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Shineroad International Holdings Limited

欣融國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1587)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHT

- The Group's unaudited revenue for the six months ended 30 June 2026 was RMB321.6 million, representing an increase of 1.5% as compared to that of RMB317.0 million for the corresponding period in 2025.
- The unaudited gross profit of the Group for the six months ended 30 June 2026 was RMB54.3 million, representing a decrease of 8.3% as compared to that of RMB59.2 million for the corresponding period in 2025.
- The unaudited loss for the period and attributable to owners of the parent for the six months ended 30 June 2026 was RMB48.0 million, representing a decrease of 371.2% as compared to the unaudited profit of RMB17.7 million for the corresponding period in 2025.
- The unaudited basic and diluted loss per share was RMB0.07 (30 June 2025: earning per share RMB0.03).
- The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2026 (corresponding period in 2025: Nil).

INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Shineroad International Holdings Limited (the “**Company**”) would like to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2026 (the “**Period**”), together with the comparative figures for the corresponding period in 2025 (the “**Previous Period**”).

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

For the six months ended 30 June 2026

	<i>Notes</i>	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
REVENUE	4	321,639	316,967
Cost of sales		<u>(267,353)</u>	<u>(257,743)</u>
Gross profit		54,286	59,224
Other income and gains, net	4	4,250	635
Fair value loss on financial assets at fair value through profit or loss		(87,751)	—
Selling and distribution expenses		(12,162)	(13,598)
Administrative expenses		(21,799)	(19,843)
Other expenses		(3)	(378)
Finance costs		<u>(184)</u>	<u>(275)</u>
(LOSS)/PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	5	(63,363)	25,765
Income tax expense	6	<u>15,356</u>	<u>(8,071)</u>
(LOSS)/PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		<u>(48,007)</u>	<u>17,694</u>
(LOSS)/PROFIT FOR THE PERIOD		<u>(48,007)</u>	<u>17,694</u>
Attributable to:			
Owners of the parent		<u>(48,007)</u>	<u>17,694</u>
		<u>(48,007)</u>	<u>17,694</u>

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT:			
Basic and diluted (<i>RMB</i>)	8	<u>(0.07)</u>	<u>0.03</u>
OTHER COMPREHENSIVE LOSS			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		<u>3,622</u>	<u>928</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		<u>3,622</u>	<u>928</u>
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of the company		<u>(5,850)</u>	<u>(2,637)</u>
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods		<u>(5,850)</u>	<u>(2,637)</u>
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX		<u>(2,228)</u>	<u>(1,709)</u>
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD		<u>(50,235)</u>	<u>15,985</u>
Attributable to:			
Owners of the parent		<u>(50,235)</u>	<u>15,985</u>
		<u>(50,235)</u>	<u>15,985</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	<i>Notes</i>	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	183,644	174,015
Right-of-use assets		31,578	32,225
Other intangible assets		7	9
Deferred tax assets		15,810	513
Prepayments, other receivables and other assets		6,509	943
Total non-current assets		237,548	207,705
CURRENT ASSETS			
Inventories	10	59,910	41,708
Trade receivables	11	76,927	87,378
Prepayments, deposits and other receivables		17,861	16,536
Due from related parties	18	5,838	1,219
Pledged deposits	12	12,024	19,566
Financial assets at fair value through profit or loss	13	45,000	132,751
Time deposit	12	—	30,000
Cash and cash equivalents	12	200,084	186,819
Total current assets		417,644	515,977
CURRENT LIABILITIES			
Trade payables	14	16,167	28,039
Other payables and accruals		31,504	34,744
Amounts due to related parties	18	4,733	5,155
Interest-bearing bank and other borrowings	17	28,123	16,189
Lease liabilities		951	1,154
Deferred income — current		1,200	—
Tax payable		4,268	2,159
Total current liabilities		86,946	87,440
NET CURRENT ASSETS		330,698	428,537
TOTAL ASSETS LESS CURRENT LIABILITIES		568,246	636,242

	<i>Notes</i>	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities		704	1,004
Interest-bearing bank borrowings		81,556	80,945
Deferred tax liabilities		—	7,963
Other payables and accruals		4,075	4,075
Deferred income		—	1,200
Total non-current liabilities		86,335	95,187
NET ASSETS		481,911	541,055
EQUITY			
Equity attributable to owners of the parent			
Share capital	15	5,681	5,681
Reserves		476,230	535,374
Total equity		481,911	541,055

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Shineroad International Holdings Limited (the “**Company**”) was incorporated as an investment holding company in the Cayman Islands with limited liability under the laws of the Cayman Islands. The registered office address of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

During the year, Shineroad International Holdings Limited and its subsidiaries (collectively the “**Group**”) was principally engaged in the distribution of food ingredients and food additives.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with HKASs 34 Interim Financial Reporting. The interim condensed consolidated financial statements do 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.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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 HKFRS Accounting Standard for the first time for the current period’s financial information.

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

The nature and impact of the amended HKFRS Accounting Standard are described below:

- (a) Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognized when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognized on the settlement date. The amendments introduce an accounting policy option to derecognize a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.
- (b) Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

- (c) Annual Improvements to HKFRS Accounting Standards — Volume 11 set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group's principal business is the distribution of food ingredients and food additives. For management purposes, the Group operates in one business unit based on its products, and has one reportable segment which is the distribution of food additives.

Information about geographical area

Since all of the Group's revenue was generated from the distribution of food ingredients and food additives in Mainland China and over 95% of the Group's identifiable non-current assets were located in Mainland China, no geographical information is presented in accordance with HKFRS 8 Operating Segments.

Information about major customers

Revenue from continuing operations of approximately RMB28,812,000 and RMB16,279,000 in the six months ended 30 June 2025 and 2026, respectively was derived from sales to a single customer, including sales to a group of entities which are known to be under common control with that customer.

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
<i>Revenue from contract with customers</i>		
Sale of goods	<u>321,639</u>	<u>316,967</u>

Revenue from contracts with customers

Disaggregated revenue information

For the six months ended 30 June 2026

Segments	Food ingredients <i>RMB'000</i> (Unaudited)	Food additives <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Type of goods or services			
Sales of goods	<u>188,939</u>	<u>132,700</u>	<u>321,639</u>
Geographical markets			
Mainland China	180,480	127,391	307,871
Thailand	6,278	—	6,278
Vietnam	<u>2,181</u>	<u>5,309</u>	<u>7,490</u>
	<u>188,939</u>	<u>132,700</u>	<u>321,639</u>
Timing of revenue recognition			
Goods transferred at a point in time	<u>188,939</u>	<u>132,700</u>	<u>321,639</u>

For the six months ended 30 June 2025

Segments	Food ingredients <i>RMB'000</i> (Unaudited)	Food additives <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Type of goods or services			
Sales of goods	<u>190,486</u>	<u>126,481</u>	<u>316,967</u>
Geographical markets			
Mainland China	182,266	119,253	301,519
Thailand	6,376	—	6,376
Vietnam	<u>1,844</u>	<u>7,228</u>	<u>9,072</u>
	<u>190,486</u>	<u>126,481</u>	<u>316,967</u>
Timing of revenue recognition			
Goods transferred at a point in time	<u>190,486</u>	<u>126,481</u>	<u>316,967</u>

**For the six months ended
30 June**

	2026 <i>RMB'000</i> (Unaudited)	2025 <i>RMB'000</i> (Unaudited)
Other income and gains		
Bank interest income	3,072	416
Government grants*	—	44
Others	<u>60</u>	<u>175</u>
Exchange gains**	<u>1,118</u>	<u>—</u>
Total other income and gains	<u>4,250</u>	<u>635</u>

* There were no unfulfilled conditions and other contingencies attaching to government grants that had been recognised.

** For the six months ended 30 June 2025, foreign exchange differences was exchange loss, which was recorded in “Other expenses”

5. LOSS BEFORE TAX FROM CONTINUING OPERATIONS

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

		For the six months ended	
		30 June	
		2026	2025
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
(a) Cost of sales:			
Cost of inventories sold		<u>267,353</u>	<u>257,743</u>
(b) Employee benefit expenses			
(excluding directors' and chief executive's remuneration):			
Wages and salaries		19,331	18,928
Pension scheme contributions		3,987	3,770
Other welfare		<u>163</u>	<u>376</u>
		<u>23,481</u>	<u>23,074</u>
(c) Other items:			
Depreciation of property, plant and equipment	9	225	84
Amortisation of other intangible assets		2	9
Depreciation of right-of-use assets		631	636
Research and development costs:			
Current year expenditure		1,718	1,368
Lease payments not included in the measurement of lease liabilities		1,195	1,453
Auditor remuneration		398	399
Travel expenses		1,909	1,195
Foreign exchange differences, net*		(1,118)	246
Unrealised fair value loss on financial assets at fair value through profit or loss		87,751	—
Reversal of impairment of trade receivables		(65)	(139)
Write-down of inventories to net realisable value		133	67
Bank interest income	4	<u>(3,072)</u>	<u>(416)</u>

6. INCOME TAX EXPENSE

The major components of income tax expense of the Group in the interim condensed consolidated statement of profit or loss and other comprehensive income are:

	For the six months ended	
	30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current income tax in the PRC	7,160	8,430
Current income tax in the Hong Kong	744	137
Deferred income tax expense relating to origination and reversal of temporary differences	(23,260)	(496)
Total tax charge for the period	<u>(15,356)</u>	<u>8,071</u>

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Company and certain of its subsidiaries are not subject to any income tax in the Cayman Islands and BVI.

The provision for current income tax in the PRC is based on a statutory rate of 25% of the assessable profits of subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

The first HK\$2,000,000 of assessable profits of the subsidiary in Hong Kong are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

7. DIVIDENDS

	For the six months ended	
	30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Final dividends proposed of HK2.25 cent per share	—	13,952
Final dividends paid of HK1.50 cent per share	8,909	—
	<u>8,909</u>	<u>13,952</u>

On 27 March 2026, the board of directors declared a final dividend of HK1.50 cent (six months ended 30 June 2025: HK2.25 cent) per ordinary share, amounting to a total of approximately RMB8,909,000 (six months ended 30 June 2025: 13,952,000).

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

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent of RMB-48,007,000 (2025: 17,694,000), and the weighted average number of ordinary shares of 680,000,000 (2025: 680,000,000) in issue during the period, as adjusted to reflect the rights issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2026 and 2025.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Earnings		
(Loss)/profit attributable to owners of the parent, used in the basic and diluted earnings per share calculations	<u>(48,007)</u>	<u>17,694</u>
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	<u>680,000,000</u>	<u>680,000,000</u>
Basic earnings per share (<i>RMB</i>)	<u>(0.07)</u>	<u>0.03</u>
Diluted earnings per share (<i>RMB</i>)	<u>(0.07)</u>	<u>0.03</u>

9. PROPERTY, PLANT AND EQUIPMENT

	Machinery RMB'000	Motor vehicles RMB'000	Office equipment RMB'000	Construction in progress RMB'000	Total RMB'000
31 December 2025					
At 31 December 2024 and 1 January 2025:					
Cost	741	1,414	3,045	163,498	168,698
Accumulated depreciation	(706)	(1,338)	(2,837)	—	(4,881)
Net carrying amount	<u>35</u>	<u>76</u>	<u>208</u>	<u>163,498</u>	<u>163,817</u>
At 1 January 2025,					
net of accumulated depreciation	35	76	208	163,498	163,817
Additions	66	666	572	9,159	10,463
Disposals	—	(22)	(12)	—	(34)
Depreciation provided during the year	(49)	(70)	(113)	—	(232)
Exchange realignment	—	1	—	—	1
At 31 December 2025,					
net of accumulated depreciation	<u>52</u>	<u>651</u>	<u>655</u>	<u>172,657</u>	<u>174,015</u>
At 31 December 2025:					
Cost	807	2,080	3,617	172,657	179,161
Accumulated depreciation	(755)	(1,429)	(2,962)	—	(5,146)
Net carrying amount	<u>52</u>	<u>651</u>	<u>655</u>	<u>172,657</u>	<u>174,015</u>

	Machinery <i>RMB'000</i> (Unaudited)	Motor vehicles <i>RMB'000</i> (Unaudited)	Office equipment <i>RMB'000</i> (Unaudited)	Construction in progress <i>RMB'000*</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
30 June 2026					
At 31 December 2025 and 1 January 2026:					
Cost	807	2,080	3,617	172,657	179,161
Accumulated depreciation	<u>(755)</u>	<u>(1,429)</u>	<u>(2,962)</u>	<u>—</u>	<u>(5,146)</u>
Net carrying amount	<u><u>52</u></u>	<u><u>651</u></u>	<u><u>655</u></u>	<u><u>172,657</u></u>	<u><u>174,015</u></u>
At 1 January 2026,					
net of accumulated depreciation	52	651	655	172,657	174,015
Additions	—	—	1,884	7,970	9,854
Depreciation provided during the period	(17)	(63)	(145)	—	(225)
At 30 June 2026,					
net of accumulated depreciation	<u><u>35</u></u>	<u><u>588</u></u>	<u><u>2,394</u></u>	<u><u>180,627</u></u>	<u><u>183,644</u></u>
At 30 June 2026:					
Cost	807	2,080	5,501	180,627	189,015
Accumulated depreciation	<u>(772)</u>	<u>(1,492)</u>	<u>(3,107)</u>	<u>—</u>	<u>(5,371)</u>
Net carrying amount	<u><u>35</u></u>	<u><u>588</u></u>	<u><u>2,394</u></u>	<u><u>180,627</u></u>	<u><u>183,644</u></u>

* At 30 June 2026, certain of the Group's construction in progress with a net carrying amount of approximately RMB180,627,000 was pledged to secure certain bank loans granted to the Group (2025: RMB172,657,000) (note 17).

10. INVENTORIES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Food ingredients	36,271	17,701
Food additives	23,834	24,382
	60,105	42,083
Provision for inventories	(195)	(375)
	59,910	41,708

11. TRADE RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	78,133	88,650
Impairment	(1,206)	(1,272)
	76,927	87,378

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to various diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 3 months	74,730	86,693
3 to 6 months	2,197	685
	<u>76,927</u>	<u>87,378</u>

12. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Cash and bank balances	212,108	236,385
Less: Pledged time deposits:		
Pledged for letters of credit — current	(12,024)	(19,566)
Non-pledged time deposit with original maturity of more than one year when acquired	—	(30,000)
Cash and cash equivalents	<u>200,084</u>	<u>186,819</u>

At the end of the reporting period, the cash and bank balances of the Group denominated in US dollars (“**USD**”) amounted to RMB42,490,000 (2025: RMB12,402,000); denominated in Hong Kong dollars (“**HKD**”) amounted to RMB1,775,000 (2025: RMB2,655,000) and denominated in Vietnamese Dong (“**VND**”) amounted to RMB401,000 (2025: RMB4,117,000), denominated in Thailand Baht (“**THB**”) amounted to RMB4,202,000 (2025: RMB3,526,000).

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

13. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Listed investment, at fair value	<u>45,000</u>	<u>132,751</u>

Upon the derecognition of an associate, the equity investment was classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

14. TRADE PAYABLES

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 3 months	<u>16,167</u>	<u>28,039</u>

The trade payables are non-interest-bearing and are normally settled on terms of 7 to 90 days.

15. SHARE CAPITAL

	30 June 2026 <i>RMB'000</i> (Unaudited)	31 December 2025 <i>RMB'000</i> (Audited)
Authorised:		
2,000,000,000 (31 December 2025: 2,000,000,000) shares of HK\$0.01 each	<u>16,708</u>	<u>16,708</u>
Issued and fully paid:		
680,000,000 (31 December 2025: 680,000,000) shares of HK\$0.01 each	<u>5,681</u>	<u>5,681</u>

16. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2026 <i>RMB'000</i> (Unaudited)	31 December 2025 <i>RMB'000</i> (Audited)
Contracted, but not provided for:		
Buildings	<u>6,894</u>	<u>10,541</u>

17. INTEREST-BEARING BANK BORROWINGS

	Effective interest rate (%)	Maturity	30 June 2026 (Unaudited) RMB'000	Effective interest rate (%)	Maturity	31 December 2025 (Audited) RMB'000
Current						
Bank loans — unsecured	Floating rate	February 2027	10,000	—	—	—
Bank loans — secured	2.9	June 2027	18,123	2.9	2026	16,189
Non-current						
Bank loans — secured	2.9	July 2027–2031	81,556	2.9	2026–2031	80,945
Total			<u>109,679</u>			<u>97,134</u>

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year	28,123	16,189
In the second year	18,123	16,189
In the third to fifth years, inclusive	63,433	64,756
Total	<u>109,679</u>	<u>97,134</u>

Notes:

- (a) Certain of the Group's interest-bearing bank loans were secured by mortgages over the Group's construction in progress and leasehold land, which had an aggregated net carrying value of RMB210,406,000 (2025: RMB202,760,000) (notes 9).
- (b) The bank borrowings are also guaranteed by a director at no cost. The guarantee amounts provided by the director as at 30 June 2026 and 31 December 2025 are as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Bank loans		
Mr. Huang Haixiao	<u>99,679</u>	<u>97,134</u>

18. RELATED PARTY DISCLOSURE

- a) In addition to the transactions detailed elsewhere in this financial information, the Group had the following:

	For the six months ended	
	30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Entity controlled by the controlling share-holder:		
Sales to related parties	5,690	9,471
Purchases from related parties	24,045	7,195
Purchases from associates	—	4,997
Rental expenses	130	163
Total	29,865	21,826
Mr. Huang Haixiao:		
Rental expenses	320	320

- b) Outstanding balances with related parties:

	30 June	31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Due to related parties	4,733	5,155
Due from related parties	5,838	1,219

c) Key management personnel

	For the six months ended	
	30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Other emoluments:		
Salaries, allowances and benefits in kind	2,779	2,740
Pension scheme contributions	291	260
	<u>3,070</u>	<u>3,000</u>

There were no arrangements under which a director or the chief executive waived or agreed to waive any remuneration during the six months ended 30 June 2025 and 2026.

- d) As disclosed in note 17, the Group's interest-bearing bank borrowings of RMB99,679,000 (31 December 2025: RMB97,134,000) were guaranteed by Mr. Huang Haixiao at no cost.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

Our Group is one of the leading distributors of food ingredients and food additives in Asia with outstanding research and development capacity, which distinguishes us from other competitors in the industry and provides us with an unique edge to develop our reputation and diversified customer networks. Leveraging our research and development capability, we will continue to build long-term strategic alliance and co-develop with our customers, so as to stay on course with our mission “To be the Most Reliable Partner in the Food Industry”.

For the Period, our Group recorded a revenue of approximately RMB321.6 million, representing an increase of 1.5% as compared with that of RMB317.0 million for the Previous Period. The Group recorded a loss of RMB48.0 million for the Period, representing a decrease of RMB65.7 million compared to a profit of RMB17.7 million in the Previous Period. Our Group basic loss per share was RMB0.07, representing a decrease of RMB0.1 as compared with the Previous Year (basic earning per share: RMB0.03). The loss was primarily attributable to a non-cash fair value loss on the Group’s equity investment. Excluding this item, the Group’s underlying operations remained healthy and stable.

China Operations

Over the years, we have built strong relationships with our suppliers worldwide. Major suppliers, such as Nestlé from Switzerland, Mitsubishi from Japan, Sensient from the US, and Kerry from Ireland, have been cooperating with us for decades.

On the other hand, our Group has established and maintained a solid customer base over the years across different provinces in the PRC. Our core customers, categorised by food applications, are as follows:

Categories	Business nature	Key Customers
Dairy products manufacturers	manufacturing dairy products and ice cream	Bright Dairy (光明), Nestlé (雀巢), New Hope (新希望) and Yili (伊利)
Beverage manufacturers	manufacturing beverage	Coca-Cola (可口可樂), Genki Spring (元氣森林), Nongfu Spring (農夫山泉), Suntory (三得利), Uni-President (統一), Wahaha (娃哈哈) and Want Want (旺旺)
Snacks manufacturers	manufacturing confectionery, chocolate, and snacks	Fujiya (不二家), Glico (格力高), Hsu Fu Chi (徐福記), Mars (瑪氏), Orion (好麗友) and PepsiCo (百事)

Categories	Business nature	Key Customers
Oil and grease manufacturers	manufacturing margarine and shortening	AAK, Cargill (嘉吉), COFCO (中糧), and Kerry Grain and Oil (嘉里糧油)
Food service providers	Catering providers (mainly restaurants and teahouses) and upstream suppliers	Daka (大咖國際), FreeNow (菲諾), Ice Milk Blanc (冰勃朗), inm (一鳴) and SHUNDA (順大)

South East Asia Operations

Outside China, we established our overseas subsidiaries in Ho Chi Minh City, Vietnam, and Bangkok, Thailand in late 2019.

We anticipate our local offices will provide the Group with a competitive edge by bringing scale benefit and introducing more local South East Asian tastes and appetites to the PRC market going forward.

Outlook and prospects

The Asia-Pacific Innovation Center, with a total construction area of 40,816.13 square meters, officially commenced operation on 16 March 2026. The facility now integrates fully upgraded operations, including a comprehensive R&D laboratory, beverage innovation lab, product incubation center, dry and cold storage, logistics, and all office functions. The production line is expected to begin operations by the end of 2026, marking a significant milestone as Shineroad transitions from R&D and Trading into a new era that integrates R&D, Trading, and Incubation/Production.

We remain confident in our future prospects. Despite having global economic uncertainties, we anticipate to achieve strong revenue growth and to create value for the Shareholders. Going forward, our development initiatives mainly include:

- Continue to increase the sales of products with existing and new distribution rights:

With focus on the food service industry and the nutrition and care industry, we are looking into cooperations with distinctive brands to reinforce our competitive advantage.
- Continue to widen our brands and portfolio of self-developed formulated products and potential food ingredients.
- Continue to enhance our research and development capabilities:
- Continue to extensively identify potential strategic investment opportunities and seek to acquire high-quality target businesses and assets that create synergies for the Group.

FINANCIAL REVIEW

Revenue

Revenue of the Group represents the net invoiced value of goods sold, after allowances for returns and trade discounts. The Group derives its revenue mainly from the distribution of food ingredients and food additives in the PRC. The Group's revenue for the Period was RMB321.6 million, representing an increase of 1.5% as compared with that of RMB317.0 million for the Previous Period. The increase in revenue is due to growth in fruit juice sales.

An analysis of revenue, net is as follows:

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
REVENUE		
Food ingredients	188,939	190,486
Food additives	132,700	126,481
	<u>321,639</u>	<u>316,967</u>

Cost of sales

The Group's cost of sales solely represented cost of goods sold, which mainly represented the cost of food ingredients and food additives purchased from suppliers. The Group's cost of sales for the Period was RMB267.4 million, representing an increase of 3.8% as compared with that of RMB257.7 million for the Previous Period. The increase in cost of sales is due to the increase of sale revenue.

Gross profit and gross profit margin

Gross profit of the Group for the Period declined by RMB4.9 million to RMB54.3 million (Previous Period: RMB59.2 million), and the gross profit margin decreased to 16.9% for the Period (Previous Period: 18.7%). The decrease in the gross profit margin was mainly due to fluctuations in market prices for certain fruit juice products.

Other income and gains

Other income and gains primarily consist of bank interest income, government grants and others. Other income increased by RMB3.7 million or 616.7% from RMB0.6 million for the Previous Period to RMB4.3 million for the Period primarily due to higher interest earnings from the maturity of fixed-term deposits during the Period.

An analysis of other income and gains, net is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Bank interest income	3,072	416
Government grants*	—	44
Others	60	175
Exchange gains**	1,118	—
	<u>4,250</u>	<u>635</u>

* There were no unfulfilled conditions and other contingencies attaching to government grants that had been recognised.

** For the six months ended 30 June 2025, foreign exchange differences was exchange loss, which was recorded in “Other expenses”

Selling and distribution expenses

Selling and distribution expenses primarily consist of staff salaries and benefits, transportation expenses, travelling expenses, rent and rates and others. The selling and distribution expenses decreased by RMB1.4 million, a 10.3% decrease to RMB12.2 million for the Period from RMB13.6 million for the Previous Period. The decrease was mainly attributed to the decrease in labor costs.

Administrative expenses

Administrative expenses primarily consist of depreciation, entertainment expenses, rent and rates, research and development expenses, staff salaries and benefits and others. The administrative expenses increased by RMB2.0 million, a 10.1% increase to RMB21.8 million for the Period from RMB19.8 million for the Previous Period. The increase was mainly attributed to an increase in management personnel in preparation for production at the new factory.

Finance costs

The finance costs represented interests on other loans and interest on lease liabilities. Finance costs decreased by RMB0.1 million to RMB0.2 million for the Period from RMB0.3 million for the Previous Period. The decrease was mainly due to a reduction in outstanding short-term loan balances.

Income tax expenses

The Group's income tax expenses decreased by RMB23.5 million from RMB8.1 million for the Previous Period to RMB-15.4 million for the Period. The decrease was primarily due to a fair value loss on financial assets at fair value through profit or loss recorded during the Period.

The major components of income tax expense of the Group in the interim condensed consolidated statement of profit or loss are:

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current income tax in the PRC	7,160	8,430
Current income tax in HK	744	137
Deferred income tax expense relating to origination and reversal of temporary differences	(23,260)	(496)
Total tax charge for the period	<u>(15,356)</u>	<u>8,071</u>

Loss for the Period

As a result of the foregoing, the Group recorded a loss of RMB48.0 million for the Period, representing a decrease of RMB65.7 million compared to a profit of RMB17.7 million in the Previous Period. The decrease was primarily attributable to the fair value loss on financial assets. Excluding this non-cash item, the Group's operations remained healthy and stable, and the Group maintained a sound liquidity position during the Period.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 June 2026.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had the following capital commitments at the end of the Period:

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Contracted, but not provided for:		
Buildings	<u>6,894</u>	<u>67</u>

CAPITAL STRUCTURE

There has been no change in the capital structure of the Company during the Period. As at 30 June 2026, the capital of the Company comprises RMB481.9 million, representing a decrease of RMB33.0 million as compared to RMB514.9 million as at 30 June 2025, which was attributable to a fair value loss on financial assets at fair value through profit or loss recorded during the Period.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

The Group's receivable turnover days as at 30 June 2026 decreased to 46 days as compared to 52 days as at 31 December 2025, mainly due to improved efficiency in accounts receivable collection.

Cash position

The Group's cash and cash equivalents balances as at 30 June 2026 amounted to RMB200.1 million, representing an increase of RMB13.3 million as compared to RMB186.8 million as at 31 December 2025, which was attributable to the maturity of time deposits.

As at 30 June 2026, the Group's indebtedness comprised bank borrowings of RMB109.7 million, lease liabilities of RMB1.7 million and amount due to related companies of RMB4.7 million. The Group's indebtedness comprised bank borrowings of RMB97.1 million, lease liabilities of RMB2.2 million and amount due to related companies of RMB5.2 million as at 31 December 2025. Secured bank borrowings of the Group were RMB99.7 million as at 30 June 2026 and RMB97.1 million as at 31 December 2025.

As at 30 June 2026, the gearing ratio, calculated as debt divided by total assets, was 26.4%, as compared with 25.2% as at 31 December 2025. Debt includes interest-bearing loan and other borrowings. Total equity includes equity attributable to owners of the parent and non-controlling interests.

The Group's equity balance decreased to RMB481.9 million as at 30 June 2026 from that of RMB541.1 million as at 31 December 2025, which was attributable to a fair value loss on financial assets at fair value through profit or loss recorded during the Period.

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Period. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Foreign Currency Risk

The Group's operational activities are mainly denominated in RMB. The Group is exposed to foreign currency risk primarily arising from purchase of goods by foreign currencies and bank deposits denominated in foreign currencies. The Group currently does not have a foreign currency hedging policy but it monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2026, interest-bearing bank borrowings of RMB99.7 million (2025: RMB97.1 million, and other letters of credit were secured by charges on the bank deposit of RMB12.0 million (2025: RMB19.6 million), Group's construction in progress and leasehold land, which had an aggregated net carrying value of RMB210.4 million (2025: RMB202.8 million).

EMPLOYEES AND REMUNERATION POLICIES

The Group had 160 employees as at 30 June 2026 (as at 31 December 2025: 159). Remuneration is determined by reference to prevailing market terms and in accordance with the job scope, responsibilities, and performance of each individual employee.

The Company has adopted a share option scheme pursuant to which the Directors and employees of the Group are entitled to participate. The local employees are also entitled to discretionary bonus depending on their respective performances and the profitability of the Group.

EVENTS AFTER THE REPORTING PERIOD

The Group has no significant events after the Period and up to the date of the approval of the unaudited interim condensed consolidated financial statements.

SHARE OPTION SCHEME

On 31 May 2018, the then shareholders of the Company approved and conditionally adopted a share option scheme (the “**Share Option Scheme**”) to enable the Company to grant options to eligible participants as incentives and rewards for their contribution to the Group. The principal terms of the Share Option Scheme were summarised in the section headed “Share Option Scheme” in Appendix IV to the prospectus of the Company dated 14 June 2018. No option has been granted during the Period.

SIGNIFICANT INVESTMENTS HELD

As at 30 June 2026, the Group held 28,125,200 shares, representing approximately 8.59% equity interest in Tianye Innovation Company (“**Tianye**”) which is principally engaged in planting, processing and sales of agricultural food including tropical fruits and vegetables. The investment cost incurred by the Group, being the consideration for acquiring the said shares in Tianye, was RMB78.8 million. Tianye’s shares are listed on the Beijing Stock Exchange Co. Ltd. (BSE stock code: 920023).

Based on the closing price of Tianye shares as at 30 June 2026 at RMB1.60 per share (31 December 2025: RMB4.72 per share), the fair value of the Group’s investment in Tianye as at 30 June 2026 was expected to decrease to approximately RMB45.0 million, representing an estimated fair value loss on financial asset at fair value through profit and loss (“**FVTPL**”) of approximately RMB87.8 million for the Period comparing to the fair value of the Group’s investment in Tianye of approximately RMB132.8 million as at 31 December 2025.

The Group did not receive any dividend from Tianye during the Period. Given the recent volatility in the share price, the Group will continue to closely monitor the market performance of Tianye. As of the date of this report, the Group has no plan to change this investment and will make further decisions based on future market conditions and the Company’s overall investment strategy.

Save as disclosed above, the Company did not hold any other significant investment with a value greater than 5% of the Company’s total assets as at 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES, INCLUDING SALE OF TREASURY SHARES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined in the Listing Rules)).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintain high standards of corporate governance to protect the interests of its Shareholders and to enhance corporate value and accountability. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Listing Rules for the Period. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with the CG Code and align with the latest developments.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he/she has complied with the Model Code for the Period.

DIVIDEND

The Board takes into account the Group's overall results of operation, financial position and capital requirements, among other factors, in considering the declaration of dividends. The Board does not recommend payment of any dividend in respect of the Period.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”), comprising three independent non-executive Directors, namely Mr. Tan Wee Seng, Mr. Chan Ka Kit and Mr. Meng Yuecheng, has reviewed with the management the interim results for the Period, accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management and financial reporting matters including a review of the unaudited interim financial information.

The Audit Committee considered that the interim results have complied with all applicable accounting standard and the Listing Rules. The Audit Committee has also reviewed this interim announcement.

PUBLICATION OF THE DETAILED INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company’s website at www.shineroad.com. The 2026 interim report of the Company containing all the information required by the Listing Rules will be dispatched to its shareholders and published on the above websites in due course.

By order of the Board
Shineroad International Holdings Limited
Huang Haixiao
Chairman

Hong Kong, 14 August 2026

As at the date of this announcement, the executive Directors are Mr. Huang Haixiao, Ms. Huang Xin Rong and Mr. Dai Yihui and the independent non-executive Directors are Mr. Tan Wee Seng, Mr. Chan Ka Kit and Mr. Meng Yuecheng.