JiaChen Holding Group Limited
佳辰控股集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1937)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

RESULTS

The board (the "**Board**") of directors (the "**Directors**") of JiaChen Holding Group Limited (the "**Company**") presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 (the "**Period**"), together with comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	4	**72,894**	81,368
Cost of sales		**(53,742)**	(61,889)
Gross profit		**19,152**	19,479
Other revenue and other net income	5	**1,670**	2,207
Selling expenses		**(5,602)**	(5,922)
Impairment of contract assets and trade and bills receivables, net		**–**	(3,610)
Administrative expenses		**(10,609)**	(11,343)
Profit from operations		**4,611**	811
Finance costs	6	**(953)**	(1,322)
Profit/(Loss) before taxation	7	**3,658**	(511)
Income tax	8	**(1,099)**	(567)
Profit/(Loss) and total comprehensive income/(expense) for the period		**2,559**	(1,078)
Attributable to:			
Owners of the Company		**2,541**	(1,080)
Non-controlling interests		**18**	2
Profit/(Loss) and total comprehensive income/(expense) for the period		**2,559**	(1,078)
		RMB cent	RMB cent
Earnings/(Loss) per share			
Basic and diluted	10	**0.25**	(0.11)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**At 30 June 2026** *RMB'000* **(Unaudited)**	At 31 December 2025 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment		**82,571**	81,396
Land use rights		**44,705**	45,200
Long-term deposits and prepayments		**3,339**	3,339
Deferred tax assets		**10,071**	10,071
		140,686	140,006
Current assets			
Inventories		**52,082**	48,768
Contract assets	11	**70,033**	71,194
Trade and bills receivables	12	**95,341**	138,206
Deposits, prepayments and other receivables		**8,196**	7,565
Restricted bank deposits		**4,701**	4,999
Cash and cash equivalents		**80,591**	53,883
		310,944	324,615
Total assets		**451,630**	464,621
Current liabilities			
Trade payables	13	**38,291**	37,368
Contract liabilities	14	**3,765**	2,085
Accruals and other payables		**16,505**	28,176
Amounts due to directors	16(b)	**1,754**	1,813
Bank borrowings		**58,990**	64,990
Tax payable		**948**	1,371
		120,253	135,803
Net current assets		**190,691**	188,812
Total assets less current liabilities		**331,377**	328,818

	Notes	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Equity			
Share capital	15	**8,856**	8,856
Reserves		**320,984**	318,443
Equity attributable to owners of the Company		**329,840**	327,299
Non-controlling interests		**1,537**	1,519
Total equity		**331,377**	328,818

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

The Company was incorporated on 7 July 2017 and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law Chapter 22 of the Cayman Islands. The address of the Company's registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1–1108, Cayman Islands and its principal place of business is No. 18 Changhong East Road, Henglin Town, Wujin District, Changzhou, Jiangsu, The People's Republic of China (the "**PRC**").

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacturing and sales of access flooring products and the provision of related installation services in the PRC. During the Period, the principal business was carried out through JiaChen Floor Changzhou Co., Ltd. ("**JiaChen Floor**"), which is an indirect non wholly-owned subsidiary of the Company incorporated in the PRC.

The Company's shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Group's condensed consolidated interim financial information for the Period (the "**Interim Financial Information**") has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") including compliance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The HKICPA has issued a number of amendments to Hong Kong Financial Reporting Standards which are effective for the current accounting period of the Group. None of those developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The accounting policies adopted in preparing the Interim Financial Information are consistent with those adopted in the annual report of the Group for the year ended 31 December 2025.

The Interim Financial Information is unaudited but has been reviewed by the audit committee of the Company.

3. OPERATING SEGMENT INFORMATION

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has two reportable operating segments which are the manufacturing and sales of the following two product lines:

– Steel access flooring plates;

– Calcium-sulfate access flooring plates; and

(a) Segment results, assets and liabilities

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management, who are also the executive directors of the Company, monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

– Segment assets include all tangible and intangible assets and other current and non-current assets with exception of unallocated corporate assets. Segment liabilities include trade and bills payables, contract liabilities, accruals and other payables, lease liabilities and bank borrowings attributable to each reporting segment, with the exception of unallocated corporate liabilities.

– Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Segment results represent profit or loss attributable to the reportable segments without allocation of certain administrative costs and directors' remuneration. Taxation and finance costs are not allocated to reportable segments. This is the measure reported to the Group's most senior executive management, who are also the executive directors of the Company, for the purpose of resource allocation and performance assessment.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management, who are also the executive directors of the Company, for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2026 and 2025 is set out below:

(i) ***Analysis of the Group's revenue and results by segment:***

	Steel access flooring plates		Calcium-sulfate access flooring plates		Total	
	For the six months ended 30 June		For the six months ended 30 June		For the six months ended 30 June	
	2026	2025	**2026**	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Reportable segment revenue from external customers	**44,425**	51,998	**28,469**	29,370	**72,894**	81,368
Reportable segment gross profit	**12,079**	12,935	**7,073**	6,544	**19,152**	19,479
Reportable segment results	**3,278**	1,360	**1,306**	(76)	**4,584**	1,284

(ii) ***Analysis of the Group's assets and liabilities by segment:***

	Steel access flooring plates		Calcium-sulfate access flooring plates		Total	
	As at 30 June 2026	As at 31 December 2025	**As at 30 June 2026**	As at 31 December 2025	**As at 30 June 2026**	As at 31 December 2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)
Reportable segment assets	**165,513**	202,789	**196,600**	200,560	**362,113**	403,349
Reportable segment liabilities	**82,895**	94,221	**32,342**	37,299	**115,237**	131,520

(b) Reconciliations of reportable segment revenue and profit or loss

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue		
Reportable segment total revenue and consolidated revenue	**72,894**	81,368
Profit or loss		
Reportable segment results	**4,584**	1,284
Unallocated other revenue	**274**	27
Unallocated head office and corporate expenses	**(247)**	(500)
Unallocated finance costs	**(953)**	(1,322)
Consolidated profit/(loss) before taxation	**3,658**	(511)

(c) Reconciliations of reportable assets and liabilities

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Assets		
Reportable segment assets	**362,113**	403,349
Unallocated head office and corporate assets	**89,517**	61,272
Consolidated total assets	**451,630**	464,621
Liabilities		
Reportable segment liabilities	**115,237**	131,520
Unallocated head office and corporate liabilities	**5,016**	4,283
Consolidated total liabilities	**120,253**	135,803

(d) Geographical information

The Group's operations are primarily located in the PRC. The non-current assets of the Group are primarily located in the PRC. Accordingly, no analysis by geographical basis is presented.

The following table sets out information about the geographical analysis of the Group's revenue based on the location of the Group's external customers:

	For the six months ended 30 June	
	2026 *RMB'000* **(Unaudited)**	2025 *RMB'000* (Unaudited)
PRC	**55,513**	70,212
Other countries *(Note)*	**17,381**	11,156
	72,894	81,368

Note: Other countries mainly include Singapore, The United Arab Emirates, Taiwan and Thailand.

4. REVENUE

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers by types of performance:		
– Sales of access flooring plates	**72,894**	73,930
– Provision of installation services	**–**	7,438
	72,894	81,368
Analysis of revenue by types of contracts:		
– Sales of access flooring plates and provision of installation services	**43,444**	57,790
– Sales of access flooring plates	**29,391**	23,578
– Provision of installation services	**59**	–
	72,894	81,368

Set out below is an analysis of revenue recognised over time and at a point in time:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue recognised over time:		
– Sales of access flooring plates	**43,503**	50,351
– Provision of installation services	**–**	7,439
	43,503	57,790
Revenue recognised at a point in time		
– Sales of access flooring plates	**29,391**	23,578
	72,894	81,368

5. OTHER REVENUE AND OTHER NET INCOME

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Other revenue		
Bank interest income	**190**	21
Other interest income	**–**	544
	190	565
Other net income		
Government subsidies	**1,356**	1,201
Scrap sales	**514**	399
Exchange (loss)/gain, net	**(474)**	36
Sundry income	**84**	6
	1,480	1,642
	1,670	2,207

6. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Interest on bank borrowings	**953**	1,322
	953	1,322

7. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is arrived at after charging the following items:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Contract costs of goods sold and services rendered *(Note (a))*	**53,742**	61,889
Depreciation of property, plant and equipment	**2,893**	2,779
Amortisation of land use rights	**495**	495
Operating lease charges in respect of properties and land use rights	**198**	260
Staff costs, including directors' remuneration:		
– Salaries, wages and other benefits	**7,958**	8,797
– Contributions to defined contribution retirement plans	**1,627**	1,665
	9,585	10,462
Research and development costs *(Note (b))*	**3,992**	4,279

Notes:

(a) Contract costs of goods sold and services rendered

Included in the contract costs of goods sold and services rendered were the raw materials consumed of approximately RMB34,414,000 (six months ended 30 June 2025: RMB41,344,000), staff costs of approximately RMB2,752,000 (six months ended 30 June 2025: RMB3,243,000), installation costs of approximately RMB4,186,000 (six months ended 30 June 2025: RMB4,794,000), transportation costs of approximately RMB3,548,000 (six months ended 30 June 2025: RMB4,415,000), and depreciation of property, plant and equipment of approximately RMB2,532,000 (six months ended 30 June 2025: RMB2,376,000), which were included in the respective total amounts disclosed above for each type of these expenses.

(b) Research and development costs

Included in the research and development costs were raw materials consumed of approximately RMB1,838,000 (six months ended 30 June 2025: RMB1,714,000), staff cost of approximately RMB1,686,000 (six months ended 30 June 2025: RMB1,780,000) and depreciation of property, plant and equipment of approximately RMB260,000 (six months ended 30 June 2025: RMB244,000), of which, their respective total amounts were disclosed above for each type of these expenses.

8. INCOME TAX IN THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax		
PRC Corporate Income Tax	**1,099**	567

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 operated.

No provision for the Hong Kong Profits Tax has been made as the Group had no taxable income derived in Hong Kong during the six months ended 30 June 2026 and 2025.

The Group's subsidiaries incorporated in the British Virgin Islands had no assessable profits derived in Hong Kong during the six months ended 30 June 2026 and 2025.

Pursuant to the PRC Income Tax Law and the respective regulations, all the subsidiaries of the Group operating in Mainland China are subject to Corporate Income Tax ("**CIT**") at a rate of 25% on the taxable income. On 7 November 2019, JiaChen Floor was recognised by the relevant authorities as "High Technology Enterprise". Accordingly, JiaChen Floor was entitled to a preferential CIT rate of 15% on its taxable profit. The other subsidiaries of the Group established in the PRC are subject to PRC CIT at the applicable standard rate of 25% on their taxable profits. However, none of these other subsidiaries had taxable profits since their respective dates of establishment.

According to applicable regulations prevailing in the PRC, dividends distributed by a company established in the PRC to foreign investors with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding tax. Under the double taxation arrangement between the PRC and Hong Kong, the relevant withholding tax rate applicable to the Group is reduced from 10% to 5% subject to the fulfilment of certain conditions. However, no provision for deferred tax is recognised with respect to the withholding tax on undistributed profits of JiaChen Floor as the Group can control the dividend policy of JiaChen Floor which has no plan to make dividend distribution in the foreseeable future.

9. DIVIDEND

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

10. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share for each of the six months ended 30 June 2026 and 2025 is based on the following data:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings/(Loss) for the purpose of basic earnings/(loss) per share		
Profit/(loss) for the period attributable to owners of the Company	**2,541**	(1,080)
	'000	*'000*
Number of ordinary shares		
Number of ordinary shares at the beginning and the end of the reporting period and the weighted average number of shares	**1,000,000**	1,000,000

Basic earnings/(loss) per share for the Period amounted to RMB0.25 cent (six months ended 30 June 2025: RMB(0.11) cent) per share.

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share as there was no dilutive potential ordinary share of the Company outstanding during both periods.

11. CONTRACT ASSETS

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Rights to consideration for obligations performed on contracts in progress	**67,122**	67,879
Retention monies receivable on completed contracts	**8,417**	8,821
	75,539	76,700
Less: Allowance for lifetime expected credit losses ("**ECLs**")	**(5,506)**	(5,506)
	70,033	71,194

The contract assets represent the Group's rights to consideration for access flooring plates and/or installation services transferred to the customers but the rights to payments are still conditional upon the quality and quantity checks by the customers on the installed access flooring plates transferred by the Group, other than on passage of time. The contract assets are transferred to trade receivables when the rights to receipt of the consideration for performed obligations become unconditional and transfers out of contract assets to trade receivables were made.

12. TRADE AND BILLS RECEIVABLES

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Trade receivables	**150,179**	189,812
Bills receivables	**4,874**	8,106
	155,053	197,918
Less: Allowance for lifetime ECLs	**(59,712)**	(59,712)
	95,341	138,206

An ageing analysis of trade and bills receivables (net of allowance for lifetime ECLs), based on the invoice date, is as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 month	**17,083**	30,010
1 to 3 months	**13,512**	14,403
3 to 6 months	**12,154**	12,995
6 to 9 months	**16,117**	11,878
9 to 12 months	**5,182**	8,053
1–2 years	**19,003**	42,661
Over 2 years	**12,290**	18,206
	95,341	138,206

The Group grants a credit period ranging from 60 to 365 days to its customers.

13. TRADE PAYABLES

The following is an analysis of trade payables by age based on the invoice date:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 month	**33,115**	31,920
1 to 3 months	**1,708**	1,919
3 to 6 months	**935**	2,078
Over 6 months	**2,533**	1,451
	38,291	37,368

Trade payables are non-interest bearing and have a credit term ranging from one to two months after invoice date.

14. CONTRACT LIABILITIES

The contract liabilities primarily relate to the advance considerations received from contract customers for the goods or services to be transferred by the Group.

The movements in contract liabilities are set out below:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
At the beginning of the reporting period	**2,085**	2,532
Advance considerations received from customers	**2,301**	1,265
Revenue recognised that was included in the contract liabilities balance at the beginning of the period	**(621)**	(1,712)
At the end of the reporting period	**3,765**	2,085

15. SHARE CAPITAL

	Number of shares		**Nominal value**	
	As at 30 June 2026	As at 31 December 2025	**As at 30 June 2026**	As at 31 December 2025
	'000	*'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)
Authorised:				
Ordinary shares of HK$0.01 each	**50,000**	50,000	**44,280**	44,280
Issued and fully paid:				
Ordinary shares of HK$0.01 each	**10,000**	10,000	**8,856**	8,856

16. MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the directors and certain highest paid employees is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Salaries and other emoluments	**661**	540
Post-employment benefits	**110**	63
	771	603

(b) Amounts due to directors

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Ms. Liu Hui	**1,592**	1,592
Mr. Shen Minghui	**162**	221
	1,754	1,813

The amounts are unsecured, interest free and have no fixed repayment terms.

MANAGEMENT DISCUSSION AND ANALYSIS

Review and Prospect

JiaChen Holding Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") is principally engaged in the manufacturing and sales of access flooring plates and the provision of related installation services with the headquarters based in Changzhou City, Jiangsu Province, The People's Republic of China (the "**PRC**"). The Group's products mainly consist of: (i) steel access flooring plates; and (ii) calcium-sulfate access flooring plates. The access flooring products of the Group have been generally applied in office buildings in the PRC with the characteristics of: (i) cable management (wires and cables are managed and organised underfloor with flexibility to accommodate any electronic devices); (ii) short installation time; (iii) high compressive strength and fire-resistance characteristic; and (iv) high bearing capacity.

Access flooring plates have been widely applied for use in office buildings, industrial office buildings, data centres, classrooms, libraries, etc. The usage of raised access flooring products, in longer term, is expected to increase at a steady rate in the PRC due to the growth in the continuous investments in new office buildings and growing construction area of industrial land. This steady growth trend is mainly attributed to the following primary factors: (i) a rising demand from construction of industrial office buildings in second-tier and above cities in China; (ii) an increase in the number of aging office buildings in China with the retirement of more and more obsolete access flooring plates; (iii) more stringent policies adopted by the PRC Government, stimulating an expected increase in the demand for access flooring plates; and (iv) increasing penetration rate of calcium-sulfate access flooring plates due to its high performance.

In response to the continued development of high-tech industries in the PRC, particularly artificial intelligence, cloud computing, data centres and advanced manufacturing, the Group continued to promote its aluminum alloy flooring plates for use in controlled environments such as telecommunications facilities and clean rooms. This flooring product offers corrosion resistance, excellent anti-static properties, fire resistance and dimensional stability when exposed to moisture, as well as high dimensional accuracy and load-bearing capacity. Although the initial cost is relatively higher due to the use of premium materials, its high recyclability and refurbishment potential provide considerable long-term value. The product is particularly suitable for clean rooms and other controlled environments accommodating heavy machinery and advanced equipment.

Amid the continued weakness in the PRC real estate and commercial building construction sectors, the Group's revenue for the six months ended 30 June 2026 (the "**Period**") decreased by 10.4% to approximately RMB72.9 million, compared with approximately RMB81.4 million for the six months ended 30 June 2025. The decrease was mainly attributable to lower sales of steel access flooring plates as a result of subdued demand and intensified price competition, together with the postponement of certain projects. During the Period, the Group continued to adopt prudent project selection and credit control measures, focusing on customers with sound credit profiles and projects with more sustainable demand.

Despite the decrease in revenue, the Group's gross profit only decreased slightly from approximately RMB19.5 million for the six months ended 30 June 2025 to approximately RMB19.2 million for the Period. The Group recorded a net profit of approximately RMB2.6 million for the Period, representing a turnaround from a net loss of approximately RMB1.1 million for the six months ended 30 June 2025. This was mainly attributable to the substantial reduction in the magnitude of impairment of contract assets and trade and bills receivables, which was due to improved collection of trade receivables.

In the first half of 2026, China's economy remained resilient and recorded year-on-year gross domestic product growth of 4.7%. Nevertheless, the property and construction sectors remained under pressure, with real estate development investment and the sales area of newly-built commodity housing decreasing by 18.0% and 11.6%, respectively. These conditions continued to affect demand, project commencement and price competition in the commercial building construction industry. On the other hand, high-tech manufacturing continued to expand, with its added value increasing by 13.3%, while investment in high-tech industries and information services increased by 4.6% and 15.5%, respectively. The continued development of artificial intelligence, cloud computing and digital infrastructure is expected to support demand for data centres and other controlled environments, where the Group's access flooring plates are well positioned to meet the required technical standards.

Despite the continuing challenges in the commercial property and construction markets, the Board remains optimistic about the long-term prospects of the access flooring industry and the Group's operations. Recognising the growth potential of the data centre and high-tech infrastructure markets and the increasing demand for higher-performance flooring products, the Group will continue to allocate resources to enhance product recognition, improve product technology and upgrade production lines. At the same time, the Group will maintain effective cost, liquidity and credit controls and closely monitor changes in raw material prices and market demand. These measures are expected to strengthen the Group's competitiveness and support its sustainable development as market conditions gradually stabilise.

Sales Analysis

The Group posted a consolidated revenue of approximately RMB72.9 million for the Period, representing a decrease of approximately RMB8.5 million or 10.4% as compared to that of the six months ended 30 June 2025. The decrease in sales revenue for steel access flooring products mainly contributed to the reduction in the consolidated revenue of the Group.

Details of the Group's revenue by product are as follows:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Steel access flooring plates	**44,425**	**60.9**	51,998	63.9
Calcium-sulfate access flooring plates	**28,469**	**39.1**	29,370	36.1
Total	**72,894**	**100.0**	81,368	100.0

Sales of steel access flooring plates was the largest contributor to the Group's revenue and it accounted for approximately 60.9% of the total revenue for the Period. Revenue derived from sales of steel access flooring plates decreased substantially by 14.6% from approximately RMB52.0 million for the six months ended 30 June 2025 to approximately RMB44.4 million for the Period. This was mainly attributable to the slowdown of the economic activities in the commercial building construction industry in the PRC and the reduction of selling prices so as to maintain the competitiveness of steel access flooring plates.

On the other hand, revenue derived from sales of calcium-sulfate access flooring plates decreased by 3.1% from approximately RMB29.4 million for the six months ended 30 June 2025 to approximately RMB28.5 million for the Period. This was mainly attributable to structural challenges faced by the real estate sector and the decline in the total floor space of newly built commercial buildings sold during the period.

Details of the sales volume and average unit selling price by product are as follows:

	For the six months ended 30 June			
	2026		2025	
	Sales volume	**Average unit selling price**	Sales volume	Average unit selling price
	m^2 '000	***RMB/m^2***	*m^2 '000*	*RMB/m^2*
Steel access flooring plates	**341.6**	**130.0**	393.0	132.3
Calcium-sulfate access flooring plates	**167.6**	**169.8**	186.0	157.9
Total	**509.2**		579.0	

Fluctuations in the sales volume of the Group's access flooring plates were mainly due to different product mix in demand by the customers, which is mainly subject to the market demand and the needs of the relevant customers.

Generally, it is considered that both product specifications and technical requirements are the major factors affecting the product price. Based on the market needs, the Group usually adopts a cost-plus pricing policy that takes various factors into consideration, such as the production cost, price of raw materials, suppliers of installation services, purchase volume of the customers, background of the customers and competition. Given the circumstances described above, the Group chose to adopt a competitive pricing policy so as to maintain a reasonable profit margin.

Details of the Group's sale revenue by geographical location are as follows:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	***%***	*RMB'000*	*%*
PRC	**55,513**	**76.2**	70,212	86.3
Other countries	**17,381**	**23.8**	11,156	13.7
Total	**72,894**	**100.0**	81,368	100.0

For both of the six months ended 30 June 2026 and 2025, the Group's products were mainly sold in the PRC and to a lesser extent exported to overseas markets such as Singapore, The United Arab Emirates, Taiwan and Thailand.

Details of the gross profit and gross profit margin by product are as follows:

	For the six months ended 30 June			
	2026		2025	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	RMB'000	***%***	*RMB'000*	*%*
Steel access flooring plates	**12,079**	**27.9**	12,935	24.9
Calcium-sulfate access flooring plates	**7,073**	**24.9**	6,544	22.3
Total	**19,152**	**26.3**	19,479	23.9

The gross profit from steel access flooring plates accounted for the majority of the gross profit of the Group for both of the six months ended 30 June 2026 and 2025. The gross profit margin of the access flooring plates was a combined result of gross profit margin of individual contracts undertaken by the Group, which was in turn affected by various factors, including but not limited to the tender or quotation price, scale, project specifications and other estimated costs, which can vary from project to project. The gross profit margin of both steel access flooring plates and calcium-sulfate access flooring plates increased by 3.0 and 2.6 percentage points respectively. This was mainly attributable to the lower cost of production materials for the products sold during the Period.

Operating Costs and Expenses

Selling expenses decreased by approximately RMB0.3 million, representing a 5.4% decrease to approximately RMB5.6 million for the Period from approximately RMB5.9 million for the six months ended 30 June 2025. The decrease was mainly attributable to the decrease in rental expenses and promotion expenses.

Administrative expenses decreased by approximately RMB0.8 million, representing a 6.5% decrease to approximately RMB10.6 million for the Period from approximately RMB11.4 million for the six months ended 30 June 2025. The reduction was mainly attributable to the conscientious effort taken by the management to control the administrative expenses during the Period.

Finance costs decreased by approximately RMB0.3 million, representing a 27.9% decrease to approximately RMB1.0 million for the Period from approximately RMB1.3 million for the six months ended 30 June 2025. The reduction was mainly attributable to the reduction in the amount of bank borrowings during the Period.

Operating Results

The Group recorded a swing from a loss of approximately RMB1.1 million for the six months ended 30 June 2025 to a profit of approximately RMB2.6 million for the Period. Despite a decrease in total revenue by approximately RMB8.5 million, the turnaround to profitability was primarily driven by the absence of impairment of contract assets and trade and bills receivables during the Period compared to the amount of approximately RMB 3.6 million provided for the six months ended 30 June 2025.

Capital Structure, Liquidity and Financial Resources

The Group funds its business and working capital requirements by using a balanced mix of internal resources and bank borrowings. The funding mix will be adjusted depending on the costs of funding and the actual needs of the Group.

As at 30 June 2026, the Group held total assets of approximately RMB451.6 million (31 December 2025: approximately RMB464.6 million), including contract assets of approximately RMB70.0 million (31 December 2025: approximately RMB71.2 million), trade and bills receivables of approximately RMB95.3 million (31 December 2025: approximately RMB138.2 million) and cash and cash equivalents of approximately RMB80.6 million (31 December 2025: approximately RMB53.9 million). The Group's cash and cash equivalents were mainly denominated in RMB (31 December 2025: RMB).

As at 30 June 2026, the Group had total liabilities of approximately RMB120.3 million (31 December 2025: approximately RMB135.8 million) which mainly comprise of bank borrowings amounting to approximately RMB59.0 million (31 December 2025: approximately RMB65.0 million). The Group's bank borrowings were denominated in RMB, bearing interest at the rates ranging from 2.30% to 3.01% (31 December 2025: approximately 2.35% to 3.01%).

As at 30 June 2026, the gearing ratio, expressed as a percentage of total borrowings over total equity, was approximately 17.8% (31 December 2025: approximately 19.8%).

Contingent Liabilities

As at 30 June 2026, the Group had no contingent liabilities (31 December 2025: Nil).

Exposure to Fluctuations in Exchange Rate

The majority of the Group's business and all bank borrowings are denominated and accounted for in RMB. The Group, therefore, does not have significant exposure to foreign exchange fluctuation.

The Board does not expect the fluctuation of RMB exchange rate and other foreign exchange fluctuation will have material impact on the business operations or financial results of the Group. The Group does not have a hedging policy and it did not commit to any financial instruments to hedge its exposure to foreign currency risk during the Period. However, the Group will closely monitor the foreign exchange market and take appropriate and effective measures from time to time to reduce any negative impact from exchange-rate risk to the full extent including establishment of a hedging policy.

Charge on Group Assets

As at 30 June 2026, the Group had the following charges on its assets:

(a) There was no outstanding secured bank borrowings as at 30 June 2026 (31 December 2025: Nil). However, the available facilities were secured by the following assets:

    (i) land use rights with a carrying value of approximately RMB7.1 million as at 30 June 2026 (31 December 2025: approximately RMB7.2 million);

    (ii) leasehold buildings with a carrying value of approximately RMB4.4 million as at 30 June 2026 (31 December 2025: approximately RMB4.7 million); and

(b) Restricted bank deposits of approximately RMB4.7 million (31 December 2025: approximately RMB5.0 million) were pledged as security for issuing commercial bills to suppliers.

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

There was no material acquisition and disposal of subsidiaries, associates and joint ventures by the Group during the Period.

Significant Investments Held

During the Period, the Group did not hold any significant investments.

Employees and Remuneration Policies

As at 30 June 2026, the Group had 179 employees (31 December 2025: 186). The total staff costs including directors' remuneration for the six months ended 30 June 2026 were approximately RMB9.6 million (six months ended 30 June 2025: approximately RMB10.5 million). Remuneration is determined based on each employee's qualifications, position and seniority. In addition to a basic salary, year-end discretionary bonuses are offered with reference to our Group's performance as well as individual's performance to attract and retain appropriate and suitable personnel to serve the Group. Furthermore, the Group offers other staff benefits like provision of retirement benefits, various types of trainings and sponsorship of training courses. The Group also adopts an annual review system to assess the performance of staff, which forms the basis of decision with respect to salary increment and promotions.

Dividend

The Directors do not recommend the payment of any interim dividend for the Period (six months ended 30 June 2025: Nil).

Business Objectives and Implementation Plan

An analysis comparing the business objectives set out in the prospectus of the Company dated 31 December 2019 with the Group's actual implementation progress up to 30 June 2026 is set out as follows:

Business Strategies	Planned use of proceeds		Actual use of proceeds up to 31 December 2025	Amount utilised during the Period	Unutilised amount as at 30 June 2026	Expected timeframe for the utilisation of the remaining balance
	HK$'M	*%*	*HK$'M*	*HK$'M*	*HK$'M*	
1. Enhancement of the production capacity and efficiency						
– Acquisition of a parcel of land in Changzhou City	20.9	24.4	20.9	–	–	N/A
– Construction of infrastructure including two new factory buildings for production and storage	21.9	25.5	21.9	–	–	N/A
– Installation of five additional production lines	26.9	31.4	26.9	–	–	N/A
– Installation of environmental-friendly and energy-saving facilities and equipment	2.2	2.6	2.2	–	–	N/A
2. Acquisition of automated machinery and equipment for upgrading the existing production lines	5.1	5.9	5.1	–	–	N/A
3. Repayment of outstanding indebtedness of the Group	5.0	5.8	5.0	–	–	N/A

Business Strategies	Planned use of proceeds		Actual use of proceeds up to 31 December 2025	Amount utilised during the Period	Unutilised amount as at 30 June 2026	Expected timeframe for the utilisation of the remaining balance
	HK$'M	*%*	*HK$'M*	*HK$'M*	*HK$'M*	
4. Enhancement and optimization of the information technology system	2.3	2.7	–	–	2.3	Enhancement and optimization of the information technology system aims at satisfying the requirements under the expansion of production capacity resulting from the utilization of the factory buildings. The unutilised amount as at 30 June 2026 is anticipated to be utilised by the end of December 2027
5. Working capital and general corporate purposes	1.5	1.7	1.5	–	–	N/A
Total	85.8	100.0	83.5	–	2.3	

CONTINUING CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

During the Period, the Group did not enter into any transactions which need to be disclosed as connected transactions or continuing connected transactions pursuant to Chapter 14A of the Listing Rules.

Details of the material related party transactions are set out in note 16 to the condensed consolidated interim financial statements of this announcement. These related party transactions did not constitute connected transactions or continuing connected transactions pursuant to Chapter 14A of the Listing Rules.

COMPETING INTERESTS

The Directors confirm that none of the Directors or any of their respective close associates, has engaged in any business that competes or may compete, either directly or indirectly, with the business of the Group, nor has any other conflict of interest with the Group during the Period.

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

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities. As at 30 June 2026, no treasury shares (as defined under the Listing Rules) were held by the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the code of conduct regarding the dealings in securities during the Period. Moreover, the Company was not aware of any non-compliance with the relevant provisions of the Model Code throughout the Period.

CORPORATE GOVERNANCE CODE

The Directors consider that the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the Period.

EVENTS AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Company or the Group after 30 June 2026 and up to the date of this announcement.

AUDIT COMMITTEE

The Company established an audit committee (the "**Audit Committee**") on 19 December 2019 with written terms of reference by reference to the code provisions of the Corporate Governance Code. The Audit Committee currently comprises all three independent non-executive Directors, namely Mr. Xie Xing, as the chairman, Mr. Wang Li and Ms. Long Mei as the members.

The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control and risk management systems, nominate and monitor external auditor and to provide advice and comments to the Board on matters related to corporate governance. The Group's unaudited condensed consolidated interim results for the Period have been reviewed by the Audit Committee.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement will be published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (http://www.jiachencn.com.cn). The interim report of the Company for the Period will be despatched to the shareholders of the Company and published on the aforementioned websites in due course.

By Order of the Board
JiaChen Holding Group Limited
SHEN Min
Executive Director and Chairman

Changzhou, People's Republic of China, 26 August 2026

As at the date of this announcement, the executive Directors are Mr. SHEN Min (Chairman), Mr. SHEN Minghui, Ms. LIU Hui (Chief Executive Officer) and Mr. ZHU Wen; and the independent non-executive Directors are Mr. XIE Xing, Mr. WANG Li and Ms. LONG Mei.

This announcement is available for viewing on the Company's website at www.jiachencn.com.cn and the website of the Stock Exchange at www.hkexnews.hk.