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Cosmo Lady (China) Holdings Company Limited
都市麗人(中國)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2298)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

		For the six months ended 30 June	
		2026	2025
Segment result:			
Intimate wear products	*RMB'000*	**82,887**	69,652
Industrial projects and logistic	*RMB'000*	**10,829**	10,945
Total	*RMB'000*	**93,716**	80,597
Profit attributable to owners of the Company	*RMB'000*	**61,214**	57,796
Earnings per share			
– Basic	*RMB cents*	**2.8**	2.7
– Diluted	*RMB cents*	**2.7**	2.6

INTERIM FINANCIAL INFORMATION

The board (the "**Board**") of directors (the "**Directors**") of Cosmo Lady (China) Holdings Company Limited (the "**Company**") announces the unaudited consolidated interim financial information of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026, together with the comparative figures for the corresponding period in 2025 and selected explanatory notes. The interim financial information has been reviewed by the audit committee of the Board (the "**Audit Committee**") and the Company's auditor, Ernst & Young, in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
		2026	2025
		Unaudited	Unaudited
	Notes	***RMB'000***	*RMB'000*
Revenue	4	**1,267,046**	1,435,894
Cost of sales		**(615,769)**	(770,130)
Gross profit		**651,277**	665,764
Selling and marketing expenses		**(512,169)**	(523,907)
General and administrative expenses		**(75,174)**	(79,664)
Net impairment losses on financial assets		**(3,241)**	(4,223)
Other income	5	**7,213**	8,355
Other gains/(losses) – net	5	**4,303**	(877)
Operating profit		**72,209**	65,448
Finance income		**2,794**	2,113
Finance expenses		**(9,554)**	(12,454)
Finance expenses – net		**(6,760)**	(10,341)
Share of (losses)/profits of joint ventures – net		**(3,463)**	282
Profit before income tax	6	**61,986**	55,389
Income tax expense	7	**(2,519)**	(1,942)
Profit for the period		**59,467**	53,447

	Notes	Six months ended 30 June **2026** **Unaudited** ***RMB'000***	 2025 Unaudited *RMB'000*
Other comprehensive income/(loss) for the period			
Item that may be reclassified subsequently to profit or loss			
– Exchange differences		**3,307**	2,343
Item that will not be reclassified to profit or loss			
– Changes in the fair value of equity investments at fair value through other comprehensive		**–**	(4,451)
Other comprehensive income/(loss) for the period, net of tax		**3,307**	(2,108)
Total comprehensive income for the period		**62,774**	51,339
Profit attributable to:			
Owners of the Company		**61,214**	57,796
Non-controlling interests		**(1,747)**	(4,349)
		59,467	53,447
Total comprehensive income attributable to:			
Owners of the Company		**64,521**	55,688
Non-controlling interests		**(1,747)**	(4,349)
		62,774	51,339
		RMB cents	*RMB cents*
Earnings per share attributable to owners of the Company during the period:			
Basic	8	**2.8**	2.7
Diluted	8	**2.7**	2.6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**As at 30 June 2026 Unaudited** *RMB'000*	As at 31 December 2025 Audited *RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**648,935**	581,436
Investment properties		**113,722**	164,680
Right-of-use assets		**254,393**	273,497
Intangible assets		**25,545**	23,520
Investments in joint ventures		**23,556**	37,796
Financial assets at fair value through other comprehensive income		**8,363**	12,275
Deposits, prepayments and other receivables		**24,183**	19,882
Deferred income tax assets		**95,757**	95,440
		1,194,454	1,208,526
Current assets			
Inventories		**688,602**	606,992
Completed properties held for sale		**15,214**	21,993
Trade and notes receivables	10	**532,018**	566,121
Deposits, prepayments and other receivables		**559,570**	596,627
Restricted bank deposits		**38,546**	49,688
Cash and cash equivalents		**484,623**	564,452
		2,318,573	2,405,873
Total assets		**3,513,027**	3,614,399

	Note	As at 30 June 2026 Unaudited *RMB'000*	As at 31 December 2025 Audited *RMB'000*
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital		**140,312**	140,312
Share premium		**1,591,796**	1,623,376
Shares held for share award scheme		**(59,550)**	(59,550)
Other reserves		**434,483**	423,553
Retained profits		**71,122**	15,063
		2,178,163	2,142,754
Non-controlling interests		**(26,494)**	(24,747)
Total equity		**2,151,669**	2,118,007
LIABILITIES			
Current liabilities			
Trade and notes payables	11	**333,480**	417,805
Accruals and other payables		**313,580**	357,057
Tax payables		**52,109**	49,554
Borrowings	12	**148,400**	142,900
Lease liabilities		**53,068**	132,310
Deferred income		**–**	3
		900,637	1,099,629
Non-current liabilities			
Borrowings	12	**310,500**	304,700
Lease liabilities		**150,221**	92,063
		460,721	396,763
Total liabilities		**1,361,358**	1,496,392
Total equity and liabilities		**3,513,027**	3,614,399

NOTES:

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 28 January 2014 as an exempted company with limited liability under the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company. The Group is principally engaged in the designing, marketing and selling of intimate wear products, development of industrial projects and provision of logistic services in the People's Republic of China (the "**PRC**"). The Company's ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 26 June 2014.

Harmonious Composition Investment Holdings Limited, a company incorporated in the British Virgin Islands (the "**BVI**"), is the immediate holding company of the Company. In the opinion of the Company's directors, Yao Li Investment Holdings Limited, a company incorporated in the BVI with limited liability and controlled by Mr. Zheng Yaonan, is the ultimate holding company of the Company.

The interim condensed consolidated financial information for the six months ended 30 June 2026 (the "**Interim Financial Information**") is presented in Renminbi ("**RMB**"), unless otherwise stated. The Interim Financial Information is unaudited but has been reviewed by the Audit Committee and approved for issue by the Board on 28 August 2026.

2 BASIS OF PREPARATION

The Interim Financial Information has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("**IAS 34**"). 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, which have been prepared in accordance with IFRS Accounting Standards.

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*

The nature and impact of the amended IFRS Accounting Standards that are applicable to the Group are described below:

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise 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.

Amendments to IFRS 9 and IFRS 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.

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

3 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

Intimate wear products segment	–	Designing, marketing and selling of intimate wear products
Industrial projects and logistic segment	–	Development of industrial projects and provision of logistic services

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that interest income, finance expenses as well as head office and corporate income and expenses are excluded from such measurement.

The Group's revenue from external customers was derived solely from its operations in the PRC.

None of the revenue derived from any single external customer amounted to 10% or more of the Group's revenue for the six months ended 30 June 2026 (2025: None).

Information regarding these reportable segments is presented below:

Reportable segment information

	For the six months ended 30 June (Unaudited)					
	Intimate wear products		Industrial projects and logistic		Total	
	2026	2025	**2026**	2025	**2026**	2025
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Segment revenue						
Revenue from external customers	**1,203,538**	1,288,540	**63,508**	147,354	**1,267,046**	1,435,894
Intersegment sales	**–**	–	**47,139**	66,989	**47,139**	66,989
Total segment revenue	**1,203,538**	1,288,540	**110,647**	214,343	**1,314,185**	1,502,883
Reconciliation:						
Elimination of intersegment sales					**(47,139)**	(66,989)
Total revenue					**1,267,046**	1,435,894
Segment gross profit	**636,947**	639,605	**14,330**	26,159	**651,277**	665,764
Segment results	**82,887**	69,652	**10,829**	10,945	**93,716**	80,597
Reconciliation:						
Interest income					**2,794**	2,113
Unallocated gains					**12**	664
Corporate and other unallocated expenses					**(24,982)**	(21,135)
Finance expenses					**(9,554)**	(6,850)
Profit before income tax					**61,986**	55,389

4 REVENUE

Analysis of the Group's revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Offline sales	**1,045,340**	1,063,611
E-commerce	**158,198**	224,929
Logistic income	**49,491**	64,445
Sales of properties from industrial projects	**12,911**	82,909
	1,265,940	1,435,894
Revenue from other sources		
Gross rental income from investment properties	**1,106**	–
	1,267,046	1,435,894

5 OTHER INCOME AND OTHER GAINS/(LOSSES) – NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
An analysis of the Group's other income is as follows:		
Government grants *(Note)*	**1,450**	813
Others	**5,763**	7,542
	7,213	8,355

Note: These mainly represented grants received from various local governments in the PRC. There are no unfulfilled conditions or contingencies relating to these grants.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
An analysis of the Group's other gains/(losses) – net is as follows:		
Net foreign exchange losses	**(10)**	(872)
Gain on disposal of investment properties	**4,616**	–
Losses on disposal of property, plant and equipment – net	**(303)**	(5)
	4,303	(877)

6 PROFIT BEFORE INCOME TAX

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**566,591**	648,935
Cost of service rendered	**42,399**	65,759
Cost of properties sold	**6,779**	55,436
Depreciation and amortisation		
– Right-of-use assets	**92,970**	102,065
– Property, plant and equipment	**37,116**	41,877
– Intangible assets	**2,917**	3,506
Provision for inventories	**1,140**	5,736
Reversal of impairment of property, plant and equipment	**–**	(283)
Reversal of impairment of right of use assets	**(1,427)**	(5,230)

7 INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax		
– PRC corporate income tax (Note (b))	**543**	1,271
– PRC land appreciation tax ("**LAT**") (Note (c))	**2,293**	1,873
	2,836	3,144
Deferred income tax		
– Deferred income tax	**(317)**	(1,202)
Income tax expense	**2,519**	1,942

Notes:

(a) Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the current and the prior period.

(b) PRC corporate income tax

The Company's subsidiary, Cosmo Lady Guangdong Holdings Limited ("**Cosmo Lady Guangdong**"), was given the preferential corporate income tax at 15% under the High and New Technology Enterprises ("**HNTE**") in December 2024, which is effective for 3 years from 2024 to 2027. The Group's other subsidiaries in the PRC are subject to PRC corporate income tax at the rate of 25% for the six months ended 30 June 2026 (2025: 25%) on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof.

(c) PRC Land Appreciation Tax

The Group is subject to LAT in the PRC. The provision for LAT is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculation and payments with the tax authorities for certain of its property development projects. The final outcome could be different from the amounts that were initially recorded.

(d) Overseas income Tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of Cayman Islands and accordingly, is exempted from Cayman Islands income tax. The Company's direct subsidiary in the BVI was incorporated under the International Business Companies Act of the BVI and, accordingly, is exempted from BVI income tax.

8 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

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

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company *(RMB'000)*	**61,214**	57,796
Weighted average number of ordinary shares for purposes of basic earnings per share *(thousands of shares)*	**2,179,354**	2,179,354
Effect of dilution – weighted average number of ordinary shares: Share Award Scheme *(thousands of shares)*	**56,297**	50,415
Number of shares used in diluted earnings per share calculation (thousands of shares)	**2,235,651**	2,229,769

Note: The weighted average number of ordinary shares for the purpose of basic earnings per share for the six months ended 30 June 2026 and 2025 has been adjusted for the effects of purchase and withholding of ordinary shares of the Company for the share award scheme and share option schemes during the six months ended 30 June 2026 and 2025, respectively, while certain share options outstanding during the six months ended 30 June 2026 and 2025 had no dilutive effect on the diluted earnings per share amount presented.

9 INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend to shareholders of the Company for the six months ended 30 June 2026 (2025: Nil).

10 TRADE AND NOTES RECEIVABLES

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Trade receivables		
– Due from third parties	**558,076**	591,909
Notes receivables	**661**	146
Less: loss allowance	**(26,719)**	(25,934)
Trade and notes receivables – net	**532,018**	566,121

(a) As at 30 June 2026, the carrying amounts of the trade receivables of the Group approximate their fair values and are all denominated in RMB.

(b) The Group's trade receivables are primarily derived from sales to certain franchise customers with an appropriate credit history. The Group generally grants franchise customers with a credit period of 15 to 90 days from the invoice date. The Group also gives franchise customers a credit period of 90 to 180 days for their first order of products for new retail stores. The Group would also extend the credit period for certain franchise customers under certain circumstances. The aging analysis of trade receivables based on invoice dates, as at 30 June 2026 is as follows:

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Trade receivables, gross		
– Within 30 days	**154,633**	247,157
– Over 30 days and within 60 days	**73,509**	128,505
– Over 60 days and within 90 days	**63,713**	78,823
– Over 90 days and within 180 days	**51,117**	51,564
– Over 180 days and within 360 days	**193,155**	61,018
– Over 360 days	**21,949**	24,842
	558,076	591,909

11 TRADE AND NOTES PAYABLES

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Trade payables		
– Due to third parties	**279,609**	313,434
– Due to related parties	**4,862**	5,581
	284,471	319,015
Notes payable		
– Due to third parties	**49,009**	98,790
	333,480	417,805

As at 30 June 2026, trade payables of the Group are non-interest bearing, and their fair values approximate their carrying amounts due to their short maturities.

As at 30 June 2026, trade payables are denominated in RMB. The aging analysis of trade payables based on invoice dates, as at 30 June 2026 is as follows:

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Trade payables		
– Within 30 days	**49,579**	38,938
– Over 30 days and within 60 days	**50,654**	59,776
– Over 60 days and within 90 days	**60,953**	88,029
– Over 90 days and within 180 days	**113,101**	122,940
– Over 180 days and within 360 days	**6,708**	6,039
– Over 360 days	**3,476**	3,293
	284,471	319,015

12 BORROWINGS

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Non-current		
Secured bank borrowings	**310,500**	304,700
Current		
Secured bank borrowings	**148,400**	142,900
Total	**458,900**	447,600

BUSINESS REVIEW

In the first half of 2026, the global economic landscape underwent continuous adjustments accompanied by heightened external uncertainties. Meanwhile, China's consumer market further evolved toward rational and value-oriented spending amidst ongoing challenges. Navigating these macro headwinds, Cosmo Lady adhered to the spirit of "be pragmatic, strive hard, and build deep capabilities for future growth" and firmly executed its strategy of providing "high-quality and affordable national intimate wear." The Group leveraged its internal growth momentum to resist external fluctuations and deepened consumer recognition with its brand influence to build a high-value bestseller matrix. During the reporting period, the Group made good progress in various dimensions, including brand building, product innovation, refined channel operations, rapid e-commerce expansion, and new business incubation, demonstrating strong operational resilience.

1. Strengthening Brand Equity and Deepening Mass-Market Mindshare of "High-quality and Affordable"

Brand Building and Marketing Promotion

During the reporting period, the Group firmly practiced its core brand strategy of providing "high-quality but affordable national intimate wear," orderly advanced brand rejuvenation and nationalization, and continuously enhanced the recognition, preference, and trust of the core brand of Cosmo Lady among mainstream consumers, consolidating its leading position as a national intimate wear brand.

In terms of marketing promotion, Cosmo Lady the Group extended its Chinese New Year "Red Product" (紅品) campaign in collaboration with Hong Kong's famous feng shui master Mak Ling Ling. By precise consumer insights with scenario-based engagement, the Group achieved a synergistic enhancement in brand influence and retail conversion. Meanwhile, centering on the communication theme of "Worn by Hundreds of Celebrities", the Group continuously strengthened the brand recognition of national fashion items, driving a shift from functional product awareness to lifestyle brand affinity.

Spokesperson Matrix and Channel Innovation

The spokesperson matrix was continuously optimized to effectively cover diverse customer segments. The core Cosmo Lady brand partnered with actress Guli Nazha (古力娜扎) as its brand ambassador, leveraging her fashion-forward image to engage female consumer cohorts across all sales channels, continuously releasing growth momentum for brand rejuvenation and nationalization. The sub-brand Ordifen renewed its contract with Li Xiaoran (李小冉), continuing to convey a sophisticated and elegant national temperament, deepening emotional resonance among the public, and further consolidating the brand's differentiated competitive edge in the mid-to-high-end intimate wear segment.

Regarding channel innovation, the Group launched its innovative "Cotton Life store" (棉品生活店) store concept. Single-store productivity exceeded management expectations, establishing a new growth driver within shopping mall channels and providing a replicable model for integrated retail experiences.

Corporate Social Responsibility

The Group actively participated in charitable work, demonstrating its corporate responsibility as a national brand. During the reporting period, the Group partnered with the China Social Welfare Foundation to successively carry out charity donations in Shaanxi, Jiangxi, Gansu, Hainan, and other regions, supporting grassroots livelihood assistance causes. To date, the Group's charity assistance map has covered 22 provincial-level administrative regions across the country, with cumulative clothing donations exceeding 350,000 pieces. In the future, the Group will continue to convey brand warmth and practice its corporate citizen mission through charitable investments, shaping a responsible and accountable image of a national brand.

2. Building a Bestseller Matrix to Deliver Exceptional Value

Refining the Bestseller Matrix and Product Competitiveness

Product strength is always the vital cornerstone for the Group to navigate cycles and build long-term core competitiveness. In the first half of 2026, the Group adhered to a value-for-money proposition, continuously pushed forward bestseller products and differentiated technological innovation, and committed to providing consumers with "high-quality and affordable" premium products.

During the reporting period, the Group continuously refined a multi-tiered product matrix covering comprehensive price points and drove overall performance growth with single-item momentum. The Group launched core single items such as "Peach Cup", "Lifting No-Constraint Bra", and "Pilates Bra", with product pricing covering different consumer segments. "Little Black Magnetic Foundation Master" won deep consumer favor with its comfortable, invisible, and self-contained SPA experience, achieving high growth momentum. Constructing a multi-tiered bestseller matrix can both accurately match diverse consumer needs and rely on leading bestsellers to drive exposure and revenue, injecting continuous and stable momentum into brand growth.

Continuously Driving Design and Technological Innovation, Strengthening the Product Moat

In terms of design, the Group joined hands with Cécile Vico, a designer who has collaborated with international luxury brands such as LV and Dior, to elevate brand aesthetics and product differentiation. In terms of functional technological innovation, Cosmo Lady successfully held the "Good Night Deep Sleepwear Techy Launch", integrating functional nightwear into deep-sleep scenarios. Meanwhile, building on last year's highly popular "Canadian Goose Down Thermal Wear" in the market, the Group plans to launch "Canadian Goose Down Thermal Wear 2.0" in the second half of the year to consolidate its leading position in the thermal wear category.

3. Refined Operations of the Core Brand Cosmo Lady Yield Results, Driving Same-Store Sales Growth

In terms of offline business, the core brand Cosmo Lady continued to pivot from scale expansion to refined operations, focusing on high-quality growth.

In channel layout, the Group pushed forward its "Key Province and Strong City" (大省強市) strategy, focusing on building strong-performing cities to drive overall performance. In store-opening strategies, the Group continued to execute the principle of "opening big stores, opening good stores, and opening shopping mall stores," strictly controlling the quality of store openings, which achieved a significant performance boost in new stores. The strategic value of shopping mall channels and big store models became further evident.

In operational strategies, through measures such as "7-day no-reason returns," instant retail, membership marketing, and key bestseller displays, the Group systematically enhanced single-store operational efficiency and consumer experience. Supported by these combined measures, the comparable performance of Cosmo Lady stores improved significantly, providing strong support for the steady recovery and quality enhancement of the offline business.

4. Sustained E-Commerce Expansion Targeting Full-Year GMV of RMB7.0 Billion

E-commerce business continued to serve as the core engine of the Group's growth, maintaining a high growth trajectory in the first half of 2026.

During the period, the Group's e-commerce gross merchandise value ("**GMV**") achieved an overall growth of approximately 70%, among which the e-commerce GMV of the core brand Cosmo Lady increased by nearly double year-on-year, fully reflecting the brand's execution capability in e-commerce operations, content seeds-sowing, and bestseller co-creation. Building on the RMB4.3 billion e-commerce GMV achieved in 2025, the Group is actively pursuing its full-year strategic target of RMB7.0 billion.

The rankings of core brands across mainstream e-commerce platforms achieved all-round climbs. The brand's growth momentum continued to release, reflecting that the strategic layout of online channels has achieved staged results, with both brand market recognition and user mindshare penetration rate improved.

On the channel operational front, we continued to expand the Douyin affiliated live-broadcast store matrix, actively collaborated with key opinion leaders (KOLs), cultivated core growth points and drove public traffic to settle down into sustainable conversions.

In terms of bestseller creation, we focused on four core bestsellers including the "Canadian Goose Down Series" and "Little Black Magnetic Bra", coordinating content operations, KOL matrices, and supply chain security to work together to continuously amplify the driving effect of bestseller products.

The Group completed the online spokesperson renewal for the sub-brand Ordifen, sustaining the brand's original influence and further releasing online user growth potential. Relying on Ordifen's brand heritage, the Group continuously advanced its bestseller strategy, with more new products matching consumer needs scheduled to be launched in the market.

5. Sub-brand Cotton Regions Sustains High Growth, Releasing Brand Momentum

As an important second growth curve of the Group, the business of the sub-brand Cotton Regions continued to maintain a good development momentum in the first half of 2026.

During the period, Cotton Regions' revenue increased by 43% year-on-year and 17 new stores were opened, validating the replicability and sustainable expansion capability of the business model.

Cotton Regions redesigned its store environments to move beyond traditional home wear layouts, creating immersive retail spaces tailored to modern lifestyle preferences.

In terms of products, six star series, such as “Grade A Cotton Gauze & Cloud Series” and “Cute Pet & Pet Master Series”, continued to validate bestseller appeal, providing strong support for sales growth and brand recognition reinforcement.

In terms of membership operations, the repeat purchase rate reached 32.9%, and membership sales accounted for 83.8%, both achieving double-digit year-on-year growth, with member loyalty further enhanced. This indicates that Cotton Regions has entered a new stage of high-quality replication from validation.

Outlook

Looking forward to the second half of 2026, while macro uncertainties remain, consumer demand in China for functional value and emotional resonance remains clear. The Group maintains a cautiously optimistic outlook and will remain committed to prudent, quality-driven growth.

- **Core Brand Strategy:** The Group will advance its multi-channel expansion, focusing on key geographic markets, high-efficiency store formats, and shopping mall locations to drive same-store productivity and defend market share.

- **E-commerce Strategy:** The Group will strive toward its full-year GMV target of RMB7.0 billion by broadening its live-streaming and KOL network, driving campaigns for “Canadian Goose Down 2.0” and “Little Black Magnet,” and enhancing agile supply chain responsiveness and content creation.

- **Sub-Brand Strategy:** The Group will maintain rapid expansion for sub-brand “Cotton Regions” through hero-product iterations, enhanced retail experiences, and member monetization to increase single-store yield and category market share.

- **Products and Brand Strategy:** The Group will uphold its core value proposition of delivering high-quality, accessible products, advancing design collaborations, functional launches, and national brand building to reinforce long-term market competitiveness.

Lastly, we extend our sincere gratitude to the consumers, partners, all employees, and shareholders for their trust and support. In the second half of 2026, Cosmo Lady will continue to work pragmatically and accumulate strength for future development, creating greater value for shareholders with a more vibrant brand image, a more competitive bestseller product matrix, and more efficient retail operations.

FINANCIAL REVIEW

Profit attributable to the owners of the Company and the segment results

Profit attributable to the owners of the Company for the six months ended 30 June 2026 (the "**Relevant Period**") was RMB61,214,000 (the first half of 2025: RMB57,796,000), which increased by approximately 5.9% as compared with that of the corresponding period in 2025. Besides, the results from the intimate wear products and industrial projects and logistic segments of the Group for the Relevant Period were RMB82,887,000 (the first half of 2025: RMB69,652,000) and RMB10,829,000 (the first half of 2025: RMB10,945,000), respectively, representing an increase of approximately 19.0% and a decrease of approximately 1.1% as compared with that of the corresponding period in 2025, respectively.

It was mainly due to the Group's successful cooperation with its partners to expand its e-commerce business since 2024, and effectively increased the market share of the Group's brands, with the gross merchandise value ("**GMV**") of approximately RMB2.60 billion (the first half of 2025: RMB1.52 billion) transacted on the relevant e-commerce platforms that the Group established corporations with during the Relevant Period, from which the Group received service income of approximately RMB73.3 million during the Relevant Period (the first half of 2025: RMB39.4 million), contributing to the continued improvement in performance of the intimate wear product segment.

Revenue

The Group's revenue is mainly derived from sales of intimate wear products to the franchisees and to consumers through self-managed/cooperative stores and online sales platforms, development of industrial projects and provision of logistic services in the PRC. The breakdown of the revenue is as follows:

	Six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Intimate wear products:				
Offline sales	**1,045,340**	**82.6**	1,063,611	74.1
E-commerce	**158,198**	**12.5**	224,929	15.6
	1,203,538	**95.1**	1,288,540	89.7
Industrial projects and logistic:				
Logistic income	**49,491**	**3.9**	64,445	4.5
Industrial projects sales	**12,911**	**1.0**	82,909	5.8
	62,402	**4.9**	147,354	10.3
	1,265,940	**100.0**	1,435,894	100.0

During the Relevant Period, the changes in revenue of the Group were mainly driven by the following factors:

– In respect of intimate wear products segment, the decrease in revenue during the Relevant Period was mainly attributable to the Group further enhancement of its collaboration with the e-commerce partners, as evidenced by the increase in the Group's total online GMV from RMB1.61 billion in the first half of 2025 to RMB2.73 billion during the Relevant Period. In addition, the Group continued to scale down its low-efficiency self-operated e-commerce platforms, which resulted in a decrease in the related e-commerce revenue; and

– The decrease in revenue from industrial projects and logistics was due to the decrease in industrial projects sales as compared with that of the corresponding period in 2025. Since 2022, the Group has transformed the former old warehouses in Fenggang town, Dongguan city, Guangdong province, the PRC (the "**Yuquan Project**"), into the modern industrial and intelligent logistic warehousing industrial projects, which has been completed and approved by the relevant government authorities during 2024. During the Relevant Period, the Group mainly delivered the remaining units of the Yuquan Project. The number of units delivered decreased as compared with that of the corresponding period last year, resulting in a corresponding decrease in related sales.

Gross profit margin

During the Relevant Period, the gross profit margin of the Group increased to around 51.4% as compared with that of the corresponding period in 2025 (the first half of 2025: 46.4%), in which the gross profit margin of intimate wear products also increased to around 52.9% as compared with that of the corresponding period in 2025 (the first half of 2025: 49.6%), mainly due to continued growth of the e-commerce co-operative business, which resulted in an increase in the related service income from RMB39.4 million in the first half of 2025 to RMB73.3 million during the Relevant Period.

Selling and marketing expenses

Selling and marketing expenses primarily consist of employee benefit expenses, lease expenses in respect of stores under cooperative arrangements, marketing and promotion expenses, e-commerce platforms related service expenses, depreciation and amortisation and others.

The decrease in selling and marketing expenses by about 2.2% for the six months ended 30 June 2026 to approximately RMB512,169,000 (the first half of 2025: RMB523,907,000) was primarily attributable to the combined effect of a reduction in selling expenses and commission costs incurred in connection with sales of industrial project, partially offset by an increase in brand-building and promotional expenses relating to the Group's e-commerce business during the Relevant Period.

General and administrative expenses

General and administrative expenses primarily consist of employee benefit expenses, consulting service expenses, travelling expenses, depreciation and amortisation and others.

The decrease in general and administrative expenses by approximately 5.6% for the six months ended 30 June 2026 to approximately RMB75,174,000 (the first half of 2025: RMB79,664,000) was mainly attributable to the continuous and effective cost control measures implemented during the Relevant Period.

Finance expenses – net

Finance expenses – net represents financial expenses on bank borrowings and lease liabilities less interest income on bank deposits.

The decrease in finance expenses – net to approximately RMB6,760,000 (the first half of 2025: RMB10,341,000) was mainly due to the decrease in interest expenses on bank borrowing and lease liabilities during the Relevant Period.

Income tax expense

As at 30 June 2026, the Group had fulfilled all its tax obligations and did not have any unresolved tax disputes.

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a strong and healthy financial position. As at 30 June 2026, the Group's restricted bank deposits and cash and cash equivalents amounted to approximately RMB523,169,000 (31 December 2025: RMB614,140,000) and borrowings amounted to approximately RMB458,900,000 (31 December 2025: RMB447,600,000). As at 30 June 2026, the current ratio was about 2.6 times (31 December 2025: 2.2 times).

As at 30 June 2026, the Group's gross gearing ratio, which was calculated on the basis of the amount of bank borrowings as a percentage of the total shareholders' equity, was approximately 21.3% (31 December 2025: 21.1%). The net gearing ratio, which was calculated on the basis of the amount of bank borrowings less restricted bank deposits and cash and cash equivalents as a percentage of the total shareholders' equity, was approximately negative 3.0% (31 December 2025: negative 7.9%). The Group's financial ratios remained at healthy level.

FOREIGN CURRENCY RISK

Most of the Group's income, expenses and purchases of raw materials are denominated in Renminbi. The Group has never encountered any significant difficulties in obtaining sufficient foreign currencies for repatriation of profits declared by the subsidiaries in mainland China to the overseas holding companies.

CAPITAL EXPENDITURE ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the Relevant Period, the capital expenditure on property, plant and equipment and intangible assets of the Group amounted to approximately RMB110,458,000 (the first half of 2025: RMB32,647,000), which was mainly used for renovation works of logistics warehouses.

PLEDGE OF ASSETS

As at 30 June 2026, the Group's restricted bank deposits, certain property, plant and equipment, investment properties and land use rights of approximately RMB419,687,000 (31 December 2025: RMB667,030,000) were pledged as securities for obtaining borrowings and notes payables. Certain pledged assets were released following the renewal of banking facilities during the Relevant Period.

HUMAN RESOURCES AND MANAGEMENT

The Group had approximately 1,700 full-time employees as at 30 June 2026 (31 December 2025: 1,800). The Group's remuneration package is determined with reference to the experience and qualifications of the individual employees and general market conditions. Bonus is linked to the Group's operating result as well as individual performance. The Company believes that the ability to recruit and retain experienced and skilled labour is crucial to the Group's growth and development. The Group provides training for its new employees to familiarise them with the working environment and work culture. The Group also provides on-the-job training to the employees, which aims at developing their skills so as to meet the strategic goals and customer requirements. In addition to providing the Group's staff with opportunities to receive on-the-job training, the Group strives to create a harmonious and warm working and living environment for the staff.

INTERIM DIVIDENDS

The Board does not recommend the payment of interim dividend to shareholders of the Company for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

CORPORATE GOVERNANCE PRACTICES

The Board considers that the Company has complied with all the applicable code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") throughout the six months ended 30 June 2026, with the exception of Code Provision C.2.1.

According to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same person. The Company deviated from this provision from 30 November 2021 because Mr. Zheng Yaonan ("**Mr. Zheng**") performed both the roles of the chairman of the Board and the chief executive officer of the Company. Mr. Zheng, with the established market reputation in the intimate wear industry in China, is the founder of the Group and has extensive experience in business operations and management in general. Under the leadership of Mr. Zheng, the Board worked effectively and performed its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions were made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive directors on the Board offering advice in independent perspectives, the Board was therefore of the view that there were adequate safeguards in place to ensure sufficient balance of powers within the Board.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities or sold any treasury shares during the six months ended 30 June 2026.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules (the "**Model Code**") as the code of conduct regarding securities transactions by the Directors. Specific enquiry was made with all the Directors and all of the Directors confirmed that they have complied with the requirements set out in the Model Code throughout the six months ended 30 June 2026.

SIGNIFICANT EVENTS AFTER REPORTING PERIOD

There was no significant event occurred subsequent to 30 June 2026, being the end of the reporting period.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely Mr. Yau Chi Ming, Dr. Dai Yiyi and Dr. Lu Hong Te. Mr. Yau Chi Ming, who possesses appropriate professional qualifications as required by the Listing Rules, is the chairman of the Audit Committee.

The Audit Committee holds regular meetings to review the financial information, financial reporting system and internal control procedures of the Group, including a review of the unaudited interim financial information for the six months ended 30 June 2026 and the Audit Committee has reviewed the unaudited interim results for the six months ended 30 June 2026 and has no disagreement with the accounting treatment and principles adopted by the Company.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2026

This interim results announcement is published on the HKEXnews at http://www.hkexnews.hk and on the Company's website at http://www.cosmo-lady.com.hk. The 2026 interim report of the Company will be published on both of the aforesaid websites in due course.

By order of the Board
Cosmo Lady (China) Holdings Company Limited
Zheng Yaonan
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises Mr. Zheng Yaonan, Mr. Zhang Shengfeng, Ms. Wu Xiaoli, Mr. Xian Shunxiang and Mr. Zhu Hongbo as executive Directors; Mr. Lin Zonghong as non-executive Director; and Mr. Yau Chi Ming, Dr. Dai Yiyi and Dr. Lu Hong Te as independent non-executive Directors.