30 p.m. on Monday, 18 May 2026.
- (b) For the purpose of ascertaining Shareholder's eligibility for the final dividend, the register of members of the Company will be closed from Monday, 1 June 2026 to Wednesday, 3 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the above mentioned final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, for registration by no later than 4:30 p.m. on Friday, 29 May 2026.

The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

USE OF UNUTILISED NET PROCEEDS FROM THE COMPANY'S GLOBAL OFFERING

The net proceeds (the "**Net Proceeds**") from the initial public offering of the shares in December 2020 (together with the issuance of shares pursuant to the full exercise of the Over-allotment Option (as defined in the Prospectus) in January 2021), after deducting the underwriting commission and other estimated expenses, of HK\$11,004 million have been partially utilised and the Board has subsequently resolved to change the use of unutilised net proceeds on 25 March 2025. As at 31 December 2025, the total unutilised Net Proceeds amounted to approximately HK\$577 million (the "**Unutilised Net Proceeds**"). The breakdown on the actual utilisation of Unutilised Net Proceeds during the year ended 31 December 2025 which accords with the manner as disclosed in the annual results announcement of the Company dated 25 March 2025, and the breakdown of the Unutilised Net Proceeds as at 31 December 2025 and the expected timeline they may be utilised are set out below:

Intended use	Revised allocation of the Unutilised Net Proceeds as at 31 December 2024⁽¹⁾⁽²⁾ <i>Approximately HK\$ million</i>	For the year ended 31 December 2025 Utilised amount <i>Approximately HK\$ million</i>	As at 31 December 2025 Unutilised amount <i>Approximately HK\$ million</i>	Expected timeline for full utilisation of the Unutilised Net Proceeds
Financing business expansion including production capacity expansion plans and to purchase equipment and machinery to facilitate such expansion plan as well as the development of the Group's laundry services	672	95	577	By 31 December 2028
Raising brand awareness, further strengthening the Group's sales and distribution network and increasing product penetration	2,643	2,643	–	By 31 December 2028
Working capital and for other general corporate purposes	–	–	–	N/A
Enhancing research and development capabilities	45	45 ⁽³⁾	–	By 31 December 2025
Total	<u>3,360</u>	<u>2,783</u>	<u>577</u>	

Note:

- On 25 March 2025, the Board has resolved to change the use of the Unutilised Net Proceeds to optimise the deployment of financial resources to align with the Group's overall and long-term business strategies.
- The net proceeds amount of approximately HK\$11,004 million include approximately HK\$2,500 million net proceeds utilised in the financial year ended 31 December 2021, approximately HK\$1,300 million net proceeds utilised in the financial year ended 31 December 2022, approximately HK\$2,074 million net proceeds utilised in the financial year ended 31 December 2023, approximately HK\$1,770 million net proceeds utilised in the financial year ended 31 December 2024 and approximately HK\$3,360 million net proceeds brought forward from the financial year ended 31 December 2024 which were utilised in the manner set out in the table above. The net proceeds utilised in the financial year ended 31 December 2025 was approximately HK\$2,783 million of which HK\$577 million remained unutilised in the financial year ended 31 December 2025 and were brought forward.
- The amount represents a portion of the research and development expenses in the financial year ended 31 December 2025. The Group also used internal funds for its research and development expenses in the financial year ended 31 December 2025.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.bluemoon.com.cn), respectively. The annual report of the Company will be published on the websites of the Stock Exchange and the Company, respectively.

By Order of the Board
Blue Moon Group Holdings Limited
PAN Dong
Chairman & Executive Director

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Ms. PAN Dong, Mr. LUO Qiuping, Ms. LUO Dong, Mr. POON Kwok Leung and Ms. XIAO Haishan as Executive Directors; and Mr. Bruno Robert MERCIER, Ms. NGAN Edith Manling and Mr. HU Yebi as Independent Non-executive Directors.