JIANGSU HORIZON CHAIN SUPERMARKET COMPANY LIMITED
江蘇宏信超市連鎖股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2625)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2026	2025	**Change**
	RMB'000	*RMB'000*	
	(unaudited)	(unaudited)	
Revenue	**807,755**	771,288	4.7%
Gross profit	**128,402**	138,879	-7.5%
Profit for the period	**22,251**	13,516	64.6%
Earnings per share			
Basic and diluted *(in RMB* cents*)*	**9.21**	6.67	38.2%

- The Group's revenue increased by 4.7% or RMB36.5 million from RMB771.3 million for the six months ended 30 June 2025 to RMB807.8 million in the Reporting Period, primarily attributable to the increase in our revenue generated from wholesale operations. In the Reporting Period, the Group's revenue generated from wholesale operations increased by 24.5% to approximately RMB548.9 million from approximately RMB441.1 million for the six months ended 30 June 2025. In the Reporting Period, the Group's revenue generated from general sales from retail operations decreased by 19.5% to approximately RMB210.7 million from approximately RMB261.6 million for the six months ended 30 June 2025. In the Reporting Period, the Group's revenue generated from bulk sales from retail operations decreased by 27.6% to approximately RMB24.6 million from approximately RMB33.9 million for the six months ended 30 June 2025. In the Reporting Period, the Group's revenue generated from supply and sales of meals decreased by 48.0% to approximately RMB7.2 million from approximately RMB13.9 million for the six months ended 30 June 2025. During the Reporting Period, the Group's revenue generated from commission income from concessionaire sales and supply of goods decreased by 21.1% to approximately RMB10.9 million from approximately RMB13.8 million for the six months ended 30 June 2025. In the Reporting Period, the Group's revenue generated from rental income from operating lease decreased by 21.4% to approximately RMB5.5 million from approximately RMB7.0 million for the six months ended 30 June 2025.

- The Group's gross profit for the Reporting Period was RMB128.4 million, representing a decrease of 7.5% as compared with the same period last year; the gross profit margin was 15.9%, decreased by 2.1 percentage points as compared with the same period last year, primarily attributable to increased promotional discounts and a higher proportion of our revenue generated from wholesale operations, which had a relatively lower gross profit margin.

- The Group's profit for the Reporting Period was RMB22.3 million, representing an increase of 64.6% as compared to a profit for the period of RMB13.5 million for the six months ended 30 June 2025, mainly attributable to (i) the absence in Listing expenses of approximately RMB12.6 million incurred in the comparative period; and (ii) the change from a provision for impairment loss on trade and other receivables of RMB2.9 million to a reversal of RMB6.4 million, partially offset by the decrease in gross profit, the net foreign exchange loss and the increase in net finance costs. Excluding Listing expenses, adjusted net profit (a non-IFRS measure) decreased by approximately 14.6% from RMB26.1 million to RMB22.3 million.

- The Group's basic and diluted earnings per share in the Reporting Period was RMB9.21 cents, as compared to RMB6.67 cents for the six months ended 30 June 2025.

- The Board resolved not to declare any interim dividend for the Reporting Period.

The board (the "**Board**") of directors (the "**Directors**") of Jiangsu Horizon Chain Supermarket Company Limited (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**", "**we**", "**our**" or "**us**") for the six months ended 30 June 2026 (the "**Reporting Period**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan)

		Six months ended 30 June	
	Notes	**2026**	2025
		RMB'000	*RMB'000*
Revenue	4	**807,755**	771,288
Cost of sales		**(679,353)**	(632,409)
Gross profit		**128,402**	138,879
Other revenue	5(a)	**514**	3,380
Other net (loss)/gain	5(b)	**(3,593)**	416
Selling and distribution costs		**(70,435)**	(75,103)
Administrative and other operating expenses		**(20,142)**	(32,650)
Reversal/(provision) of impairment loss on trade and other receivables		**6,419**	(2,873)
Profit from operations		**41,165**	32,049
Finance income	6(a)	**1,709**	1,728
Finance costs	6(a)	**(14,450)**	(10,933)
Net finance costs		**(12,741)**	(9,205)
Share of gain of an associate		**59**	–
Profit before taxation		**28,483**	22,844
Income tax	7	**(6,232)**	(9,328)
Profit for the period		**22,251**	13,516
Attributable to:			
Equity shareholders of the Company		**21,709**	12,499
Non-controlling interests		**542**	1,017
Profit for the period		**22,251**	13,516
Earnings per share			
Basic and diluted *(RMB cents)*	8	**9.21**	6.67

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan)

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit for the period	**22,251**	13,516
Other comprehensive income for the period (after tax and reclassification adjustments)		
Item that will not be reclassified to profit or loss:		
Financial assets at fair value through other comprehensive income (FVOCI) – movement in fair value reserves (non-recycling)	**(5,075)**	1,120
Related tax	**1,269**	(280)
Other comprehensive income for the period	**(3,806)**	840
Total comprehensive income for the period	**18,445**	14,356
Attributable to:		
Equity shareholders of the Company	**18,056**	13,303
Non-controlling interests	**389**	1,053
Total comprehensive income for the period	**18,445**	14,356

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026

(Expressed in Renminbi Yuan)

	Notes	**At 30 June 2026**	At 31 December 2025
		RMB'000	*RMB'000*
		(unaudited)	(audited)
Non-current assets			
Property, plant and equipment		**345,075**	322,737
Interest in associates		**16,242**	16,877
Financial assets at FVOCI		**51,584**	56,659
Deferred tax assets		**10,795**	10,830
		423,696	407,103
Current assets			
Inventories	9	**371,231**	413,403
Trade and bills receivables	10	**384,533**	397,415
Prepayments, deposits and other receivables	11	**454,997**	350,182
Financial assets measured at fair value through profit or loss ("**FVPL**")		**–**	20
Restricted deposits	12(a)	**8,550**	4,550
Cash and cash equivalents	12(b)	**128,798**	238,430
		1,348,109	1,404,000
Current liabilities			
Bank loans and other borrowings	13	**555,541**	543,237
Lease liabilities		**24,192**	22,446
Trade and bills payables	14	**115,947**	120,440
Other payables and accruals	15	**101,544**	72,594
Contract liabilities		**91,567**	171,882
Taxation payable		**15,462**	23,745
		904,253	954,344
Net current assets		**443,856**	449,656
Total assets less current liabilities		**867,552**	856,759

	Notes	**At 30 June 2026** *RMB'000* **(unaudited)**	At 31 December 2025 *RMB'000* (audited)
Non-current liabilities			
Bank loans and other borrowings	13	**30,781**	56,140
Lease liabilities		**75,034**	55,768
Deferred tax liabilities		**3,781**	5,340
		109,596	117,248
Net assets		**757,956**	739,511
Capital and reserves			
Share capital	16(a)	**235,640**	235,640
Reserves		**503,205**	485,149
Total equity attributable to equity shareholders of the Company		**738,845**	720,789
Non-controlling interests		**19,111**	18,722
Total equity		**757,956**	739,511

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi Yuan unless otherwise indicated)

1 GENERAL INFORMATION

Jiangsu Horizon Chain Supermarket Company Limited (the "**Company**") was established in the People's Republic of China (the "**PRC**") on 19 October 2005 as a limited liability company. Upon approval by the Company's board meeting held on 30 September 2007, the Company was converted from a limited liability company into a joint stock company.

The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong (the "**Stock Exchange**") (the "**Listing**") on 31 March 2025 (the "**Listing Date**"). The Company and its subsidiaries (together, "**the Group**") are principally engaged in wholesale of grains and oil with retail operations of supermarket and convenience stores on the central region of Jiangsu Province under the brand "宏信龍" (Hongxinlong*).

2 BASIS OF PREPARATION

This interim financial report 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 International Accounting Standards ("**IAS**") 34, Interim financial reporting, issued by the International Accounting Standards Board ("**IASB**"). It was authorised for issue on 28 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year, but is derived from those financial statements.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

* *For identification purpose only*

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRSs that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 REVENUE AND SEGMENT REPORTING

The Group is a wholesaler of grains and oil headquartered in Yangzhou, with retail operations of supermarket and convenience stores focusing on the central region of Jiangsu Province under the brand "宏信龍" (Hongxinlong*).

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Sales of goods		
– retail operations		
• general sales	**210,659**	261,639
• bulk sales	**24,587**	33,943
– wholesales	**548,942**	441,087
Subtotal	**784,188**	736,669
Commission income		
– concessionaire sales	**9,481**	12,813
– supply of goods	**1,375**	945
Subtotal	**10,856**	13,758
Supply and sales of meals	**7,222**	13,877
	802,266	764,304
Revenue from other sources		
Rental income from operating lease	**5,489**	6,984
	807,755	771,288

The Group's revenue from contracts with customers were recognised at point in time for the six months ended 30 June 2026 and 2025.

* *For identification purpose only*

(b) Segment reporting

Operating segments are identified on the basis of internal reports that the Group's most senior executive management reviews regularly in allocating resources to segments and in assessing their performances.

The Group's most senior executive management makes resources allocation decisions based on internal management functions and assess the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

IFRS 8, Operating Segments, requires identification and disclosure of information about an entity's geographical areas, regardless of the entity's organization (i.e. even if the entity has a single reportable segment). The Group operates within one geographical location because primarily all of its revenue was generated in the PRC and primarily all of its non-current operating assets and capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

5 OTHER REVENUE AND OTHER NET (LOSS)/GAIN

(a) Other revenue

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Service income	**130**	2,707
Government grants	**183**	508
Dividends income	**201**	165
	514	3,380

(b) Other net (loss)/gain

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Net realised gain on structured deposits and wealth management products	**37**	34
Net foreign exchange (loss)/gain	**(3,393)**	210
Net loss on disposal of property, plant and equipment	**(248)**	(2)
Others	**11**	174
	(3,593)	416

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Net finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest income from bank deposit	**(1,709)**	(1,728)
Finance income	**(1,709)**	(1,728)
Interest expenses on bank loans and other borrowings	**11,897**	9,083
Interest expenses on lease liabilities	**2,553**	1,850
Finance costs	**14,450**	10,933
Net finance costs	**12,741**	9,205

(b) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Cost of inventories recognised as expenses	**671,015**	624,338
Depreciation charge		
– owned property, plant and equipment	**19,973**	26,552
– right-of-use assets	**14,021**	15,266
(Reversal)/provision of impairment loss on trade and other receivables	**(6,419)**	2,873
Listing expense	**–**	12,552
Auditors' remuneration		
– other services *(Note)*	**700**	1,855

Note: Other services include RMB700,000 (six months ended 30 June 2025: RMB1,155,000) which is also included in the listing expenses disclosed separately above.

7 INCOME TAX

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current tax		
– Provision for the period	**6,487**	10,662
Deferred tax		
– Origination and reversal of temporary differences	**(255)**	(1,334)
	6,232	9,328

The provision for PRC income tax is based on the respective corporate income tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC. The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (six months ended 30 June 2025: 16.5%) to the six months ended 30 June 2026.

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB21,709,000 (six months ended 30 June 2025: RMB12,499,000) respectively, and the weighted average number of 235,640,000 ordinary shares (six months ended 30 June 2025: 187,466,000 shares) in issue during the interim period.

(b) Diluted earnings per share

The Company had no dilutive potential ordinary shares outstanding during the six months ended 30 June 2026 and 2025, therefore diluted earnings per share were the same as the basic earnings per share.

9 INVENTORIES

During the six months ended 30 June 2026, RMB1,281,000 (six months ended 30 June 2025: RMB1,590,000) was recognised as a reduction in the amount of inventories recognised as an expense in profit or loss, being the reversal of a previous write-down of inventories to the estimated net realisable value.

10 TRADE AND BILLS RECEIVABLES

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade receivables		
– third parties	**232,763**	247,415
Bills receivables	**151,770**	150,000
	384,533	397,415

All of the trade and bills receivables are expected to be recovered within one year.

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

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 3 months	**154,120**	122,321
Over 3 months but within 6 months	**15,648**	70,618
Over 6 months but within 9 months	**43,821**	38,336
Over 9 months but within 12 months	**18,969**	15,990
Over 12 months	**205**	150
	232,763	247,415

The Group endorsed certain bank acceptance bills to suppliers for settling trade and other payables of the same amount on a full recourse basis. The Group has derecognised these bills receivable and payables to suppliers in their entirety. These derecognised bank acceptance bills had a maturity date of less than six months from the end of the reporting period. In the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards of ownership of these bills and has discharged its obligation of the payables to its suppliers, and the Group has limited exposure in respect of the settlement obligation of these bills receivable under the relevant PRC rules and regulations, should the issuing banks fail to settle the bills on maturity date. The Group considered the issuing banks of these bills are of good credit quality and non-settlement of these bills by the issuing banks on maturity is not probable. As at 30 June 2026, the Group's maximum exposure to loss and undiscounted cash outflow, which is same as the amount payable by the Group to suppliers in respect of the endorsed bills, should the issuing banks fail to settle the bills on maturity date, amounted to RMB170,000 (31 December 2025: nil).

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Prepayments	**428,910**	319,783
Value added tax recoverable	**374**	504
Other deposits and receivables	**27,881**	32,063
	457,165	352,350
Less: loss allowance	**(2,168)**	(2,168)
	454,997	350,182

All prepayments, deposits and other receivables are expected to be recovered or recognised as expense within one year.

12 RESTRICTED DEPOSITS AND CASH AND CASH EQUIVALENTS

(a) Restricted deposits comprise:

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Restricted deposits		
– pledged for bills payables and letter of credit	**8,550**	4,550

(b) Cash and cash equivalents comprise:

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Cash at bank	**128,038**	237,582
Cash in hand	**760**	848
	128,798	238,430

As at 30 June 2026, the Group's cash included cash at bank and on hand of RMB83,920,000 (2025: RMB185,722,000) held in the PRC. Remittance of funds out of Mainland China is subject to relevant rules and regulations of foreign exchange control.

13 BANK LOANS AND OTHER BORROWINGS

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Short-term bank loans and other borrowings	**555,157**	542,568
Accrued interest	**384**	669
Bank loans and other borrowing – current	**555,541**	543,237
Long-term bank loans and other borrowings	**30,423**	56,128
Accrued interest	**358**	12
Bank loans and other borrowing – non-current	**30,781**	56,140
Total	**586,322**	599,377

The maturity profile for the interest-bearing bank loans and other borrowing of the Group at the end of each reporting period is as follows:

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 1 year or on demand	**555,541**	543,237
After 1 year but within 2 years	**25,292**	51,884
After 2 years but within 5 years	**5,489**	4,256
Total	**586,322**	599,377

14 TRADE AND BILLS PAYABLES

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade payables	**115,897**	111,190
Bills payable	**50**	9,250
	115,947	120,440

All of the trade and bills payables are expected to be settled within one year or repayable on demand.

As of the end of each reporting period, the ageing analysis of the Group's trade payables and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 3 months	**62,667**	90,069
3 to 12 months	**42,008**	21,478
Over 12 months	**11,272**	8,893
	115,947	120,440

15 OTHER PAYABLES AND ACCRUALS

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Payable for staff related costs	**5,609**	13,396
Deposits received	**29,821**	14,691
Other taxes payable	**58,571**	36,445
Others	**7,543**	8,062
	101,544	72,594

All of the other payables and accruals are expected to be settled within one year or repayable on demand.

16 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital and capital reserves

	Numbers of ordinary shares	**Share capital** *RMB'000*	**Capital reserve** *RMB'000*	**Total** *RMB'000*
Issued and fully paid				
At 31 December 2025 and 30 June 2026	235,639,565	235,640	233,442	469,082

(b) Dividends

No dividend was paid or declared by the Company for the six months ended 30 June 2026 and 2025.

17 COMMITMENTS

Commitments outstanding at 30 June 2026 not provided for in the interim financial report.

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Authorised and contracted for	**–**	11,261

18 MATERIAL RELATED PARTY TRANSACTIONS

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Guarantees for granting bank loans and other borrowings	**392,690**	365,406

As at 30 June 2026 and 31 December 2025, certain facilities granted to the Group in Note 13 were guaranteed by Mr. Gao Feng, the controlling shareholder, and his spouse Ms. Leng Yuemei, Mr. Zhang Jiaan, the controlling shareholder, and Ms. Yin Qin, the key management personnel.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are a wholesaler of grains and oil headquartered in Yangzhou, with retail operations of supermarkets and convenience stores focusing on the central region of Jiangsu Province under our brand "宏信龍" (Hongxinlong*). Leveraging our ability to source and supply quality and fresh food ingredients, we also operate a central kitchen to produce meals and deliver them to local corporates, schools or government entities.

Our business entails the following operations:

- **Wholesale operations:** We sell grains and oil, food products and other products to resellers and other retail operators, including other operators of supermarkets and convenience stores as well as catering business operators. We also sell garments and wooden products to overseas customers and household appliances to distributors and retailers.

- **Retail operations:** We operate our supermarkets and convenience stores under our brand "宏信龍" (Hongxinlong*), as well as two malls, with geographical focus in the central region of Jiangsu Province. We receive sales proceeds from (i) general sales to consumers at our retail stores and malls; and (ii) bulk sales to customers, including corporate and government entities. We also receive sales amounts for concessionaire sales at our retail stores and malls and charge the concessionaires a certain percentage of gross sale amounts or the agreed sales target, whichever is the higher, as commissions.

  Our supermarkets provide a wide range of daily consumer products to cater for the daily needs of our customers, which could be broadly categorised as raw and fresh food, grains and oil, non-staple food and household products, while our convenience stores open for 16 or 24 hours a day to cater for quick purchases of everyday consumable products.

  Apart from supermarkets and convenience stores, we also operate two malls located in Yangzhou, namely Jiangdu Mall* (江都商城) and Hongxinlong Mall* (宏信龍購物中心). We sell fashion and apparel, children's wear, cosmetics and personal care, jewellery, accessories, footwear, household appliances, consumer electronics, liquor and miscellaneous products at our malls.

- **Rental operations:** Ancillary to our retail operations, we lease some shop floor area or shop premises in our retail stores and malls to other retail operators like restaurants, hotels and pharmacies, etc. and receive rental income.

- **Supply and sales of meals:** We operate a central kitchen to produce meals and deliver to local corporates, schools or government entities.

* *For identification purpose only*

In the first half of 2026, the Company has adopted the following measures to actively explore its new retail business:

- Strengthening the omni-channel layout of "offline stores + online platforms" and launching multiple platform operating windows to meet the instant retail needs of consumers;
- Actively expanding our presence and number of unmanned smart stores to enhance operational efficiency;
- Introducing unmanned logistics vehicles to improve delivery efficiency;
- Enhancing the level of informatisation, integrating online and offline merchandise and inventory management, and achieving warehouse-store integration; and
- Conducting a preliminary technical and commercial assessment of third party solutions for robotic picking, stocking, and shelf organization to assess accuracy, reliability, compatibility with the Group's inventory systems, labour savings, cost and expected payback period.

Going forward, we plan to implement the following strategies, which we believe will strengthen our market position, increase our market share and capture the growth in the PRC retail industry:

- expanding our presence and number of retail stores;
- expanding and upgrading our existing distribution centre while continuing to assess the implementation of a new distribution centre, subject to the relevant land and regulatory arrangements;
- subject to completion of the regularisation of the relevant land use rights and property titles, formulating an updated implementation plan for a new central kitchen;
- enhancing our Enterprise Resource Planning (ERP) system and infrastructure systems to improve our operational efficiency; and
- promoting the application of artificial intelligence in retail decision-making to overcome the pain of digital transformation in the physical retail industry.

The total revenue of the Company for the six months ended 30 June 2026 was RMB807.8 million, representing an increase of 4.7% from the same period of last year. The Group's revenue was principally derived from sales of goods from retail operations and wholesale operations, commission income, and supply and sales of meals.

Market and Industry Overview

China's economy continued its recovery in 2025, with gross domestic product (GDP) growing 5.0% and per capita disposable income rising, supporting consumer spending, particularly on food and household goods. The retail landscape is increasingly shaped by omni-channel strategies, with online retail's share growing (2.9% in 2025) while offline channels adapt.

China's chain supermarket market experienced a decline (-1.28% compound annual growth rate (CAGR) during the period from 2017 to 2023) due to competition from e-commerce and evolving formats, but a modest recovery is projected (1.43% CAGR for the period from 2024 to 2027). Notably, large supermarkets face contraction, whereas small and medium-sized supermarkets demonstrate resilience and growth potential, driven by convenience and focus on fresh products. This trend is pronounced in Jiangsu, where retail sales of small and medium-sized chain supermarkets saw strong growth (15.7% CAGR during the period from 2017 to 2023) with positive forecasts (8.7% CAGR for the period from 2024 to 2027). In Yangzhou, this segment grew at 14.6% CAGR during the period from 2017 to 2023 and is projected to grow at 4.7% CAGR for the period from 2024 to 2027.

The convenience store market exhibits strong growth nationally (14.3% CAGR during the period from 2017 to 2023) and in Yangzhou (14.3% CAGR during the period from 2017 to 2023), fuelled by demand for convenience and digital integration, with continued expansion forecast (9.0% and 8.0% CAGR for the period from 2024 to 2027, respectively). Conversely, the department store sector faces ongoing decline nationally and regionally.

Key opportunities lie in China's large consumer base, urbanisation, rising demand for quality and fresh goods, and technological integration (omni-channel). Challenges include intense market competition, particularly from e-commerce, shifting consumer preferences, and managing operational costs like labour and rent, despite some easing in commercial property rents. The outlook for regional small and medium-sized supermarkets and convenience stores remains positive, leveraging local presence and convenience.

FINANCIAL REVIEW

Revenue

Our revenue increased by 4.7% from RMB771.3 million for the six months ended 30 June 2025 to RMB807.8 million for the six months ended 30 June 2026, primarily attributable to the increase in our revenue generated from wholesale operations.

For the six months ended 30 June 2026, our revenue generated from wholesale operations increased by 24.5% to approximately RMB548.9 million from approximately RMB441.1 million for the six months ended 30 June 2025. Such increase was mainly driven by the Group's proactive expansion of wholesale channels and customer base, resulting in the introduction of several new distributors and an increase in order volumes.

For the six months ended 30 June 2026, our revenue generated from general sales from retail operations decreased by 19.5% to approximately RMB210.7 million from approximately RMB261.6 million for the six months ended 30 June 2025 mainly driven by the tightening macro-consumption environment, which put pressure on both offline customer traffic and average transaction value, leading to a drop in retail stores sales.

For the six months ended 30 June 2026, our revenue generated from bulk sales from retail operations decreased by 27.6% to approximately RMB24.6 million from approximately RMB33.9 million for the six months ended 30 June 2025. Such decrease was mainly driven by fluctuations in the purchasing demand of specific enterprises. There were several large group purchase orders and corporate welfare procurement projects during the six months ended 30 June 2025, while such large orders decreased during the Reporting Period.

For the six months ended 30 June 2026, our revenue generated from supply and sales of meals decreased by 48.0% to approximately RMB7.2 million from approximately RMB13.9 million for the six months ended 30 June 2025. Such decrease was mainly driven by non-renewal of certain meals supply contracts upon expiry.

For the six months ended 30 June 2026, our revenue generated from commission income from concessionaire sales and supply of goods decreased by 21.1% to approximately RMB10.9 million from approximately RMB13.8 million for the six months ended 30 June 2025. Such decrease was mainly driven by the decline in concessionaire sales due to fluctuations in the end-consumer market.

For the six months ended 30 June 2026, our revenue generated from rental income from operating lease decreased by 21.4% to approximately RMB5.5 million from approximately RMB7.0 million for the six months ended 30 June 2025. Such decrease was mainly driven by the negative impact of the overall economic environment, which led to the Group's provision of rent concessions to certain tenants.

Cost of sales

Our cost of sales mainly comprised the cost of inventories sold. Our cost of sales for the six months ended 30 June 2026 was RMB679.4 million, representing an increase of RMB46.9 million or 7.4% compared with the same period last year; primarily attributable to the increase in wholesale sales volume and the related costs of inventories sold.

Gross profit and gross profit margin

As a result of the above, our gross profit for the six months ended 30 June 2026 was RMB128.4 million, representing a decrease of 7.5% compared with the same period last year; the gross profit margin was 15.9%, decreased by 2.1 percentage points compared with the same period last year, primarily attributable to (i) the increased promotional discounts to cope with fierce market competition and to reduce inventories; and (ii) a higher proportion of revenue generated from wholesale operations, which had a relatively lower gross profit margin.

Other revenue

Our other revenue mainly comprised service income for processing meals for two catering business operators in Yangzhou and government grants. Our other revenue decreased from RMB3.4 million for the six months ended 30 June 2025 to RMB0.5 million for the six months ended 30 June 2026, primarily as a result of (i) a decrease in our service income to approximately RMB0.1 million during the Reporting Period from approximately RMB2.7 million during the six months ended 30 June 2025 mainly due to non-renewal of service contracts upon expiry, and (ii) a decrease in government grants to RMB0.2 million in the Reporting Period from RMB0.5 million in the same period last year.

Other net (loss)/gain

Our other net loss amounted to approximately RMB3.6 million for the six months ended 30 June 2026 mainly due to net foreign exchange loss of approximately RMB3.4 million, while our other net gain was approximately RMB0.4 million for the six months ended 30 June 2025.

Selling and distribution costs

Our selling and distribution costs mainly comprised staff costs and depreciation and amortisation expenses. Our selling and distribution costs for the six months ended 30 June 2026 were RMB70.4 million, representing a decrease of 6.2% compared with the same period last year, mainly due to the decrease in staff costs and depreciation and amortisation expenses.

Administrative and other operating expenses

Our administrative and other operating expenses mainly comprised staff costs, and depreciation and amortisation expenses. Our administrative and other operating expenses decreased by 38.3% from RMB32.7 million for the six months ended 30 June 2025 to RMB20.1 million for the six months ended 30 June 2026, primarily because of the absence in Listing expenses of approximately RMB12.6 million.

Reversal/(provision) of impairment loss on trade and other receivables

Our impairment on financial assets refers to the credit loss assessment and movement in allowance for the impairment of trade receivables and other receivables. The reversal of impairment loss of financial assets for the six months ended 30 June 2026 was RMB6.4 million, while the provision of RMB2.9 million for the six months ended 30 June 2025. Such change was mainly driven by the decrease in trade receivables compared with the balance as at 31 December 2025, mainly due to a decrease in trade receivables aged 3 to 12 months.

Net finance costs

Our finance costs – net for the six months ended 30 June 2026 was RMB12.7 million, representing an increase of RMB3.5 million compared with the same period last year, mainly due to the increase in the average balance of bank loans and other borrowings compared to the same period last year.

Income tax

The income tax expenses decreased from RMB9.3 million for the six months ended 30 June 2025 to RMB6.2 million for the six months ended 30 June 2026, mainly due to the decrease in taxable profits.

Profit for the period

For the forgoing reasons, we recorded a profit of RMB22.3 million for the six months ended 30 June 2026 representing an increase of 64.6%, compared to a profit of RMB13.5 million for the six months ended 30 June 2025. The increase was mainly attributable to (i) the absence of Listing expenses of approximately RMB12.6 million incurred for the six months ended 30 June 2025 in the comparative period; and (ii) the change from a provision for impairment loss on trade and other receivables of RMB2.9 million to a reversal of RMB6.4 million, partially offset by the decrease in gross profit, the net foreign exchange loss and the increase in net finance costs. Excluding Listing expenses, adjusted net profit (a non-IFRS measure) decreased by approximately 14.6% from RMB26.1 million to RMB22.3 million, and adjusted net profit margin decreased from 3.4% to 2.8%.

Non-IFRS measures

To supplement our consolidated financial statements which are presented in accordance with IFRSs, we also presented the adjusted net profit (Non-IFRS measure) and adjusted net profit margin (Non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRSs. We believe that the presentation of non-IFRS financial measures when shown in conjunction with the corresponding IFRS financial measures provides useful information to potential investors and management in facilitating a comparison of our operating performance from period to period. Such non-IFRS financial measures allow investors to consider metrics used by our management in evaluating our performance.

The use of non-IFRS financial measures has limitations as an analytical tool, and investors should not consider these in isolation from, or as a substitute for, or superior to, analysis of our results of operations or financial conditions as reported in accordance with IFRSs. In addition, the non-IFRS financial measures may be defined differently from similar terms used by other companies.

We adjusted for certain items as our non-IFRS financial measures, in order to provide potential investors with an overall and fair understanding of our operating results and financial performance, especially in making period-to-period comparisons of, and assessing the profile of, our operating and financial performance. Listing expenses are mainly expenses related to the Listing and are added back because they were incurred only for the purposes of the Listing.

Adjusted net profit (Non-IFRS measure)

Adjusted net profit (a non-IFRS measure) is defined as profit for the relevant period adjusted by adding back Listing expenses. Adjusted net profit margin (a non-IFRS measure) is calculated by dividing adjusted net profit by revenue for the relevant period. The table below sets forth the adjusted net profit and the adjusted net profit margin for the six months ended 30 June 2025 and 30 June 2026, respectively:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Profit for the period	**22,251**	13,516
Adjusted:		
Listing expenses	**–**	12,552
Adjusted net profit (Non-IFRS measure) for the period	**22,251**	26,068
Adjusted net profit margin (Non-IFRS measure)	**2.8%**	3.4%

Financial condition

Shareholders' equity increased from RMB739.5 million as at 31 December 2025 to RMB758.0 million as at 30 June 2026, mainly due to the profit for the Reporting Period.

Liquidity and financial resources, treasury policies and capital structure

The Group has maintained a sound financial position during the Reporting Period. As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB128.8 million (31 December 2025: RMB238.4 million).

The Group recorded total current assets of approximately RMB1,348.1 million as at 30 June 2026 (31 December 2025: approximately RMB1,404.0 million) and total current liabilities of approximately RMB904.3 million as at 30 June 2026 (31 December 2025: approximately RMB954.3 million). The current ratio (calculated by dividing the current assets by the current liabilities) of the Group was approximately 1.49 as at 30 June 2026 (31 December 2025: approximately 1.47).

As at 30 June 2026, the sum of long-term bank loans and other borrowings amounted to RMB30.8 million and were repayable after one year and within five years, comprising RMB25.3 million repayable after one year but within two years and RMB5.5 million repayable after two years but within five years. While the sum of short-term bank loans and other borrowings amounted to RMB555.5 million, with the maturity of one year or less. Bank borrowings are denominated in RMB. The Group has complied with the loan financial contract during the Reporting Period. The Company does not use any financial instruments for hedging. The Group maintains sufficient liquidity to meet its daily administrative and capital expenditure requirements and can control its internal operating cash flow.

As at 30 June 2026, the Group has not provided guarantees and pledges to related parties.

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers debtors. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that sufficient financial resources are available in order to meet its funding requirements and commitment in a timely manner.

Following completion of the Global Offering on 31 March 2025, the Company completed the placing of 21,392,655 new H Shares on 2 December 2025. There was no change in the Company's capital structure during the Reporting Period and up to the date of this announcement. As at the date of this announcement, the issued share capital of the Company comprised 235,639,565 H Shares of RMB1.00 each, and the Company did not hold any treasury shares.

Capital expenditure

During the Reporting Period, the capital expenditure of the Group was RMB31.5 million, which mainly includes the purchase of property, plant and equipment. The Company mainly uses cash from operating activities to fund capital expenditures. The Company intends to use the Company's existing cash balances, bank and other borrowings and proceeds from the Global Offering to finance the Company's future capital expenditures and long-term investments. The Company may reallocate funds for capital expenditure and long-term investment based on continuing business needs.

Pledge of assets

As of 30 June 2026, the Group pledged (i) land use rights with a net book value of RMB26.6 million, (ii) plants and buildings with a net book value of RMB25.9 million, and (iii) bank deposits of RMB8.6 million for the Group's bank loans and other borrowings of RMB415.8 million. These borrowings are for general business operation purposes.

Contingent liabilities

Save for the exposure in respect of endorsed bank acceptance bills disclosed in note 10, as at 30 June 2026, the Group did not have any material contingent liabilities.

Gearing ratio

The Group has bank loans and other borrowings of approximately RMB586.3 million as at 30 June 2026. As such, our gearing ratio, calculated as total borrowings divided by the total equity as at the end of the period, was approximately 77.4% (31 December 2025: 81.1%). Our asset-liability ratio, calculated as total liabilities divided by the total assets as at the end of the period, was approximately 57.2%.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As of 30 June 2026, the Group did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 21 March 2025 (the "**Prospectus**") , as of 30 June 2026, we did not have plans for material investments and capital assets.

EXPOSURE TO FLUCTUATIONS IN FOREIGN EXCHANGE RATES

Our Group primarily generates all of its revenue in the PRC. Majorities of our Group's assets, liabilities and cash flows were denominated in RMB and part of the Group's assets were denominated in HK$. During the six months ended 30 June 2026, the depreciation amounting to approximately RMB3.4 million of HK$ against RMB was recorded. During the six months ended 30 June 2026, the appreciation of RMB against HK$ had no significant impact from translation as the reporting currency of our Group was RMB. Apart from that, the management of our Company viewed that the change in exchange rate for RMB against foreign currencies did not have a significant impact on our Group's financial position nor performance given that the functional currency of the Group was RMB. During the six months ended 30 June 2026, our Group did not engage in any hedging activities and our Group had no intention to carry out any hedging activities in the near future. The management of our Group will continue to closely monitor the foreign currency market and consider carrying out hedging activities when necessary.

SIGNIFICANT INVESTMENT AND MATERIAL EVENT DURING THE REPORTING PERIOD

As of 30 June 2026, the Group did not make any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 30 June 2026).

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 17 July 2026, the Company disposed of the approximately 18% of equity interest in Haike Hongxin Digital Technology (Shenzhen) Co. Ltd.* (海科宏信數字科技(深圳)有限公司) ("**Haike Hongxin**") to Haike Chuangzhan Medical Technology (Shanghai) Co., Ltd.* (海科創展醫療科技(上海)有限公司) ("**Haike Chuangzhan**") at a consideration of RMB25 million.

Save as the above-mentioned and otherwise disclosed in this announcement, there were no other significant events affecting the Group which occurred after 30 June 2026 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, we had a total of 1,128 employees, all of them are based in Jiangsu Province. For the six months ended 30 June 2026, the total employee benefits (including directors' remuneration) amounted to RMB37.1 million (six months ended 30 June 2025: RMB43.7 million).

The following table sets forth a breakdown of our employees categorised by function as of 30 June 2026.

	No. of employees
Management	14
Administrative	85
Financial and Information Technology	43
Marketing	19
Procurement	23
Logistics	67
Operational	877
Total	1,128

* *For identification purpose only*

We make contributions for our employees towards five categories of social insurance, including pension, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance in accordance with the PRC social insurance system, as well as housing provident fund in compliance with the relevant PRC laws and regulations.

We enter into separate employment contracts with each of our employees, the terms and conditions of which are in full compliance with the relevant PRC labour laws and employment decrees. The remuneration of our employees consists of basic salary and quarterly and annual discretionary bonuses. The bonus amount is based on the employee's performance. In addition, we provide our employees with various insurance policies and housing pensions as required by relevant PRC labour laws.

RECRUITMENT POLICIES

We generally recruit our employees from the open market through placing recruitment advertisements. We endeavour to attract and retain appropriate and suitable personnel to serve our Group. We assess the available human resources on a continuous basis and will determine whether additional personnel are required to cope with the business development of our Group.

TRAINING

Our human resources department will introduce our standards and culture to our new staff and prepare a series of compulsory trainings for them focusing on hard skills such as company introduction and working procedures. Our store managers will also train up our newly recruited staff to cater for the needs of our retail stores and malls.

We also offer regular and tailor-made training to our management and front-line personnel and identify suitable and promising candidates for future promotion to store managers. We believe our internal training programmes not only improve our staff retention rates as a result of the upward mobility prospect, but also cultivate the right kind of candidates as our management personnel as required for our business expansion.

We have labour unions. Our Directors confirmed that we have not experienced any labour strikes or material labour disputes during the Reporting Period and up to the date of this announcement, and have not experienced any significant difficulties in recruiting or retaining qualified staff.

CORPORATE GOVERNANCE

Our Company is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the "**Shareholders**") and to enhance corporate value and accountability. Our Company has adopted the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**CG Code**") as its own code of corporate governance with effect from the Listing Date.

During the Reporting Period, the Company has complied with all the principles and applicable code provisions contained in Part 2 of the CG Code.

The Directors will continue to review the corporate governance policies and compliance with the CG Code and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company each financial year.

INTERIM DIVIDEND

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

GLOBAL OFFERING

On 31 March 2025, the H Shares of the Company were listed on the Main Board of the Stock Exchange in a global offering of 53,562,000 H Shares, comprising a final Hong Kong public offering of 8,892,000 H Shares and a final international public offering of 44,670,000 H Shares (as adjusted in the Company's allotment results announcement dated 28 March 2025) (the "**Global Offering**"). The H Shares were issued and subscribed by Hong Kong and overseas investors at an Offer Price of HK$2.50 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, the Stock Exchange transaction fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) by way of an initial public offering. The over-allotment option as described in the Prospectus was not exercised by the overall coordinators (for themselves and on behalf of the international underwriters).

For details of the Global Offering, please refer to the Prospectus and the allotment results announcement of the Company dated 28 March 2025.

Use of Proceeds from the Global Offering

According to the announcement of the Company dated 28 March 2025 relating to the offer price and allotment results (the "**Allotment Results Announcement**"), the net proceeds from the Global Offering (after deducting the underwriting fees and commissions and estimated expenses payable by us in connection with the Listing) amounted to approximately HK$92.55 million (the "**Net Proceeds**").

As disclosed in the Prospectus, the estimated amount of the Listing expenses is approximately RMB38.9 million (based on the mid-point of the then indicative offer price range of HK$2.50 to HK$3.00 per H share of the Company). The actual Listing expenses incurred are approximately RMB41.4 million (equivalent to approximately HK$44.9 million) (the "**Actual Listing Expenses**"), which was higher than the estimated amount of the Listing expenses.

In light of the difference between the Actual Listing Expenses and the estimated amount of the Listing expenses as disclosed in the Prospectus and the Allotment Results Announcement, resulting in the actual Net Proceeds amounting to approximately HK$89.04 million, the Group has adjusted the intended use of the actual amount of the Net Proceeds on a pro-rata basis as disclosed in the Prospectus. Having considered the Group's business needs and efficiency in utilization of the Net Proceeds, the Board resolved on 27 April 2026 to change partial amounts of the use of the unutilized Net Proceeds designated for "To establish a new distribution centre" amounting to approximately HK$23.5 million, to "To expand the existing distribution centre" amounting to approximately HK$17.2 million and "To open new retail stores" amounting to approximately HK$6.3 million. The change in use of the unutilized Net Proceeds was approved at the general meeting of the Company held on 2 June 2026. Save for the aforesaid, there is no other change to the intended use of Net Proceeds and the expected implementation timetable as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

As at the date of this announcement, the Company had utilised approximately HK$29.8 million of Net Proceeds from the Global Offering. The following table sets out breakdown of the use of Net Proceeds from the Global Offering.

Use of Net Proceeds	**Revised allocated Net Proceeds from the Global Offering based on the Actual Listing Expenses** *(approximate HK$ million)*	*(approximate HK$ million)*	**Net Proceeds utilised since the Listing and up to the date of this announcement** *(approximate HK$ million)*	**Expected timeline of full utilisation of Net Proceeds**	**Remaining amount as at the date of this announcement** *(approximate HK$ million)*
To open new retail stores	33.8	38.0%	26.9	By 31 March 2027	6.9
(i) Store renovation	14.5	16.3%	13.2	By 31 March 2027	1.3
(ii) Purchase of shelves	7.9	8.9%	5.2	By 31 March 2027	2.7
(iii) Purchase of cold storage facilities, lightings, air-conditioning, CCTV surveillance system and POS system	7.5	8.4%	4.6	By 31 March 2027	2.9
(iv) Installation of fire safety system	3.9	4.4%	3.9	Not applicable	–
To establish a new distribution centre	13.2	14.8%	–	By 31 March 2027	13.2
(i) Acquisition of a parcel of land located in Jiangdu District, Jiangsu Province, the PRC	13.2	14.8%	–	By 31 March 2027	13.2
To establish a new central kitchen	23.9	26.8%	0.9	By 31 March 2027	23.0
(i) Construction of the new central kitchen	4.5	5.0%	–	By 31 March 2027	4.5
(ii) Acquisition of machines and equipment	8.9	10.0%	–	By 31 March 2027	8.9
(iii) Acquisition and installation of fire safety system, ventilation system, cold storage facilities, utilities, air-conditioning, CCTV surveillance system and ancillary facilities	9.2	10.3%	0.9	By 31 March 2027	8.3
(iv) Acquisition of additional vehicles for the delivery of meals	1.3	1.5%	–	By 31 March 2027	1.3
To enhance our ERP system and infrastructure systems	1.0	1.1%	1.0	Not applicable	–
To expand the existing distribution centre	17.2	19.3%	1.0	By 31 March 2027	16.2
(i) Expanding construction of the existing distribution centre	10.0	11.2%	–	By 31 March 2027	10.0
(ii) Acquisition of shelves, lightings and ancillary facilities and installing fire safety system	7.2	8.1%	1.0	By 31 March 2027	6.2

For further details, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus and the announcements of the Company dated 27 April 2026 and 2 June 2026.

FUND RAISING AND USE OF PROCEEDS

The Company completed the placing of 21,392,655 new H Shares of nominal value RMB1.00 each (with an aggregate nominal value of RMB21,392,655) under the general mandate on 2 December 2025 (the "**Placing**"). The Placing Shares were placed to not less than six placees, who and whose respective ultimate beneficial owners are independent third parties not connected with the Company and its connected persons. The placing price was HK$2.90 per H Share. The market price of the H Shares as quoted on the Stock Exchange on 11 November 2025, being the date on which the terms of the Placing were fixed, was HK$3.37 per H Share. The net price to the Company per Placing Share was approximately HK$2.737. The gross proceeds and net proceeds from the Placing amounted to approximately HK$62.04 million and HK$58.55 million, respectively. The Company intends to apply all unutilised net proceeds, in accordance with the previously disclosed intentions, towards the capital injection into Haike Hongxin (the "**Capital Increase**"). No net proceeds from the Placing were utilised during the Reporting Period.

On 17 July 2026, the Company, Haike Chuangzhan, and Haike Hongxin entered into a termination agreement , pursuant to which the Company has terminated the Capital Increase of RMB53,208,483.50 in Haike Hongxin. At the same date, the Board resolved to change entire amount of the use of the unutilized net proceeds of HK$58.55 million designated for "To pay for the Capital Increase" to "To fund the general working capital" as to: approximately 25% for staff costs, approximately 5% for audit fees, approximately 10% for professional fees, and approximately 60% for other operating expenses. The change in use of the unutilized net proceeds was approved at the extraordinary general meeting of the Company held on 25 August 2026. For further details, please refer to the announcements of the Company dated 17 July 2026, 4 August 2026 and 25 August 2026. As at the date of this announcement, none of the net proceeds had been utilized, and the unutilized net proceeds were expected to be utilised by December 2027.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares). As at 30 June 2026, the Company did not hold any treasury shares.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") to regulate all dealings by the Directors and relevant employees of securities in the Company and other matters covered by the Model Code during the Reporting Period. Having made specific enquiry with all the Directors of the Company, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period and up to the date of this announcement.

No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the Reporting Period.

AUDIT COMMITTEE

The Board has established an Audit Committee, which comprises four independent non-executive Directors, namely, Ms. Jia Meng (賈夢) (chairperson of the Audit Committee), Mr. Zheng Manjun (鄭滿軍), Mr. Zheng Yu (鄭宇) and Ms. Zhang Yan (張燕), and one non-executive Director, namely, Ms. Wei Yan (韋燕). The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has considered and reviewed, with no disagreement with the management, the unaudited interim consolidated results for the six months ended 30 June 2026 and confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee considers that the interim consolidated results for the six months ended 30 June 2026 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) as well as the website of the Company (www.hxsupermarket.cn). The Group's 2026 interim report will be made available to the Shareholders and will be published on the aforementioned websites in due course.

By order of the Board
Jiangsu Horizon Chain Supermarket Company Limited
Gao Feng
Chairman

Jiangsu, PRC, 28 August 2026

As at the date of this announcement, the Board comprises Mr. Gao Feng, Mr. Yuan Yuan, Mr. Zhang Jiaan, Mr. Yao Jun, Ms. Shen Zhigen, Ms. Nai Jingjing and Mr. Wang Fei as executive directors, Ms. Wei Yan as non-executive director, and Ms. Jia Meng, Mr. Zheng Manjun, Mr. Zheng Yu and Ms. Zhang Yan as independent non-executive directors.