AUNTEA JENNY
沪上阿姨

Auntea Jenny (Shanghai) Industrial Co., Ltd.
滬上阿姨(上海)實業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02589)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board (the "**Board**") of directors (the "**Directors**") of Auntea Jenny (Shanghai) Industrial Co., Ltd. (the "**Company**") hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended June 30, 2026 (the "**Reporting Period**"), together with the comparative figures for the corresponding period of 2025, as follows:

FINANCIAL PERFORMANCE HIGHLIGHTS

	For the six months ended June 30,		
	2026	2025	Change
	RMB'000	*RMB'000*	(%)
	(unaudited)	(unaudited)	
Revenue	**2,589,445**	1,818,461	42.4
Gross profit	**818,335**	571,544	43.2
Profit for the period	**321,225**	202,898	58.3
Profit for the period attributable to owners of the parent	**321,225**	202,898	58.3
Adjusted profit for the period (a non-IFRS Accounting Standards measure)(1)	**345,085**	243,730	41.6
Earnings per share *(RMB)*			
– Basic	**3.05**	1.97	54.8
– Diluted	**3.05**	1.97	54.8

Note:

(1) The Group defines adjusted profit for the period (a non-IFRS Accounting Standards measure) as the amount after excluding the effects of the following items: (i) share-based payment expenses; and (ii) listing expenses incurred in connection with the Global Offering.

In this announcement, "we", "us" or "our" refers to the Company and (as otherwise required by the context) the Group.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2026

	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
REVENUE	4	**2,589,445**	1,818,461
Cost of sales		**(1,771,110)**	(1,246,917)
Gross profit		**818,335**	571,544
Other income and gains, net		**21,825**	16,300
Selling and marketing expenses		**(293,213)**	(187,886)
Administrative expenses		**(95,113)**	(93,016)
Research and development expenses		**(33,631)**	(24,824)
Finance costs		**(2,700)**	(1,730)
PROFIT BEFORE TAX	5	**415,503**	280,388
Income tax expense	6	**(94,278)**	(77,490)
PROFIT FOR THE PERIOD		**321,225**	202,898
Attributable to:			
Owners of the parent		**321,225**	202,898
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic *(RMB)*	8	**3.05**	1.97
Diluted *(RMB)*	8	**3.05**	1.97

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**321,225**	202,898
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	**(517)**	(8)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods:	**(517)**	(8)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Change in fair value	**(11,797)**	4,336
Income tax effect	**2,949**	(1,084)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods:	**(8,848)**	3,252
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**(9,365)**	3,244
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**311,860**	206,142
Attributable to:		
Owners of the parent	**311,860**	206,142

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**46,252**	42,412
Right-of-use assets		**138,715**	96,552
Intangible assets		**14,822**	13,312
Financial investments at fair value through profit or loss		**16,500**	4,500
Financial investments at fair value through other comprehensive income		**62,172**	73,968
Deferred tax assets		**25,344**	26,618
Long-term time deposits		**273,785**	191,479
Other non-current assets		**23,815**	23,108
Total non-current assets		**601,405**	471,949
CURRENT ASSETS			
Inventories		**262,249**	230,529
Trade receivables	*9*	**53,157**	25,492
Prepayments, other receivables and other assets		**192,754**	192,977
Prepaid income tax		**649**	4,128
Financial assets at fair value through profit or loss		**762,809**	703,081
Restricted cash		**–**	4,506
Short-term time deposits		**22,025**	140,410
Cash and cash equivalents		**1,381,627**	1,208,354
Total current assets		**2,675,270**	2,509,477
CURRENT LIABILITIES			
Trade payables	*10*	**337,673**	349,376
Other payables and accruals		**345,021**	344,850
Contract liabilities		**132,330**	149,817
Interest-bearing bank borrowings		**18,600**	2,000
Financial liabilities at fair value through profit or loss		**4,059**	–
Lease liabilities		**35,322**	38,814
Dividend payable		**105,203**	71,117
Tax payable		**44,402**	44,889
Total current liabilities		**1,022,610**	1,000,863
NET CURRENT ASSETS		**1,652,660**	1,508,614
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,254,065**	1,980,563

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
NON-CURRENT LIABILITIES			
Contract liabilities		**5,794**	1,749
Lease liabilities		**92,584**	53,614
Deferred tax liabilities		**67**	97
Total non-current liabilities		**98,445**	55,460
Net assets		**2,155,620**	1,925,103
EQUITY			
Equity attributable to owners of the parent			
Share capital		**105,203**	105,203
Reserves		**2,050,417**	1,819,900
Total equity		**2,155,620**	1,925,103

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Auntea Jenny (Shanghai) Industrial Co., Ltd. (the "**Company**") was registered in the People's Republic of China (the "**PRC**") as a limited liability company on 18 November 2013. The registered office of the Company is located at Room 124, Floor 1, No. 28, Shenpujing Road, Zhujing Town, Jinshan District, Shanghai.

The Company and its subsidiaries (collectively referred to as the "**Group**") were involved in the operation of a franchised tea drink retailing network and the sale of tea drink related products in the PRC.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong on 8 May 2025.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. The interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

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

3. OPERATING SEGMENT INFORMATION

No operating segment information is presented as the Group's revenue and reported results during the six months ended 30 June 2026 and 2025, and the Group's total assets as at 30 June 2026 and 31 December 2025 were derived from one single operating segment.

Geographical information

As the majority of the Group's revenues were generated in the Chinese mainland and the majority of the Group's non-current assets were in the Chinese mainland during the six months ended 30 June 2026 and 2025, no further geographical segments are presented.

Information about major customers

No sales to a single customer accounted for more than 10% of the Group's total revenue during the six months ended 30 June 2026 and 2025.

4. REVENUE

An analysis of revenue from contracts with customers is as follows:

(i) Disaggregated revenue information

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from self-operated stores	**46,015**	23,697
Revenue from franchisees:		
Sales of goods to franchisees	**2,083,123**	1,471,208
Franchising services	**396,905**	282,978
Others	**63,402**	40,578
Total	**2,589,445**	1,818,461

(ii) Timing of revenue recognition

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
At a point in time	**2,192,540**	1,531,496
Over time	**396,905**	286,965
Total	**2,589,445**	1,818,461

5. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold*	**1,512,408**	1,058,855
Depreciation of property, plant and equipment	**12,245**	10,758
Depreciation of right-of-use assets	**20,545**	21,725
Amortisation of intangible assets	**1,576**	1,380
Lease payments not included in the measurement of lease liabilities	**3,100**	639
Employee benefit expenses (including directors' and supervisors' remuneration):		
Wages, salaries and allowances	**223,774**	168,360
Pension scheme contributions and other social welfare	**37,269**	28,751
Share-based payment expenses	**23,860**	29,184
Total	**284,903**	226,295
Impairment of property, plant and equipment**	**–**	1,337
Marketing and promotion expenses	**136,619**	71,821
Transportation expenses	**109,947**	70,719
Service fees	**46,846**	34,294
Listing expenses	**–**	11,648
Bank interest income	**(5,855)**	(2,002)
Interest on interest-bearing bank borrowings	**216**	291
Interest on lease liabilities	**2,484**	1,439

* The cost of inventories sold excludes depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets, employee benefit expenses, lease expenses and transportation expenses which are included in the cost of sales in the interim condensed consolidated statements of profit or loss.

** The amount is included in cost of sales in the interim condensed consolidated statements of profit or loss.

6. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the EIT rate of the Group's PRC subsidiaries is 25% unless subject to tax exemption set out below.

One of the Group's PRC subsidiaries is engaged in businesses in the "Encouraged Industries in the Western Region" and eligible for the preferential EIT rate of 15% during the six months ended 30 June 2026 and 2025.

One of the Group's PRC subsidiaries is engaged in businesses in the "Guangdong-Macao In-Depth Cooperation Zone in Hengqin" and eligible for the preferential EIT rate of 15% during the six months ended 30 June 2026.

Two of the Group's PRC subsidiaries are accredited as "High and New Technology Enterprises" and were entitled to a preferential income tax rate of 15% during the six months ended 30 June 2026 and 2025.

Certain of the Group's PRC subsidiaries are qualified as small and micro enterprises and were entitled to a preferential EIT rate of 5% for the taxable income below RMB3 million during the six months ended 30 June 2026 and 2025.

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax	**90,084**	75,802
Deferred tax	**4,194**	1,688
Tax charge for the period	**94,278**	77,490

7. DIVIDEND

On 8 December 2025, the Company declared an interim dividend of RMB71,117,242 to its shareholders. Such dividend was fully paid on 4 February 2026.

On 24 June 2026, the Company's shareholders approved a final dividend of RMB105,203,020 for the year ended 31 December 2025 at the annual general meeting. Such dividend will be paid on 5 August 2026.

On 24 June 2026, the Company's shareholders approved the proposal on the authorization to the Board to formulate the 2026 interim profit distribution plan.

On 31 July 2026, the Board declared an interim dividend of RMB210,406,040 to its shareholders. Such dividend will be paid on 29 September 2026.

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 period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 105,203,020 (30 June 2025: 103,188,037) outstanding during the six months ended 30 June 2026.

(a) Basic

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to owners of the parent *(RMB'000)*	**321,225**	202,898
Weighted average number of ordinary shares used in the basic earnings per share calculation	**105,203,020**	103,188,037
Basic earnings per share *(RMB)*	**3.05**	1.97

(b) Diluted

Diluted earnings per share amounts presented are the same as the basic earnings per share amounts as there were no potentially dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

9. TRADE RECEIVABLES

Payment in advance is normally required for the delivery of the goods and rendering services to franchisees. The Group's trade receivables are mainly generated from sales contracts of equipment with certain customers, instalment repayments are allowed and part of the sales consideration will be collected after one year. The credit period is generally 15 to 90 days. Each customer has a maximum credit limit. 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.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the date of product delivery or franchising services rendering and net of loss allowance, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 month	**3,088**	4,444
1 to 3 months	**2,163**	14,673
3 to 6 months	**33,762**	6,312
6 months to 1 year	**14,144**	63
Total	**53,157**	25,492

10. TRADE PAYABLES

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

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 month	**281,742**	318,870
1 to 3 months	**27,724**	25,664
3 to 6 months	**24,644**	3,948
Over 6 months	**3,563**	894
Total	**337,673**	349,376

The trade payables are non-interest-bearing and are normally settled on terms of typically 30 days.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

We are a fast-growing global multi-brand freshly-made beverage company. Through our portfolio of freshly-made beverage brands, primarily Auntea Jenny (滬上阿姨) and Fallstea (茶瀑布), we precisely meet the diverse consumption needs of consumers. We operate a franchise-focused business model and our mutually beneficial franchise system forms the foundation for long-term and stable cooperation with our franchisees. By strategically focusing on the lower-tier markets, we have established a strong presence in China's lower-tier markets in terms of total store count among mid-priced freshly-made tea shop brands.

Our store network

As of June 30, 2026, our global store network comprised 13,155 stores, of which 35 were self-operated stores and 13,120 were franchised. Our store network covered all four centrally administered municipalities and over 300 cities in five autonomous regions and 22 provinces in China. In the first half of 2026, we continued to expand our overseas business. As of June 30, 2026, 61 stores had been opened overseas, with our coverage extending to the United Kingdom, Australia and Indonesia for the first time, further expanding our brand influence.

Set forth below is a breakdown of our stores by geography and city tier as of June 30, 2026:

	For the six months ended June 30,			
	2026		2025	
	Number of stores	**%**	*Number of stores*	*%*
First-tier cities	**949**	**7.2**	714	7.6
New first-tier cities	**2,447**	**18.6**	1,899	20.1
Second-tier cities	**2,676**	**20.3**	1,998	21.2
Third and lower-tier cities	**7,022**	**53.4**	4,824	51.1
Overseas	**61**	**0.5**	1	0.0
Total	**13,155**	**100.0**	9,436	100.0

Note: The percentages may not add up to the total due to rounding.

The freshly-made tea shop market in third and lower-tier cities in China is the largest and is expected to be the fastest-growing segment from 2023 to 2028 in terms of gross merchandise value, with significant potential for future growth according to the CIC Report. We place great emphasis on the third and lower-tier cities and have advantages in terms of store coverage and supply chain network. As of June 30, 2026, our stores in third and lower-tier cities accounted for 53.4%, representing a 2.3 percentage point increase year-on-year.

Our franchise model

The core of our business model is cooperation with franchisees who are committed to our concept and highly motivated to grow our brand and store network. We have a mutually beneficial franchise model which requires low initial investment and provides comprehensive franchise support. Under our franchise arrangement, our franchisees are responsible for leasing the stores, managing the operation of the stores and hiring staff. Through our highly standardised and digitalised store management system, we provide comprehensive and lifecycle support and supervision including site selection planning and evaluation, store opening support, digitalised operation support, supervision and training support to franchisees, enabling franchisees to overcome challenges and improve operations. In addition, we continuously enhance store profitability by providing high-quality and diverse products based on consumer insights and a robust nationwide supply chain. The comprehensive franchisee support platform, the proven track record of success in the lower-tier markets and the mutually beneficial franchise model all support the sustainable expansion of our store network. As of June 30, 2026, our franchise network comprised 8,014 franchisees operating 13,120 stores.

The table below sets forth the movement of the number of our franchisees for all brands for the periods indicated:

	For the six months ended June 30,	
	2026	2025
Number of franchisees at the beginning of the period	**6,974**	5,455
Number of franchisees onboarded during the period	**1,625**	782
Number of franchisees who ceased store operations during the period	**(585)**	(531)
Number of franchisees at the end of the period	**8,014**	5,706

The table below sets forth the movement of our franchised store count for all brands for the periods indicated:

	For the six months ended June 30,	
	2026	2025
Franchised store count at the beginning of the period	**11,423**	9,152
Number of franchised stores opened during the period	**2,253**	905
Number of franchised stores closed during the period	**(556)**	(645)
Franchised store count at the end of the period	**13,120**	9,412

In the first half of 2026, leveraging our established advantages of scale and our forward-looking analysis of future market trends, we further expanded our store network, fully seized development opportunities in lower-tier markets, and focused on consolidating our market position. Our mature store model remained highly aligned with the partnership demand from our expanding franchisee base. The number of our franchised stores increased significantly to 13,120 as of June 30, 2026, achieving our goal of steady store development and orderly expansion.

We focus on consumer experience and store operational performance, while balancing the long-term development of the brand with reasonable returns for our franchisees. Taking into account the operating conditions of our stores and our overall expansion strategy, we insist on prioritizing quality and ensuring the viability of the single-store profitability model. We implement the principle of selective expansion and contraction, scientifically coordinate the management of franchised stores, and proactively optimize our network layout. While some stores closed due to factors beyond our control, such as lease expirations and the inability to find suitable new locations, our rational optimization and systematic management of the store structure have ensured that the overall service level, operating quality, and profitability of our operating stores maintained a steady and positive trend. During the Reporting Period, the number of franchised stores we closed decreased compared to the same period of the previous year, further realizing the synergistic development of scale expansion and operational efficiency.

Product development

Our comprehensive product development system enables us to launch highly recognisable signature bestsellers such as Mango Pomelo Sago (楊枝甘露) and Thick Taro Paste Tapioca Pearl Milk Tea (厚芋泥波波奶茶), while also allowing us to respond swiftly to market trends with seasonal and regionally exclusive offerings. In addition to developing new products, we are also committed to advancing recipe enhancements and improving product consistency, so as to maintain the competitiveness of our products. During the Reporting Period, we actively expanded our new retail business, continuously enriching our product matrix to provide consumers with more choices and cover a wider range of consumption scenarios.

In the first half of 2026, building on the philosophy of "Daily Health+", we continued to enhance the integration and delivery of the nutritional value of high-quality ingredients. Leveraging our deep understanding of the value of health, we launched a total of 142 new products. Among them, our Fruit & Veggie Tea series (果蔬茶系列) gained widespread recognition from consumers for its rich nutritional value, eye-catching presentation, and refreshing taste.

Through the product innovation and iteration of our Kale Series (羽衣甘藍系列), we not only achieved dual breakthroughs in product nutrition and taste, but also seized this opportunity to collaborate with industry experts to actively promote and advocate for the upgrade of nutritional standards in the industry, achieving a leap forward from recipe refinement to the popularisation of standard initiatives. Our deep commitment to the healthy tea beverage sector has not only reinforced consumers' perception of our brand as a healthy choice but also further solidified our competitive differentiation.

With the gradual rollout of coffee machines in our stores, while upgrading our classic coffee offerings, we also continued to enrich our product portfolio, successfully launching new differentiated products featuring distinctive flavors such as Amber Camero (琥珀卡美羅) and Quadruple Coconut Macchiato (四重香椰瑪奇朵), which received positive market feedback. Seizing the opportunity presented by the convergence of the tea and coffee sectors and focusing on consumer scenarios and needs, we further broke down category boundaries. This not only met the differentiated needs of a diverse range of consumers but also further improved the operational efficiency of our stores. Adhering to its "health-conscious" principle, Fallstea operates on the core R&D concept of "Real Tea, Real Milk". It specializes in high-quality, affordable fresh milk tea with genuine tea leaves and is committed to delivering a great value-for-money experience to consumers. During the Reporting Period, several new iced milk products launched by Fallstea gained widespread consumer preference for their premium taste and high-quality ingredients, achieving synergistic development with our main brand.

Supply chain management

Procurement

We remained committed to ensuring the favorable price, excellent quality, and stable supply of our raw materials. During the Reporting Period, we continued to deeply cultivate global origin resources. By establishing a model of designated planting at the source and direct sourcing, we forged deep and binding partnerships with quality suppliers and OEM manufacturers, comprehensively deepening our upstream supply chain presence and continuously improving the quality, flavor, and supply stability of our core product categories.

Relying on the substantial procurement demand from our nationwide stores and our strong supply chain layout, we are able to leverage our scale advantages. We have established a comprehensive supplier management system. Using digital models and centralised management mechanism, we continuously expand our reserve of high-quality suppliers. Through refined data analysis and market trend assessment, we conduct forward-looking supply and demand forecasting and strengthen purchase price range management to enhance our bargaining power. By securing favourable purchasing terms through economies of scale, we effectively reduce raw material procurement costs and drive supply chain efficiency upgrades, providing strong support for the sustained operation of our franchise business.

In parallel with the continuous upgrading of our procurement model, we have strengthened quality control by leveraging the standard procurement mechanisms and digital systems of our centralised procurement platform. We have implemented stringent controls across the entire process, from supplier admission and screening, raw material order acceptance, to end-user feedback, to further ensure the high stability of product quality and safety.

Logistics and Warehousing

We support the daily operational needs and rapid expansion of our store network through our nationwide supply chain network and strong comprehensive management capabilities. We adopt a flexible and efficient warehousing operation model, collaborating with independent third-party professional institutions for part of our large-scale warehousing and logistics bases and all of our frontline cold-chain storage warehouses. This, combined with the coordinated deployment of our self-operated warehousing resources, enables resource complementarity and efficient synergy. As of June 30, 2026, our supply chain network included (i) 17 large warehousing and logistics bases; (ii) 4 equipment warehouses; (iii) 7 fresh produce warehouses; and (iv) 11 frontline cold-chain storage warehouses. During the Reporting Period, we continued to focus on optimising our warehouse network structure, systematically calculating a more optimal warehouse-to-store delivery radius to further control delivery costs and improve distribution efficiency. We advanced the digital and intelligent upgrade of the entire warehousing and distribution chain, enhanced our warehousing and distribution service system, ensured stable logistics capacity, and empowered the stable operation and scalable expansion of our store network.

Production

We currently have one production facility in the PRC in Haiyan, Zhejiang province ("**Haiyan Facility**"). Our Haiyan Facility commenced commercial production in 2022, with an aggregate area of over 10,000 sq.m. Our Haiyan Facility is able to produce and process certain ingredients used in the preparation of our beverages, primarily including tapioca pearls, taro balls, taro paste and tea leaves.

Marketing and promotion

We remain committed to strategy-driven brand building, coordinating brand and promotional activities with a long-term development perspective to establish a differentiated brand image and achieve the multi-dimensional realisation of brand value. In the first half of 2026, we continued to enhance our brand image and recognition through digital marketing, celebrity endorsements, and IP collaborations to attract new customers and increase customer loyalty. These initiatives were closely aligned with the pace of our business development, effectively strengthening public awareness and goodwill towards the brand, attracting new customers, and enhancing customer recognition and user loyalty.

During the Reporting Period, we actively interacted with consumers through various platforms including Xiaohongshu, Douyin, Kuaishou, WeChat and Weibo, sharing product stories and strengthening communication and emotional resonance with consumers. We also launched targeted promotional activities and consumer benefits based on user preferences, effectively reaching highly engaged and interactive customer groups. On the marketing front, we continued to expand the boundaries of our cross-industry collaborations. During the New Year, we co-created personalised festive packaging with an internationally renowned designer to enhance the consumption atmosphere and reinforce brand quality. During the launch of the "White Rose Kale Slimming Bottle", we collaborated with "China National Geographic" to produce a source-origin documentary, reinforcing our professional image in the healthy tea beverage sector. We also combined the official announcement of our brand ambassador with the launch of the "Quadruple Coconut Macchiato" to amplify our brand presence, generating nearly 800 million impressions across the internet. These diverse brand activities not only deepened public and consumer awareness of the brand, but also effectively contributed to the accumulation of new customer assets.

Alongside the growing popularity of our brand and products, we continued to upgrade our membership system during the Reporting Period to enhance the consumer experience and boost repurchase intention. Consumers can register and access our platform through various online channels such as WeChat Mini Program, Alipay Mini Program and Douyin. As of June 30, 2026, our WeChat Mini Program had 170 million registered members, an increase of 38.6 million compared with the same period last year, with an average of 16.3 million quarterly active members, an increase of 0.5 million from the same period last year. The quarterly repurchase rate was 42.3%, an increase of 1.7 percentage points from the same period last year.

OUTLOOK

Channel Expansion: High-quality and orderly store expansion with enhanced single-store profitability

We will continue to pursue high-quality and orderly store expansion, with a scientific approach to store layout tailored to the needs of different market segments. Upholding the principle of mutual benefit and win-win cooperation, we will optimise our franchisee management system, enhance single-store profitability and shorten the investment payback period for franchisees. Leveraging efficient operations, refined management and high-quality services, we aim to attract and retain outstanding franchisee partners.

Product Innovation: Deepening tea-coffee integration to build a differentiated value experience

With health as the central theme, we will pursue product innovation, strengthen our R&D capabilities, deepen the integration of tea and coffee, and enhance the differentiated value experience. We will closely track consumption trends and industry dynamics, and leverage our deep understanding of consumer trends and user needs to create more blockbuster products. We will continue to broaden our growth space, innovate consumption scenarios and sales models, and activate diversified consumer demand.

Supply Chain Upgrade: Enhancing supply efficiency and deepening origin resource integration

We will continue to optimise our supply and resource allocation structure, and strengthen the collaborative efficiency of warehousing and distribution. In line with our business expansion plans and existing warehousing layout, we will expand our cold chain logistics network coverage, streamline the connection between warehousing and distribution, and improve our response speed and cost control capabilities. We will further expand our pool of high-quality suppliers, broaden the scope of cooperation and deepen collaborative partnerships, enhance our bargaining power, and secure the supply of core raw materials. With a safe, diverse, stable and continuously evolving supply chain system, we aim to empower store operations and support business growth.

Brand Building: Implementing a differentiated multi-brand strategy and continuously enhancing brand competitiveness

We will continue to firmly implement our multi-brand strategy. Relying on the differentiated positioning of our brands, we will penetrate different market segments, expand our market share, and enhance development resilience with diversified products, flexible pricing, and various consumption scenarios. We will strengthen our brand image, increase our brand presence, and solidify our brand competitiveness.

Digitalisation: Strengthening full-process digital application, and continuously optimising operations and food safety control

We will continue to increase investment in information technology and digitalisation, leveraging digital empowerment to drive the upgrade and iteration of the entire business chain, and optimising human resource allocation, operational processes, and decision-making efficiency through data analysis. At the same time, we will use digital means to strengthen food safety control, reduce operating costs, and ensure efficient and compliant operations.

FINANCIAL REVIEW

Revenue and gross profit

For the six months ended June 30, 2026, the Group recorded a revenue of RMB2,589.4 million, representing a 42.4% increase compared to RMB1,818.5 million for the corresponding period last year. Gross profit amounted to RMB818.3 million, representing a 43.2% increase compared to RMB571.5 million for the corresponding period last year. During the Reporting Period, the Group's revenue was primarily driven by product sales to franchisees, with overall growth supported by an increase in store count. The Group's gross profit margin for the six months ended June 30, 2026 was 31.6%, remaining stable compared with the same period last year.

Selling and marketing expenses

For the six months ended June 30, 2026, the Group's selling and marketing expenses amounted to RMB293.2 million, representing a 56.1% increase compared to RMB187.9 million for the corresponding period last year. Such increase was primarily attributable to the Group's continuous investment in brand building and marketing activities, as well as the increase in staff costs resulting from business expansion.

Administrative expenses

For the six months ended June 30, 2026, the Group's administrative expenses amounted to RMB95.1 million, representing a 2.3% increase compared to RMB93.0 million for the corresponding period last year, which remained generally stable.

Research and development expenses

For the six months ended June 30, 2026, the Group's research and development expenses amounted to RMB33.6 million, representing an increase of 35.5% compared to RMB24.8 million for the corresponding period last year. Such increase was primarily attributable to the Group's continuous enhancement of its product development and innovation capabilities, which led to an increase in R&D-related service fees, compensation for R&D staff and R&D material inputs.

Finance costs

For the six months ended June 30, 2026, the Group's finance costs amounted to RMB2.7 million, representing a 56.1% increase compared to RMB1.7 million for the corresponding period last year. The increase was primarily due to the corresponding increase in lease interest expenses resulting from the increase in leased assets of the Group.

Income tax expenses

Based on the above changes, for the six months ended June 30, 2026, the Group's income tax expenses amounted to RMB94.3 million, representing a 21.7% increase compared to RMB77.5 million for the corresponding period last year, primarily attributable to higher taxable income.

Profit for the period

Based on the above changes, for the six months ended June 30, 2026, the Group recorded a profit of RMB321.2 million, representing a 58.3% increase compared to RMB202.9 million for the corresponding period last year.

Non-IFRS Accounting Standards measures

To supplement our consolidated financial statements that are presented in accordance with IFRS Accounting Standards, we also use adjusted profit for the period (a non-IFRS Accounting Standards measure) and adjusted net profit margin (a non-IFRS Accounting Standards measure), as additional financial measures, which are not required by, or presented in accordance with IFRS Accounting Standards. We believe that these non-IFRS Accounting Standards measures facilitate comparisons of operating performance from period to period by eliminating potential impact of certain items. We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated financial statements in the same manner as they help our management. However, our presentation of adjusted profit for the period (a non-IFRS Accounting Standards measure) and adjusted net profit margin (a non-IFRS Accounting Standards measure) may not be comparable to similar item measures presented by other companies. The use of these non-IFRS Accounting Standards measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our consolidated financial statements or financial condition as reported under IFRS Accounting Standards. We define adjusted profit for the period (a non-IFRS Accounting Standards measure) as profit for the period adjusted for share-based payment expenses and listing expenses. We define adjusted net profit margin (a non-IFRS Accounting Standards measure) as adjusted profit for the period (a non-IFRS Accounting Standards measure) as a percentage of total revenues.

	For the six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Profit for the period	**321,225**	202,898
Add:		
Share-based payment expenses	**23,860**	29,184
Listing expenses	**–**	11,648
Adjusted profit for the period (a non-IFRS Accounting Standards measure)	**345,085**	243,730
Adjusted profit margin for the period (a non-IFRS Accounting Standards measure)	**13.33%**	13.40%

Notes:

(1) Share-based payment expenses relate to the share rewards we granted to our employees, which is a non-cash item.

(2) Listing expenses represent the fees incurred in relation to the global offering.

Inventories

As of June 30, 2026, the Group's inventories amounted to RMB262.2 million, representing an increase of RMB31.7 million from RMB230.5 million as of December 31, 2025. Our inventory turnover days slightly increased from 24 days in 2025 to 25 days for the six months ended June 30, 2026, remaining substantially stable.

Trade receivables

As of June 30, 2026, the Group's trade receivables amounted to RMB53.2 million, representing an increase of RMB27.7 million from RMB25.5 million as of December 31, 2025. The increase was primarily due to an increase in receivables for sales of ingredients and equipment payable by certain franchisees which were granted credit terms as agreed by us in written form.

Property, plant and equipment

As of June 30, 2026, the Group's property, plant and equipment amounted to RMB46.3 million, representing an increase of RMB3.9 million from RMB42.4 million as of December 31, 2025, primarily due to the combined effect of the amortisation of renovations for new self-operated stores and the increase in machinery and electronic equipment.

Trade payables

As of June 30, 2026, the Group's trade payables amounted to RMB337.7 million, representing a decrease of RMB11.7 million from RMB349.4 million as of December 31, 2025, and remained substantially stable. Our trade payables turnover days slightly increased from 34 days in 2025 to 35 days for the six months ended June 30, 2026, remaining substantially stable.

Bank borrowings

As of June 30, 2026, the Group's bank borrowings amounted to RMB18.6 million, reflecting an increase of RMB16.6 million from RMB2.0 million as of December 31, 2025.

Contract liabilities

As of June 30, 2026, the Group's contract liabilities amounted to RMB138.1 million, representing a decrease of RMB13.5 million from RMB151.6 million as of December 31, 2025, primarily due to the decrease in advances received from franchisees by the Group.

Lease liabilities

As of June 30, 2026, the Group's lease liabilities amounted to RMB127.9 million, representing an increase of RMB35.5 million from RMB92.4 million as of December 31, 2025, primarily due to an increase in leases along with the expansion of our Group's business and growth in operating scale.

Foreign exchange risk

The Group primarily operates in the PRC, and the Group is gradually expanding into selected overseas markets, therefore, the Group is exposed to certain foreign exchange risk. During the Reporting Period, the Group did not conduct any foreign exchange hedging related activity. The management of the Group will continue to monitor foreign exchange risk and will consider appropriate hedging measures in the future should the need arise.

Contingent liabilities

As of June 30, 2026, the Group had no significant contingent liabilities.

Capital commitments

As of June 30, 2026, the Group's capital commitments amounted to RMB46.1 million, representing an increase of RMB40.5 million from RMB5.6 million as of December 31, 2025, primarily related to the support for building business development systems, purchase of equipment and commitments to two investment funds.

Material acquisitions and disposals and significant investments

During the six months ended June 30, 2026, the Group did not have any material acquisitions or disposals of subsidiaries, nor consolidate any affiliated or associated companies. As of June 30, 2026, the Group did not have any significant investments.

Future plans for material investments or capital assets

As of June 30, 2026, the Group had no future plans for other material investments or capital assets save as disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated April 28, 2025 (the "**Prospectus**") and further explained in the section "Use of Proceeds from the Global Offering" below.

Pledge of assets

As at June 30, 2026, no assets of the Group were pledged.

Liquidity and capital resources

For the six months ended June 30, 2026, the Group generated cash from operating activities of RMB287.3 million, compared to RMB223.2 million for the six months ended June 30, 2025.

As at December 31, 2025, the Group's cash and bank deposits (including cash and cash equivalents, restricted cash, and short-term time deposits) amounted to RMB1,353.3 million, while totaling RMB1,403.7 million as at June 30, 2026, comprising RMB1,381.6 million in cash and cash equivalents and RMB22.0 million in short-term time deposits.

As at June 30, 2026, the Group's interest-bearing bank and other borrowings amounted to RMB18.6 million, all of which are due within one year, representing an increase of RMB16.6 million from RMB2.0 million as at December 31, 2025. All borrowings are denominated in RMB and bear interest at fixed rates. The Group had no interest rate hedging policies in place. The Group pursues a prudent cash management policy and actively manages its liquidity position to meet the Group's day-to-day operation and future development funding requirements. The Group's primary sources of funding include cash flows from operations and proceeds from the global offering.

The Group has sufficient liquidity to meet its day-to-day liquidity management and capital expenditure requirements.

Capital structure

As at June 30, 2026, the Group had net assets amounting to RMB2,155.6 million, compared to RMB1,925.1 million as at December 31, 2025. As at June 30, 2026, the Group's total current assets amounted to RMB2,675.3 million, total non-current assets amounted to RMB601.4 million, total current liabilities amounted to RMB1,022.6 million, and total non-current liabilities amounted to RMB98.4 million.

As at June 30, 2026, the Group's cash and cash equivalents were primarily denominated in RMB. As at December 31, 2025, the Group's cash and cash equivalents were primarily denominated in RMB.

The Group's gearing ratio, which equals total liabilities divided by total assets for the corresponding period, multiplied by 100%, was 34.2% as at June 30, 2026 (December 31, 2025: 35.4%).

Employees and remuneration policies

As of June 30, 2026, we had 1,679 full-time employees. For the six months ended June 30, 2026, employee benefit expenses (including remuneration for directors and chief executive) comprised wages and salaries, contributions to pension schemes, and social welfare costs, amounting to approximately RMB284.9 million.

We recruit our employees primarily from the open market through recruitment advertisements, agencies, online platforms and referrals. We attract and retain suitable personnel by offering competitive wages and benefits. The remuneration and benefits of the Group's employees are determined with reference to market benchmarks as well as their respective qualifications and competencies. Performance-based incentive schemes, such as bonuses, are also in place.

We encourage every individual within the Company to pursue career development opportunities. To support this, we provide ongoing training and career development programmes to facilitate their growth and career progression. We offer a range of professional development training and place strong emphasis on employees' occupational health and safety. At the end of each year, we conduct performance reviews for our employees, providing feedback and guidance. Based on their performance and role requirements, we offer advancement opportunities and further training.

For the purposes of rendering improvement to the Company's incentive mechanism, inspiring key employees to contribute their enthusiasm and creativity, facilitating sustainable growth of the Group's performance, and bringing value-added benefits to the eligible participants while enhancing the Group's value, so as to achieve the common development for both eligible participants and the Group, upon consideration and approval thereof at the general meeting of the Company held on September 30, 2020, the Company adopted the Pre-IPO Employee Incentive Scheme, and established a limited partnership serving as a Pre-IPO Employee Incentive Platform. For more details of the Pre-IPO Employee Incentive Scheme, please refer to "Statutory and General Information – Employee Incentive Schemes" in Appendix IV to the Prospectus.

The H Share Incentive Scheme was approved by the shareholders of the Company (the "**Shareholders**") at the extraordinary general meeting held on December 8, 2025, which is intended (i) to promote the achievement of the Company's long-term sustainable development and performance targets; (ii) to improve the Company's incentive mechanism to attract, motivate and retain the talent needed for the achievement of the Company's strategic objectives; and (iii) to closely link the interests of the incentive participants with those of the Shareholders, the investors and the Company, seek a balance between operations and executive management and supervision, enhance the Company's cohesion and promote the maximization of the Company's value. For details, please refer to the announcement and the circular of the Company dated November 17, 2025.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The H Shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on May 8, 2025 (the "**Listing Date**"). The Company issued 2,773,020 new shares at an offer price of HK$113.12 per share, and after deducting the underwriting commissions, fees and other expenses in connection with the global offering, the net proceeds from global offering amounted to HK$233.9 million (the "**Net Proceeds**"), including the net proceeds from the full exercise of the over-allotment option. The proceeds from the global offering will be utilized according to the plans disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, with details as follows:

Intended use of the Net Proceeds	Percentage of total Net Proceeds	Allocation of the Net Proceeds from the global offering *(HK$ million)*	Utilized Net Proceeds as at the end of the Reporting Period *(HK$ million)*	Unutilized Net Proceeds as at the end of the Reporting Period *(HK$ million)*	Expected timetable for full utilization
Enhancing our digitalization capabilities	25%	58.5	58.5	–	December 2027
Research and development to improve the quality of our raw materials and ingredients, create hit products, expand our product offerings and upgrade our equipment and machines	20%	46.8	21.0	25.8	December 2027
Strengthening our supply chain capabilities by enhancing our production, processing, warehousing, logistics and distribution capabilities	20%	46.8	29.0	17.8	December 2027
Enhancing our brand awareness and further expanding and empowering our store network	15%	35.0	35.0	–	December 2027
Investing in various marketing activities	10%	23.4	23.4	–	December 2027
Working capital and other general corporate purposes	10%	23.4	23.4	–	December 2027
Total	**100%**	**233.9**	**190.3**	**43.6**	

Notes:

1. Due to rounding, there may be a difference between the sum of the individual sub-values and the total amount.

2. The expected timetable for utilising the Net Proceeds from the global offering is based on the Company's best estimation of the future market conditions and is subject to changes according to our actual business operations.

INTERIM DIVIDEND

Reference is made to (i) the circular of the Company dated June 2, 2026 (the "**Circular**") and the announcement of the Company dated June 24, 2026 on the poll results of the 2025 annual general meeting, in relation to, among other things, authorization to the Board to formulate the 2026 interim profit distribution plan.

The Board announces that an interim dividend for the six months ended June 30, 2026 will be paid to the Shareholders on Tuesday, September 29, 2026, being RMB20 (tax inclusive) per ten shares of the Company (the "**Shares**"), amounting to a total of approximately RMB210.4 million (the "**2026 Interim Dividend**"). As the H Shares may be repurchased and held as treasury shares (if any) by the Company from time to time, the actual aggregate amount of the 2026 Interim Dividend to be paid will be based on the total number of Shares (excluding the treasury shares) on the record date for the payment of the 2026 Interim Dividend. The 2026 Interim Dividend shall be denominated and declared in Renminbi and paid in Hong Kong dollars to the H shareholders of the Company (the "**H Shareholders**"). The 2026 Interim Dividend payable in Hong Kong dollars will be converted based on the average benchmark exchange rate for Renminbi to Hong Kong dollars (being RMB0.866054 to HK$1) as announced by the People's Bank of China for the five business days prior to the date of the Board meeting convened to consider and approve the distribution of the 2026 Interim Dividend. The 2026 Interim Dividend payable to holders of domestic unlisted Shares of the Company (the "**Domestic Unlisted Shares**") will be distributed in Renminbi. All treasury shares held by the Company (if any) are not entitled to the 2026 Interim Dividend.

1. Closure of H Share Register of Members

For the purpose of determining the entitlement to the 2026 Interim Dividend, the register of members of the Company will be closed from Monday, August 17, 2026 to Thursday, August 20, 2026 (both days inclusive), during which period no transfer of Shares will be registered. To qualify for receiving the 2026 Interim Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, August 14, 2026. Shareholders whose names appear on the Company's register of members on Monday, August 17, 2026 (the "**Record Date**") are entitled to receive the 2026 Interim Dividend.

2. Withholding and Payment of Income Tax on 2026 Interim Dividend

According to relevant tax rules and regulations in the PRC (collectively, the "**PRC Tax Law**"), the Company is required to withhold and pay enterprise income tax at the rate of 10% when distributing the 2026 Interim Dividend to overseas non-resident enterprise H Shareholders whose names appear on the register of members for H Shares. Any H Shares registered in the name of non-individual registered Shareholders, including HKSCC Nominees Limited, other attorneys or trustees, or other organizations or groups, will be treated as Shares held by non-resident enterprise Shareholders, but excluding any H Shares registered in the name of HKSCC Nominees Limited which are held by China Securities Depository and Clearing Corporation Limited as nominee Shareholder on behalf of investors of Southbound Trading.

In accordance with the PRC Tax Law, the Company is required to withhold individual income tax when distributing the 2026 Interim Dividend to overseas non-resident individual H Shareholders whose names appear on the register of members for H Shares. The Company will determine the jurisdiction of the individual H Shareholders based on the registered addresses as recorded in the register of members for H Shares on the Record Date, with details as follows:

(1) for individual H Shareholders who are Hong Kong or Macau residents or whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10%;

(2) for individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will withhold and pay individual income tax at the rate of 10%;

(3) for individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 10% but lower than 20%, the Company will withhold and pay the individual income tax in accordance with the effective tax rate stipulated in the relevant tax treaty; and

(4) for individual H Shareholders whose country of domicile has not entered into any tax treaties with the PRC, or whose country of domicile has entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or under any other situations, the Company will withhold and pay the individual income tax at a tax rate of 20%.

If the above overseas non-resident enterprise H Shareholders and overseas non-resident individual H Shareholders are resident enterprise Shareholders or resident individual Shareholders of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, they may apply to the competent PRC tax authorities by themselves or through the Company for refund of the overpaid tax after receiving the dividends. The Company may make applications on their behalf to seek entitlement of the relevant agreed preferential treatments pursuant to the tax treaties.

In accordance with the PRC Tax Law, for dividends received by domestic individual investors from investing in H Shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect, the Company shall withhold and pay the individual income tax at the rate of 20%. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Corporation Limited for tax credit relating to the withholding tax already paid abroad. For dividends received by domestic securities investment funds from investing in Shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect, the individual income tax payable shall be the same as that for individual investors. When distributing the 2026 Interim Dividend to individual Shareholders under the "full circulation" of H Shares, the Company is required to withhold and pay the individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic enterprise investors from investing in H Shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect, the Company will not withhold the enterprise income tax for the dividends, and such enterprise investors shall report and pay relevant tax by themselves. Of which, any dividend received in respect of H Shares of the Company which have been continuously held by a domestic enterprise Shareholder for 12 months shall be exempted from enterprise income tax.

Where laws, regulations, or regulatory authorities stipulate or require otherwise, such stipulations or requirements shall prevail. H Shareholders are advised to consult their tax advisors regarding the tax implications in the PRC, Hong Kong, and other countries (regions) associated with the ownership and disposal of H Shares.

The Company will strictly comply with the requirements of relevant government authorities and will withhold and pay the corporate/individual income tax on behalf of the Shareholders whose names appear on the register of members for H Shares of the Company on the Record Date. The Company takes no responsibility for any claims arising from the failure to timely or accurately determine shareholder status, or for any disputes concerning the withholding and payment mechanism.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Group has adopted the corporate governance code set out in Appendix C1 (the "**Corporate Governance Code**") to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the "**Listing Rules**") as its own code of corporate governance. During the Reporting Period, to the best knowledge of the directors, except for the deviation from code provision C.2.1 of part 2 of the Corporate Governance Code below, the Company has fully complied with all applicable code provisions in the Corporate Governance Code.

Pursuant to code provision C.2.1 of part 2 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. During the Reporting Period, the roles of chairman of the Board and chief executive officer of the Company were performed by Mr. Shan Weijun, and he was primarily responsible for the brand strategy, major development plans and corporate culture values implementation of our Group. Our Board believes that, in view of his experience, personal profile and his roles in our Company as mentioned above, Mr. Shan is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our chief executive officer. The Board also believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring the consistent leadership within our Group and enables more effective and efficient overall strategic planning of our Group. Besides, with three independent non-executive Directors out of a total of seven Directors in our Board, there will be sufficient independent voice within our Board to protect the interests of our Company and our Shareholders as a whole. Therefore, the Board considers 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 effectively. The Board will continue to review and consider splitting the roles of chairperson of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

COMPLIANCE WITH THE MODEL CODE

The Group 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 the code of conduct for dealings in the securities of the Company by its Directors and relevant employees (i.e. employees who may be aware of inside information of the Company). The Company has made specific enquiry of all Directors, and each Director has confirmed that he/she had fully complied with the Model Code during the Reporting Period. During the Reporting Period, the Company was not aware of any non-compliance with the Model Code by its relevant employees.

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

During the Reporting Period, the Group did not purchase, sell or redeem any of the Company's listed securities (including sales of any treasury shares (as defined under the Listing Rules)). As of June 30, 2026, the Company did not hold any treasury shares.

REVIEW OF THE INTERIM RESULTS BY THE AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**"). The Audit Committee consists of three independent non-executive Directors, namely Mr. Chung Chong Sun, Mr. Han Ding-Gwo and Ms. Yu Fang Jing. Mr. Chung Chong Sun holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules and serves as the chairperson of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2026, and concluded that they had complied with appropriate accounting principles, standards and regulations, and adequate disclosures have been made. The interim results of the Group for the six months ended June 30, 2026 are unaudited but have been reviewed by the Company's independent auditor, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

EVENT AFTER THE REPORTING PERIOD

Completion of H Share Full Circulation

The Company received a filing notice issued by the China Securities Regulatory Commission in respect of the conversion of 35,255,992 of its Domestic Unlisted Shares into H Shares (the "**H Share Full Circulation**"), and obtained the approval granted by the Stock Exchange on July 6, 2026 for the listing of and permission to deal in 35,255,992 H Shares (the "**Converted H Shares**") (being the total number of Domestic Unlisted Shares to be converted and listed). On July 22, 2026, the 35,255,992 Domestic Unlisted Shares were converted into H Shares, and such Converted H Shares were listed on the Stock Exchange commencing at 9:00 a.m. on July 23, 2026. For further details of the H Share Full Circulation, please refer to the announcements of the Company dated July 4, 2025, June 29, 2026, July 6, 2026 and July 22, 2026.

Save as disclosed above, the Board is not aware of any other significant events requiring disclosure that have taken place subsequent to June 30, 2026 and up to the date of this announcement.

PUBLICATION OF 2026 INTERIM RESULTS AND 2026 INTERIM REPORT

This announcement is published on the website of the Stock Exchange (https://www.hkexnews.hk) and the website of the Company (https://ir.hsay.com), respectively. The interim report of the Company for the six months ended June 30, 2026 will also be made available on the above websites in due course and dispatched to the Shareholders who requested the printed copy.

By order of the Board
Auntea Jenny (Shanghai) Industrial Co., Ltd.
Mr. Shan Weijun
Chairperson of the Board and Executive Director

Hong Kong, July 31, 2026

As at the date of this announcement, the Board comprises: (i) Mr. Shan Weijun, Ms. Zhou Rongrong, Mr. Zhou Tianmu and Mr. Wang Jiaxing as executive Directors and (ii) Mr. Han Ding-Gwo, Mr. Chung Chong Sun and Ms. Yu Fang Jing as independent non-executive Directors.