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Shuanghua Holdings Limited
雙樺控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1241)

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

The board (the "Board") of directors (the "Director(s)") of Shuanghua Holdings Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026, together with comparative figures as follows. The interim financial information has not been audited, but has been reviewed by the Audit Committee of the Company.

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

For the six months ended 30 June

	Notes	**2026** **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Revenue	5	**31,192**	12,789
Cost of sales		**(29,628)**	(11,670)
Gross profit		**1,564**	1,119
Other income, gains and losses	5	**(8,856)**	3,005
Reversal of impairment losses of trade receivables other receivables and other assets		**24**	2,676
Selling and distribution costs		**(408)**	(938)
Administrative expenses		**(7,505)**	(8,257)
Interest expense		**(10)**	(3)
Loss before tax	6	**(15,191)**	(2,398)
Income tax (expense)/credit	7	**(12)**	283
Loss and other comprehensive income for the period		**(15,203)**	(2,115)
Attributable to:			
Owners of the parent		**(15,203)**	(2,115)
		(15,203)	(2,115)
Loss per share attributable to ordinary equity holders of the parent			
Basic and diluted	9	**(2.3) cents**	(0.3) cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**44,681**	55,637
Investment properties		**64,966**	67,904
Right-of-use assets		**21,701**	22,264
Financial assets at fair value through profit or loss	10	**7,844**	9,127
Total non-current assets		**139,192**	154,932
CURRENT ASSETS			
Inventories		**516**	325
Trade and bills receivables	11	**14,727**	28,236
Prepayments, other receivables and other assets		**15,241**	14,923
Cash and bank balances		**73,989**	78,132
Total current assets		**104,473**	121,616
TOTAL ASSETS		**243,665**	276,548
CURRENT LIABILITIES			
Trade payables	12	**5,265**	18,705
Other payables and accruals		**9,096**	13,063
Lease liabilities		**293**	578
Tax payable		**1,283**	1,283
Total current liabilities		**15,937**	33,629
TOTAL ASSETS LESS CURRENT LIABILITIES		**227,728**	242,919

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 June 2026

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT LIABILITY		
Deferred tax liabilities	**1,043**	1,031
Total non-current liability	**1,043**	1,031
NET ASSETS	**226,685**	241,888
EQUITY		
Equity attributable to owners of the parent		
Issued capital	**5,406**	5,406
Reserves	**221,275**	236,478
	226,681	241,884
Non-controlling interests	**4**	4
TOTAL EQUITY	**226,685**	241,888

Zheng Ping
Director

Tang Lo Nar
Director

1. CORPORATE AND GROUP INFORMATION

Shuanghua Holdings Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands on 19 November 2010. The registered office of the Company is located at Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal places of business in the People's Republic of China (the "PRC") are located in Fengxian District, Shanghai and in Tunxi District, Huangshan City, Anhui Province.

During the six months ended 30 June 2026, the Company and its subsidiaries (the "Group") were principally engaged in the supply chain management business based on the Group's properties, and the food supply business focusing on domestic and overseas high-end fruits and other agricultural and sideline products, with a view to contributing to the development of agriculture and the well-being of people's livelihoods.

In the opinion of the directors of the Company, the parent company and the ultimate holding company of the Company is Youshen International Group Limited, which is incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by The Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the interim condensed consolidated financial statements include the applicable disclosures requirements of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The interim condensed consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and debt instruments at fair value through other comprehensive income, which have been measured at fair value. The interim condensed consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2025.

3. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Other than changes in accounting policies resulting from application of new and amendments to HKFRS Accounting Standards and Interpretation effective for the first time for annual periods beginning on 1 January 2026, the accounting policies and methods of computation used in the interim condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2025.

The HKICPA has issued the following amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to HKFRS 9 and HKFRS 7)
- Contracts Referencing Nature – dependent Electricity (Amendments to HKFRS 9 and HKFRS 7)
- Annual Improvements to HKFRS Accounting Standards – Volume 11 (Amendments to HKFRS Accounting Standards)

The adoption of the above amended HKFRS Accounting Standards that are effective from 1 January 2026 did not have any significant impact on the Group's accounting policies.

4. OPERATING SEGMENT INFORMATION

The Group determines its operating segments based on the internal reports reviewed by the executive directors, who are the chief operating decision-maker, that are used to allocate resources and assess performance, which are analysed based on business as follows:

Segment revenue and results

Supply chain management business	The Group is involved in the business of supply chain management based on its properties.
Food supply business	The Group is involved in the business of food supply on domestic and overseas high-end fruits and other agricultural and sideline products.

4. OPERATING SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

For the six months ended 30 June 2026 (unaudited)

	Food supply business RMB'000 (Unaudited)	Supply chain management business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
REVENUE	**22,673**	**8,519**	**31,192**
RESULTS			
Segment results	**(2,296)**	**3,860**	**1,564**
Other income, gains and losses			**(8,856)**
Reversal of impairment losses on trade receivables, other receivables and other assets			**24**
Selling and distribution costs			**(408)**
Administrative expenses			**(7,505)**
Interest expense			**(10)**
Loss before tax			**(15,191)**

4. OPERATING SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

For the six months ended 30 June 2025 (unaudited)

	Food supply business RMB'000 (Unaudited)	Supply chain management business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
REVENUE	6,326	6,463	12,789
RESULTS			
Segment results	7	1,112	1,119
Other income, gains and losses			3,005
Reversal of impairment losses on trade receivables, other receivables and other assets			2,676
Selling and distribution costs			(938)
Administrative expenses			(8,257)
Interest expense			(3)
Loss before tax			(2,398)

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

The place of domicile of the Group's operating entities is in the PRC. The Group renders services and goods transfer in the PRC and all its revenue for the six months ended 30 June 2026 and 2025 were derived in the PRC.

All of the non-current assets other than financial instruments of the Group were located in the PRC.

No information about the segment assets and liabilities is presented as such information is not regularly provided to the chief operating decision maker for resource allocation and performance assessment purposes.

Information about major customers

For the six months ended 30 June 2026, the respective revenue from two (for the six months ended 30 June 2025: three) customers accounted for more than 10% of the Group's total revenue individually.

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Customer A	**12,964**	–
Customer B	**5,509**	–
Customer C	**–**	6,265
Customer D	**–**	3,179
Customer E	**–**	1,318
	18,473	10,762

5. REVENUE, OTHER INCOME, GAINS AND LOSSES

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
– Supply chain management: supply chain services	**–**	1,835
– Food supply	**22,673**	6,326
Revenue from other sources		
– Supply chain management: leasing	**8,519**	4,628
	31,192	12,789

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
Over time	**–**	1,835
At a point in time	**22,673**	6,326

5. REVENUE, OTHER INCOME, GAINS AND LOSSES (continued)

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Interest income	**952**	1,457
	952	1,457
Gains and (losses)		
Fair value change on financial assets at fair value through profit or loss	**(1,283)**	1,320
Foreign exchange losses, net	**(1,206)**	(172)
Loss on disposal of property, plant and equipment	**(7,590)**	–
Others	**271**	400
	(9,808)	1,548
Total other income, gains and losses	**(8,856)**	3,005

6. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**24,968**	6,319
Depreciation of property, plant and equipment	**2,029**	2,831
Depreciation of investment properties	**2,938**	2,904
Depreciation of right-of-use assets	**277**	277
Reversal of impairment losses of trade receivables, other receivables and other assets	**(24)**	(2,676)
Employee benefit expense (excluding directors' and chief executives' remuneration):		
Wages and salaries	**1,946**	2,069
Pension scheme contributions	**356**	384
Staff welfare expenses	**186**	7
	2,488	2,460

7. INCOME TAX EXPENSE/(CREDIT)

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

The Group calculated the period income tax expense/(credit) using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense/(credit) in the interim condensed consolidated statement of profit or loss and other comprehensive income are:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax:		
Charge for the period	**–**	–
Deferred tax	**12**	(283)
Total tax expense/(credit) for the period	**12**	(283)

8. DIVIDENDS

The Board did not recommend the payment of a final dividend in respect of the year ended 31 December 2025 or an interim dividend in respect of the six months ended 30 June 2026.

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent, and the number of ordinary shares in issue during the period is 650,000,000 (for the six months ended 30 June 2025: 650,000,000).

The Group did not have any dilutive potential ordinary shares in issue during the period (for the six months ended 30 June 2025: nil).

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Listed equity investment, at fair value	**7,844**	9,127

The listed equity investments represent an equity investment in Bank of Shanghai which is listed on the Shanghai Stock Exchange. The investment is measured at fair value based on the quoted market price of the investee.

11. TRADE AND BILLS RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	**33,319**	46,851
Bills receivable	**–**	1
	33,319	46,852
Impairment allowance	**(18,592)**	(18,616)
	14,727	28,236

The Group's trading terms with its customers are mainly on credit. The credit period for trade receivables is generally 15 to 90 days, extending up to one year for major customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest bearing.

11. TRADE AND BILLS RECEIVABLES (continued)

As at 30 June 2026, bills receivable of RMBNil (as at 31 December 2025: RMB1,000) whose fair values approximate to their carrying values were classified as financial assets at fair value through other comprehensive income under HKFRS 9. The fair value changes of these bills receivable at fair value through other comprehensive income were insignificant during the period.

An ageing analysis of the trade receivables as at the end of the reporting periods as indicated, based on the invoice dates and net of provisions, are as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 month	**10,430**	28,024
1 to 3 months	**–**	–
3 to 12 months	**4,210**	182
Over 12 months	**87**	29
	14,727	28,235

12. TRADE PAYABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables	**5,265**	18,705

An ageing analysis of the trade payables as at the end of the reporting periods as indicated, based on the invoice dates, are as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 month	**305**	15,374
1 to 3 months	**293**	36
3 to 6 months	**1,033**	–
6 to 12 months	**–**	–
Over 12 months	**3,634**	3,295
	5,265	18,705

The trade payables are non-interest bearing and are normally settled in three months.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 June 2026 (the "Period" or "Period under Review"), Shuanghua Holdings Limited ("Shuanghua" or the "Company") and its subsidiaries (collectively referred to as the "Group") were principally engaged in the supply chain management business based on the Group's properties, and the food supply business focusing on domestic and overseas high-end fruits and other agricultural and sideline products, with a view to contributing to the development of agriculture and the well-being of people's livelihoods.

In the first half of 2026, global supply chains continued to face headwinds from geopolitical tensions and rising energy costs, particularly amid the escalating situation in the Middle East. Against this backdrop, China entered the inaugural year of the 15th Five-Year Plan, with the economy maintaining overall stability amid real estate adjustments and a gradual recovery in domestic demand, though structural imbalances persisted. In such a macroeconomic environment, the Group remained committed to pursuing steady growth in its businesses.

Facing a complex and evolving domestic and international environment, the Group continued to advance the diversification of its products and services in response to varied market demands. In addition, the 2026 Chinese New Year fell later than in previous years, which extended the festive consumption cycle and provided support to the Group's sales. During the Period under Review, the Group recorded sales revenue of approximately RMB31.2 million, an increase of approximately RMB18.4 million as compared with the corresponding period in 2025.

As regards the supply chain management business, which is primarily operated from the Group's properties in Shanghai, the Group enhanced the quality of services provided to existing customers while stepping up efforts to develop new customers. The Group also incurred capital expenditures for the upgrade and construction of the Group's property, plant and equipment to enhance its service capabilities. During the Period under Review, the occupancy rate of the Group's properties improved to a certain extent as compared with the corresponding period in 2025, and the supply chain management business generated revenue of approximately RMB8.5 million.

As regards the food supply business, the Group pursued its product diversification strategy, expanding into new product lines such as cooking oil and fruit juice to enrich its product portfolio, and further developing upstream and downstream resources to address the diversified needs of the market. During the Period under Review, the revenue from the food supply business amounted to approximately RMB22.7 million.

Despite the growth in sales revenue, the Group recorded a net loss for the Period under Review. The Group reviewed its non-core assets and disposed of those idle assets whose recoverable amount was lower than their carrying amount. In addition, fluctuations in the international foreign exchange market and changes in the fair value of financial assets resulted in exchange losses and fair value losses, respectively. During the Period under Review, the Company recorded a loss attributable to the owners of the Company of approximately RMB15.2 million, as compared with the loss attributable to the owners of the Company of approximately RMB2.1 million for the corresponding period in 2025.

OUTLOOK AND STRATEGY

In the second half of 2026, the global geopolitical landscape is expected to remain complex and volatile, with geopolitical risks in the Middle East likely to persist, which may disrupt global supply chains. Against this backdrop, China's economy remains at a critical stage of transitioning from old to new growth drivers, and the adjustment of the real estate market and the recovery of domestic demand are expected to take time. Both domestic and international market environments continue to face instability and uncertainty. In such an environment, the Group will focus on (i) diversifying the Group's products and services, as well as customer base and distribution channels, to promote business expansion; and (ii) developing the Group's supply chain business of other goods and services, to foster further expansion and diversification of the Group's business.

(i) Diversifying the Group's products and services, as well as customer base and distribution channels, to promote business expansion

The Group will continue to expand its business scale in a steady manner and enhance its profitability, and will continue to consolidate its one-stop supply chain solution model and diversify its portfolio of products and services in response to market changes. Regarding the supply chain management business, the Group will steadily advance cooperation with existing customers, develop new clients in a prudent manner, and continuously upgrade its properties to improve service quality, with a view to enhancing the utilisation rate of its properties. For the food supply business, the Group will conduct in-depth analysis of its products and services, and further develop upstream and downstream resources in this regard. The Group will also step up efforts to develop its customer base and distribution channels, such as restaurant chains and food catering services in different regions of China. In response to customer demand, the Group will seek to diversify the range of agricultural products and enhance its supply capabilities. Meanwhile, the Group will strengthen quality control and risk management, embedding quality and risk control elements throughout its business chain to support the steady development of the Group's business.

(ii) Developing the Group's supply chain business of other goods and services, to foster further expansion and diversification of the Group's business

The Group will endeavour to seize the development opportunities presented by the 15th Five-Year Plan and identify supply chain business opportunities for products and services in emerging fields, with a view to exploring new growth drivers. Where appropriate, the Group will further strengthen its market position through means such as investment, joint ventures and the establishment of strategic alliances, so as to pursue high-quality growth and promote the long-term and sustainable development of the Group's businesses. The management is committed to laying a solid foundation for the Group's diversified development and to further expanding its business operations.

The Group will continue to conduct comprehensive assessments of the market conditions of different business segments, adjust its strategies and business plans in a prudent and timely manner, and manage and develop its existing businesses while exploring potential businesses to achieve sustainable business development. The Group will continue to build competitive advantages with a view to achieving long-term sustainable growth, underpinned by its professional management and expertise, business cooperation, and technological strengths and capabilities.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the Group's revenue was approximately RMB31.2 million, an increase of approximately RMB18.4 million from that of the corresponding period of 2025, which was approximately RMB12.8 million.

The following table sets forth the breakdown of the Group's revenue by business segments for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
Revenue	**RMB'000**	**% of Revenue**	RMB'000	% of Revenue
Supply chain management business	**8,519**	**27.3%**	6,463	50.5%
Food supply business	**22,673**	**72.7%**	6,326	49.5%
Total	**31,192**	**100.0%**	12,789	100.0%

Gross profit/(loss)

For the six months ended 30 June 2026, the Group recorded a gross profit of approximately RMB1.6 million (gross profit for the six months ended 30 June 2025: approximately RMB1.1 million), increased by approximately RMB0.5 million as compared to the corresponding period of last year, mainly attributable to the expansion of the Group's business scale.

The following table sets forth the breakdown of the Group's gross profit/(loss) by business segments for the periods indicated:

	For the six months ended 30 June	
	2026	2025
Gross profit/(loss)	**RMB'000**	RMB'000
Supply chain management business	**3,860**	1,112
Food supply business	**(2,296)**	7
Total	**1,564**	1,119

Other income, gains and losses

For the six months ended 30 June 2026, the Group's other income, gains and losses amounted to a net loss of approximately RMB8.9 million (for the six months ended 30 June 2025: a net gain of approximately RMB3.0 million). The other income, gains and losses was mainly due to the loss on disposal of the idle assets, exchange loss arising from the depreciation of the US dollar against RMB, and loss arising from changes in the fair value of financial assets.

Reversal of impairment losses of trade receivables under expected credit loss model

For the six months ended 30 June 2026, the Group's reversal of impairment losses under expected credit loss model amounted to approximately RMB24,000. For the six months ended 30 June 2025, the Group's reversal of impairment loss under expected credit loss model amounted to approximately RMB2.7 million.

Selling and distribution costs

Selling and distribution costs primarily comprised of staff-related costs, sales transportation fees, operating lease rental expenses, entertainment and travelling expenses. For the six months ended 30 June 2026, the Group's selling and distribution costs amounted to approximately RMB0.4 million, a decreased by approximately RMB0.5 million, mainly due to reduction of sales commission and travelling expenses compared to last year (for the six months ended 30 June 2025: approximately RMB0.9 million).

Administrative expenses

Administrative expenses primarily comprised staff-related costs, various local taxes and education surcharges, depreciation of property, plant and equipment and right-of-use assets, R&D expenses and miscellaneous expenses. For the six months ended 30 June 2026, the Group's administrative expenses amounted to approximately RMB7.5 million, decreased by approximately RMB0.8 million as compared to the corresponding period of last year, mainly attributable to the decrease of depreciation expense of equipment.

Interest expense

The Group's interest expense for the six months ended 30 June 2026 amounted to approximately RMB10,000 (for the six months ended 30 June 2025: approximately RMB3,000).

Income tax (expense)/credit

For the six months ended 30 June 2026, the Group's tax expense was approximately RMB12,000. For the six months ended 30 June 2025, the Group's tax credit was approximately RMB283,000.

Loss for the Period

For the six months ended 30 June 2026, the loss attributable to the owners of the Company was approximately RMB15.2 million, while the loss attributable to the owners of the Company for the corresponding period of last year was approximately RMB2.1 million.

LIQUIDITY AND FINANCIAL RESOURCES

Net current assets

The Group's net current assets increased from approximately RMB88.0 million as at 31 December 2025 to approximately RMB88.5 million as at 30 June 2026.

Financial position and bank borrowings

As at 30 June 2026, the Group's total cash and cash equivalents and financial assets at fair value through profit or loss amounted to approximately RMB81.8 million. As at 31 December 2025, the Group's cash and cash equivalents and financial assets at fair value through profit or loss amounted to approximately RMB87.3 million. As at 30 June 2026 and 31 December 2025, the Group did not have any borrowings. The gearing ratio was not applicable to the Group (as at 31 December 2025: nil).

Save as aforesaid or otherwise disclosed in the notes to the financial information, and apart from intra-group liabilities, as at 30 June 2026, the Group did not have any outstanding mortgages, charges, debentures, debt securities or other loan capitals or bank overdrafts or loans or similar indebtedness or finance lease commitments, liabilities under acceptances or acceptance credits or hire purchase commitments, guarantees or other material contingent liabilities (as at 31 December 2025: nil).

The directors of the Company (the "Directors") have confirmed that there has not been any material change in the indebtedness and contingent liabilities of the Group during the period since 31 December 2025.

Working capital

(All amounts in this section were net of provisions for impairment of inventories and trade receivables).

For the six months ended 30 June 2026, the average inventory turnover days were 2.5 days (for the six months ended 30 June 2025: 0 days). The average inventory turnover days are arrived at by dividing the arithmetic means of the opening and ending balances of inventory for the relevant period by cost of sales of the same period and multiplying the quotient by 180 days. The average inventory turnover days was similar to that of last year.

For the six months ended 30 June 2026, the average turnover days of trade and bills receivables were 124 days (for the six months ended 30 June 2025: 135 days). The average turnover days of trade and bills receivables are arrived at by dividing the arithmetic means of the opening and ending balances of trade and bills receivables for the relevant period by revenue of the same period and multiplying the quotient by 180 days. The average turnover days of trade and bills receivables decreased as compared with the corresponding period in 2025, mainly attributable to the Group's adjustment of its sales strategy and preference for customers with shorter payment terms.

For the six months ended 30 June 2026, the average turnover days of trade and bills payables were 73 days (for the six months ended 30 June 2025: 97 days). The average turnover days of trade and bills payables are arrived at by dividing the arithmetic means of the opening and ending balances of trade and bills payables for the relevant period by cost of sales of the same period and multiplying the quotient by 180 days. The average turnover days of trade and bills payables decreased mainly due to the Group's efforts to expand its business scale by selecting high-quality suppliers and appropriately shortening the settlement cycle while ensuring supply stability.

CAPITAL EXPENDITURES, CAPITAL COMMITMENTS AND HUMAN RESOURCES

For the six months ended 30 June 2026, the Group's capital expenditures were approximately RMB0.9 million, mainly due to upgrade and construction of the Group's property, plant and equipment (for the six months ended 30 June 2025: approximately RMB1.7 million).

As at 30 June 2026, the Group had no capital commitments (as at 30 June 2025: approximately RMB1.0 million).

As at 30 June 2026, the Group had 34 employees, including Directors, management, sales, manufacture, logistics supports and other ancillary personnel. The decrease in the number of employees was mainly attributable to the Group's internal structural optimisation of personnel, as well as the implementation of a more advanced management system and equipment which reduced the Group's manpower requirements amid the adjustment and optimisation of its businesses. For the six months ended 30 June 2026, the Group's total wages and salaries amounted to approximately RMB1.9 million (excluding directors' and chief executives' remuneration). Our remuneration policy is primarily based on the job responsibilities, work performance and number of years of service of each employee and the current market conditions.

Pursuant to the relevant labour laws and regulations, the Group has to pay contributions to a number of staff social insurance schemes (including medical, maternity, work injury, unemployment and pension insurances) and staff housing reserve funds. The Group provides social insurances and pays contributions to housing reserve funds for its employees in accordance with the interpretations to the relevant labour laws and regulations given, and policies and measures executed by local government departments. The Group has established various welfare plans including the provision of pension funds, medical insurance, unemployment insurance and other relevant insurance for employees who are employed by our Group pursuant to the PRC rules and regulations and the existing policy requirements of the local government. For the six months ended 30 June 2026, the Group's welfare expenses amounted to approximately RMB0.5 million. The Group has complied, in all material respects, with all statutory requirements on retirement contribution in the jurisdictions where the Group operates.

The determination of the remuneration to the Directors is based on remuneration of directors of comparable companies in the industry, time commitment, duties and responsibilities of the Directors in the Group and its operational and financial performance. The basic salary of each of our executive and non-executive Directors will be reviewed by the remuneration committee ("Remuneration Committee") of the board of Directors (the "Board") at the end of each financial year.

Significant investments, material acquisitions and disposals

For the six months ended 30 June 2026, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries, associates and joint ventures.

Foreign exchange risk

The Group's operations are located in the PRC with RMB as the functional and presentation currency. The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the unit's functional currency. The currency exposure of the Group mainly comes from fluctuations in the exchange rates of HKD to RMB and USD to RMB. At present, the Group does not intend to hedge its exposure to foreign exchange fluctuations. However, the management constantly monitors the economic situation and the Group's foreign exchange risk profile and will consider appropriate hedging measures in the future when necessary.

Contingent liabilities

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

Pledge of assets

As at 30 June 2026, the Group had no pledge of assets (as at 31 December 2025, the Group had no pledge of assets).

INTERIM DIVIDEND

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

MATERIAL EVENTS AFTER THE REPORTING PERIOD

On 24 July 2026, Anhui Shuanghua Intelligent Technology Co., Ltd. ("Anhui Shuanghua"), a subsidiary of the Company, entered into a disposal agreement with Huangshan Jiulong Construction Investment Co., Ltd. ("Jiulong Construction"), pursuant to which Anhui Shuanghua conditionally agreed to sell, and Jiulong Construction conditionally agreed to acquire, an industrial real estate property located at No. 1 Chengxiang Road, Jiulong Low-Carbon Economic Park, Tunxi District, Huangshan City, Anhui Province, the PRC (the "Target Property"), for a total consideration of RMB45,830,250 (the "Disposal").

As the Disposal constitutes a major transaction under the Listing Rules, the Company published a circular on the major transaction in relation to Disposal of Target Property and a notice of extraordinary general meeting(the "EGM notice") on 14 August 2026, and will hold an extraordinary general meeting on 3 September 2026, to vote on the resolution set out in the EGM notice.

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

During the six months ended 30 June 2026, 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 (as defined under the Listing Rules). As at 30 June 2026, the Company did not hold any treasury Shares (as defined under the Listing Rules) (as at 31 December 2025: nil).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted all the requirements of the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the "Corporate Governance Code"). None of the Directors is aware of any information which would reasonably indicate that the Company was not in compliance with the Corporate Governance Code during the six months ended 30 June 2026, except the deviation from provisions C.2.1 as explained below.

Code provision C.2.1

Under provision C.2.1 of the Corporate Governance Code, the roles of the chairman of the Board and the chief executive officer ("CEO") of the Group should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO of the Group should be clearly established and set out in writing.

The roles of the chairman of the Board and the CEO of the Group are not separated and are performed by the same individual. Mr. Zheng Ping acted as both the chairman of the Board and CEO throughout the Period under Review. The Directors met regularly to consider major matters affecting the operations of the Group. The Directors considered that this structure will not impair the balance of power and authority between the Directors and management of the Group and believed that this structure will enable the Group to make and implement decisions promptly and efficiently.

COMPLIANCE WITH THE MODEL CODE

The Model Code set out in Appendix C3 to the Listing Rules has been adopted by the Company as the code of conduct for securities transactions by the Directors. The Directors have also been reminded of their responsibilities under the Model Code regularly by the Company. Having made specific enquiries with them, all Directors confirmed that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2026.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or any of their respective associates (as defined under the Listing Rules) has interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, or has any other conflict of interests with the Group as at the date of this announcement.

NOMINATION COMMITTEE

The Company established a nomination committee of the Board ("Nomination Committee") which is primarily responsible for making recommendations to the Board regarding the Group's engagement of appropriate directors and managerial personnel (including the skills, knowledge and experience) to complement the Company's corporate strategies. The Nomination Committee comprises Mr. Chen Lifan, Mr. He Binhui and Ms. Guo Ying, and is chaired by Mr. Chen Lifan.

BOARD DIVERSITY POLICY

The Board adopted a board diversity policy on 5 March 2019, and further amended the board diversity policy on 31 August 2023 to take effect on the same date (the "Board Diversity Policy"), which aims to set out the principles and approach to achieve diversity of the Board.

The Group recognizes that diversification at the Board level is one of the important factors to improve corporate performance, optimize leadership structure, improve talent quality, and promote the long-term development of the Group. The candidates selected will be based on a range of diverse categories, including but not limited to, gender, age, ethnicity, cultural and educational background, professional skills, career experience, management level and length of service. The Nomination Committee will ultimately make appointment decisions based on the overall quality of the candidates and their contributions to the Board. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee which is primarily responsible for making recommendations to the Board regarding the Group's policy and structure for remuneration of Directors and senior management and determining the specific remuneration packages of all executive Directors and senior management of the Company. The Remuneration Committee comprises Ms. Guo Ying, Mr. He Binhui and Mr. Chen Lifan,and is chaired by Ms. Guo Ying.

AUDIT COMMITTEE

The Company established an audit committee of the Board ("Audit Committee") comprising three independent non-executive Directors, namely Mr. He Binhui, Ms. Guo Ying and Mr. Chen Lifan, and is chaired by Mr. He Binhui. The written terms of reference which describe the authorities and duties of the Audit Committee were prepared and adopted with reference to "A Guide for Effective Audit Committee" published by the Hong Kong Institute of Certified Public Accountants. The Audit Committee provides an important link between the Board and the Company's auditor in matters coming within the scope of the Group's audit. It also reviews the financial reporting process and the adequacy and effectiveness of the Group's internal control and risk management system. The Audit Committee is of the view that the risk management and internal control system at present have been valid and adequate.

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed the unaudited consolidated results of the Company for the six months ended 30 June 2026 and this announcement. In particular, the Audit Committee has reviewed with management of the Company on the accounting principles and practices adopted by the Group and held meetings to discuss the internal controls and financial reporting matters regarding the Group's unaudited consolidated financial information for the six months ended 30 June 2026.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is accessible on the website of the Stock Exchange at www.hkex.com.hk and the website of the Company at www.shshuanghua.com. The interim report of the Company for the six months ended 30 June 2026 will be dispatched to the shareholders of the Company and will be available on the websites of the Stock Exchange and the Company in due course.

On behalf of the Board
Shuanghua Holdings Limited
Zheng Ping
Chairman

Hong Kong, 31 August 2026

As at the date of this announcement, the Board consists of three executive Directors, Mr. Zheng Ping, Ms. Zheng Fei and Ms. Tang Lo Nar, one non-executive Director, Ms. Kong Xiaoling, and three independent non-executive Directors, Ms. Guo Ying, Mr. He Binhui and Mr. Chen Lifan.