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Softcare
乐舒适

Softcare Limited
樂舒適有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2698)

POSITIVE PROFIT ALERT

This announcement is made by Softcare Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2026 ("**1H 2026**") and the information currently available to the Board, the Group is expected to record (i) revenue not less than US$328 million for 1H 2026, representing an increase of not less than 28% as compared with the revenue of approximately US$255 million for the six months ended June 30, 2025 ("**1H 2025**"); (ii) a profit for 1H 2026 not less than US$73 million, representing an increase of not less than 40% as compared with the profit of approximately US$52 million for 1H 2025; and (iii) an adjusted net profit (non-IFRS measure)[(Note 1)] not less than US$75 million for 1H 2026, representing an increase of not less than 47% as compared with the adjusted net profit (non-IFRS measure) of approximately US$51 million for 1H 2025.

Note 1: The Group defines adjusted net profit (non-IFRS measure) after excluding the effects of (i) listing expenses, (ii) net foreign exchange gains or losses, (iii) share-based payment expenses, and (iv) income tax effects of non-IFRS adjustments.

Based on the information currently available to the Board, the Board considers that such increases are due to the following reasons:

(1) The increase in revenue was mainly attributable to the combined growth in sales volume and average selling price in 1H 2026. By deepening its sales channels, optimizing its production layout and expanding into new markets, the Group maintained its leading position in core operating countries in East and West Africa and major African hygiene products markets, exported its products to adjacent countries, and actively expanded into hygiene products markets in Latin America, thereby driving growth in sales volume. In addition, the average selling price of all product categories increased as the exchange rates of most operating currencies against the US dollar, including the Ghanaian Cedi, the Zambian Kwacha, the West CFA franc and the Central CFA franc, strengthened in 1H 2026 as compared with those in 1H 2025;

(2) The increase in profit in 1H 2026 was mainly attributable to (i) the increase in gross profit as a result of the above-mentioned increase in revenue; (ii) an increase in income generated from bank deposits, primarily due to the higher bank balances maintained by the Group during 1H 2026 as compared with 1H 2025, as a result of the proceeds received from the listing of the Company in November 2025; (iii) the absence of listing expenses incurred during 1H 2026, representing a saving as compared with 1H 2025; and (iv) being partially offset by net foreign exchange losses arising from the depreciation of currencies including the Euro against the US dollar during 1H 2026; and

(3) As the adjusted net profit (non-IFRS measure) excludes the impact of listing expenses and net foreign exchange gains or losses for both 1H 2026 and 1H 2025, the increase in adjusted net profit (non-IFRS measure) for 1H 2026 was primarily attributable to the factors set out in paragraphs (2)(i) and paragraphs (2)(ii) above. The adjusted net profit (non-IFRS measure) for 1H 2025 of approximately US$51 million was derived by adding back listing expenses of approximately US$2 million and share-based payment expenses of approximately US$1 million, and deducting net foreign exchange gains of approximately US$4 million from the profit of approximately US$52 million.

The Board wishes to emphasize that adjusted net profit (non-IFRS measure) is not defined under the IFRS Accounting Standards issued by the International Accounting Standards Board. It is of the view that the presentation of adjusted net profit (non-IFRS measure) facilitates comparison of operating performance from period-to-period, and provides useful information for investors and others to understand and evaluate the consolidated results of operations of the Group in the same manner as they help the Company's management by eliminating the impact of certain items.

As of the date of this announcement, the Company is still in the process of finalizing the unaudited consolidated interim results of the Group for 1H 2026. The information contained in this announcement is based solely on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for 1H 2026 and information currently available to the Board, and is not based on any figure or information which has been audited or reviewed by the auditors of the Company or reviewed by the audit committee of the Board. The actual interim results of the Group for 1H 2026 may differ from the information contained in this announcement. Shareholders and potential investors are advised to carefully read the interim results announcement of the Company for 1H 2026, which is expected to be published by the end of August 2026.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Softcare Limited
Shen Yanchang
Chairman of the Board and Non-executive Director

Hong Kong, 21 July 2026

As at the date of this announcement, (i) Mr. Luo Jichao and Mr. Zhao Yongqiang are the executive Directors; (ii) Mr. Shen Yanchang, Ms. Yang Yanjuan and Mr. Zhou Renwei are the non-executive Directors; and (iii) Ms. Lou Aidong, Mr. Gao Jianming and Mr. Xu Jing are the independent non-executive Directors.