Stock Code: 6601

CHEERWIN
朝雲集團有限公司

Cheerwin Group Limited
(Incorporated in Cayman Islands with limited liability)

2026 INTERIM REPORT

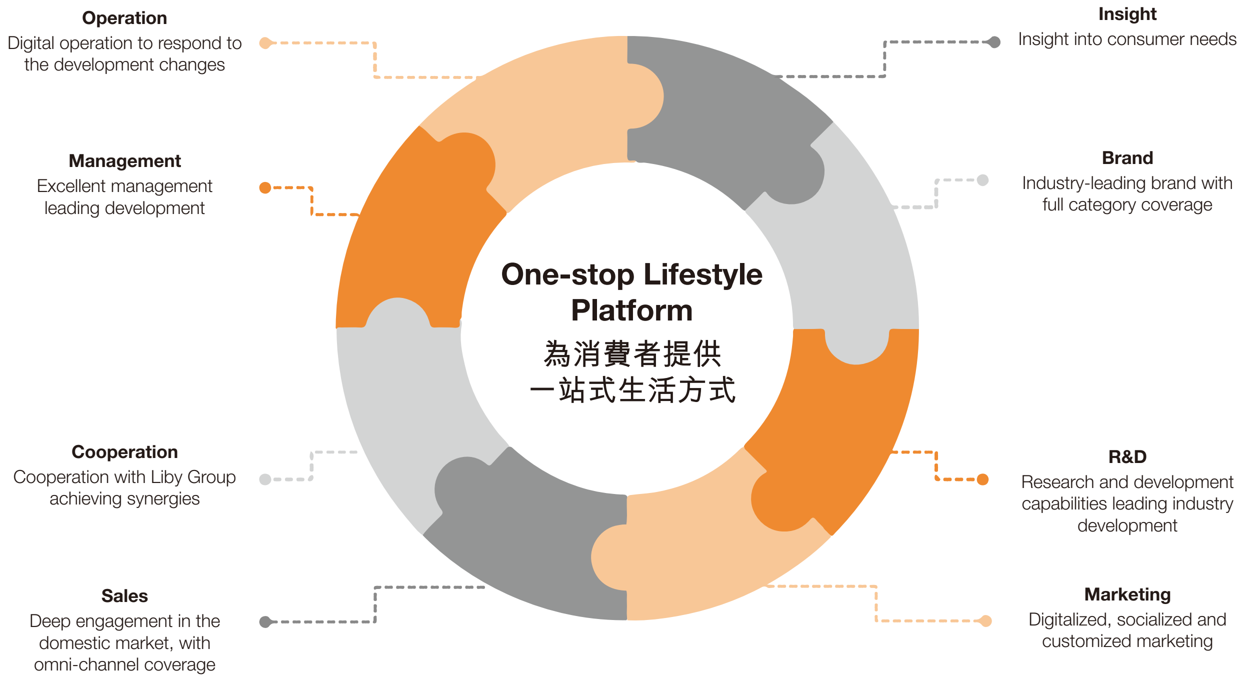
Life is Cheerful

CONTENTS

COMPANY INTRODUCTION

Cheerwin Group Limited (the "**Company**") and its subsidiaries (together, the "**Group**" or "**we**" or "**our**") are a leading one-stop multi-category household care, pet products and personal care platform in China, developing and manufacturing a variety of household care products, pet products and personal care products, and owning several physical pet stores.

We are committed to providing consumers with a one-stop lifestyle offering through our focus on the eight pillars to underpin our organizational, operational and business structures, which we believe have delivered our success to date. The eight pillars are Insight, Brand, R&D, Marketing, Sales, Cooperation, Management and Operation, under which we operate a fully integrated business process in delivering a one-stop lifestyle offering, from consumer and market research, research and development, procurement and production, to sales and marketing.



Our success to date has been driven by our ability to create new products and expand into new categories that meet consumer needs. We have successfully launched various categories, covering household care products, pet products, and personal care products, among which our pet business category is developing rapidly. We owned thirteen core brands, namely, Vewin (威王), Superb (超威), Babeking (貝貝健), Naughty Buddy (倔強尾巴), Naughty Mouth (倔強嘴巴), Cyrin (西蘭), Rikiso (潤之素), Gunner (槍手), Bangjie (幫潔), Natuair (晨露), Zhuazhua (爪爪), Mele Family (米樂乖乖) and Xiaochong (小寵), each targeting the specific needs of different business segments and specific consumer segments.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ms. Chen Danxia *(Chairman and Chief Executive Officer)*
Ms. Wang Dong
Mr. Zhong Xuyi
Mr. Lv Yongji

Non-executive Director

Mr. Chen Zexing

Independent Non-executive Directors

Dr. Yu Rong
Mr. Guo Sheng
Mr. Chan Wan Tsun Adrian Alan

AUDIT COMMITTEE

Mr. Chan Wan Tsun Adrian Alan *(Chairman)*
Mr. Guo Sheng
Mr. Chen Zexing
Dr. Yu Rong

REMUNERATION COMMITTEE

Mr. Guo Sheng *(Chairman)*
Ms. Chen Danxia
Dr. Yu Rong

NOMINATION COMMITTEE

Ms. Chen Danxia *(Chairman)*
Mr. Guo Sheng
Dr. Yu Rong

JOINT COMPANY SECRETARIES

Ms. Leung Shui Bing *(ACG, HKACG)*
Mr. Zheng Canjie

AUTHORISED REPRESENTATIVES

Ms. Chen Danxia
Ms. Leung Shui Bing *(ACG, HKACG)*

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors
35/F, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISOR

As to Hong Kong law
Eric Chow & Co. in association with
Commerce & Finance Law Offices
3401, Alexandra House
18 Chater Road
Central, Hong Kong

REGISTERED OFFICE

Cricket Square
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PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE IN THE PRC

No. 2, Luju Road, Liwan District
Guangzhou, Guangdong Province
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

THE CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKS

Bank of China Limited
Industrial and Commercial Bank of China Limited
Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Nanyang Commercial Bank, Limited

STOCK CODE

6601

COMPANY'S WEBSITE

www.cheerwin.com

LISTING DATE

10 March 2021

FINANCIAL SUMMARY

RESULTS

	Six months ended 30 June		
	2026	2025	Change
	RMB'000	RMB'000	(%)
	(unaudited)	(unaudited)	(unaudited)
Revenue	**1,634,984**	1,338,807	22.1
Gross profit	**847,360**	659,785	28.4
Profit before tax	**276,535**	231,701	19.3
Profit for the period	**209,918**	171,106	22.7
Earnings per share			
– Basic (cents)	**15.91**	13.02	22.2

ASSETS, LIABILITIES AND EQUITY

	As at 30 June 2026	As at 31 December 2025
	RMB'000	RMB'000
	(unaudited)	(audited)
Assets		
Non-current assets	**797,036**	552,440
Current assets	**3,116,796**	3,329,670
Total assets	**3,913,832**	3,882,110
Equity and liabilities		
Equity attributable to owners of the Company	**3,072,677**	3,023,847
Non-controlling interests	**(4,572)**	(4,960)
Total equity	**3,068,105**	3,018,887
Non-current liabilities	**83,491**	30,306
Current liabilities	**762,236**	832,917
Total liabilities	**845,727**	863,223
Total equity and liabilities	**3,913,832**	3,882,110

BUSINESS OVERVIEW AND OUTLOOK

Business Overview

During the first half of 2026, the Group focused on customer value and capitalised on market opportunities, achieving steady improvement in its overall business performance. Adhering to the principles of high quality, sustainability and stable profitability, the Group implemented effective and refined management measures to ensure the steady development of its revenue, cash and profit.

The breakdown of revenue by product category was as follows:

- Revenue from household care category, comprising household insecticide and repellent products, household cleaning products and air care products, amounted to RMB1,493.1 million for the six months ended 30 June 2026 (the "**Reporting Period**"), representing a 23.0% increase compared with RMB1,214.2 million for the six months ended 30 June 2025;

- Revenue from pet business category (including pet stores and pet products) amounted to RMB110.6 million for the Reporting Period, representing a 15.3% increase compared with RMB96.0 million for the six months ended 30 June 2025; and

- Revenue from personal care category amounted to RMB28.8 million for the Reporting Period, representing a 11.7% increase compared with RMB25.8 million for the six months ended 30 June 2025.

The breakdown of revenue by sales channel was as follows:

- Revenue from online channels amounted to RMB658.5 million for the Reporting Period, representing a 27.3% increase compared with RMB517.2 million for the six months ended 30 June 2025; and

- Revenue from offline channels, comprising offline distributors, corporate and institutional customers, overseas distributors, the retail channel (Liby Channel), OEM business and physical pet stores, among others, amounted to RMB976.5 million for the Reporting Period, representing a 18.9% increase compared with RMB821.6 million for the six months ended 30 June 2025.

In the first half of 2026, the Group continued to implement a range of measures to expand revenue sources and reduce expenditure, achieving high-quality and sustainable growth in its overall performance while maintaining stable profitability:

- Online sales channels: The Group continued to enhance its brand influence and market position across the Taobao ecosystem, JD.com (京東), Pinduoduo (拼多多) and Douyin (抖音), while optimising its online channel mix. It continued to increase revenue from mosquito-repellent and mite-control products, household cleaning products, liquid air-care products and pet food that cater to evolving consumer trends. The Group focused on strengthening the brand operation capabilities of its in-house teams across major platforms, while continuously optimising its return on investment to enhance online operating efficiency and profitability.

- Offline sales channels: The Group continued to expand the multi-category distribution coverage of its distributor channels and strengthened both the volume and quality of product distribution, thereby reinforcing its market foundation. It promoted its products through product image showcase, products stacking with chamfers arrangement and shelf banners to improve returns on resources deployed. In response to evolving market developments, the Group actively expanded into emerging channels, including upgraded stores and quick-commerce fulfilment warehouses, to capture incremental opportunities in the instant-retail market. In addition, the consolidation of Hebei Kangda's business contributed incremental revenue and profit to the development of the Group's offline channels.

- Pet business: For online operations, the Group leverages its multi-category and multi-platform presence to develop popular products such as fresh food pack products and litter box cleaning foam, continuously improving investment-to-production efficiency. For offline operations, the Group enhances brand visual identity and service professionalism to drive differentiation in store business models, while accelerating information technology and intelligent construction to improve the operational quality of its pet stores.

- Product innovation: Through continuous technological innovation, the Group developed a portfolio of best-selling products that address consumers' pain points, deliver a positive user experience and encourage high repeat-purchase rates, thereby supporting the optimisation of its overall revenue mix and enhancing profitability. The Group continued to strengthen the leading brand position of its insecticide, mosquito-repellent and household cleaning products, while launching differentiated best-selling products featuring strong efficacy and health-conscious ingredients, further optimising its product-category mix.

- Supply chain enhancement: The Group continued to professionalise and rejuvenate its organisational talent base. It carried out technological upgrades and added automated production lines at its self-owned factories to improve production efficiency, while implementing refined management practices at third-party manufacturing facilities. Through measures including centralised bulk procurement and market-oriented tendering and procurement, the Group continued to enhance its supply-chain integration efficiency and reinforce its cost competitiveness.

The Group has continued to promote its brands and products with marketing strategies of digitalization, socialization and personalization. We have strived to offer our consumers the one-stop high quality products for household care, personal care, and pet categories, and have been recognized and well received by our consumers. In particular, NielsenIQ retail market data showed that the Group's household insecticides and repellents products ranked first in China in terms of comprehensive market share of similar products for twelve consecutive years from 2015 to 2026. During the Reporting Period, the Group secured the top position in offline market share across several categories, including electrothermal mosquito repellents, insecticidal aerosols, and toilet cleaners.

Business Outlook

Against the prevailing operating environment, the Company remains committed to its development objectives of high quality, sustainability and stable profit, maintaining strong cash flow, improving profitability and pursuing a stable dividend policy. In the second half of 2026, the Company intends to advance the following growth strategies:

1. Sustainable development across multiple brands, product categories and channels:

    - Expansion of household care business: We will further develop our premium natural household care product lines to enhance product gross profit margins. We will continue to upgrade our insecticide and mosquito-repellent products and expand our product lines for mosquito protection across multiple usage scenarios and for mite control. For household cleaning products, we will pursue a continuous product-development strategy across high-value segments such as fragrances, pet-friendly products and environmentally friendly products. Through the combined efforts of deeper brand penetration and customised co-branded offerings, together with efficient online penetration and the continued cultivation of offline channels, we aim to drive revenue growth;

    - Expansion of pet business: For our offline operations, we will continue to open new stores with a focus on quality, expand the geographical coverage of our pet-store network and enhance revenue-generating capabilities at the individual-store level. For our online operations, we will continue to develop our pet business by creating a portfolio of best-selling pet food and pet product offerings. We will also incubate pet healthcare products and medicines to establish a competitive moat for our pet business;

    - Breakthrough in online channels: We will maintain our brand influence and market position across the Taobao ecosystem, JD.com (京東), Pinduoduo (拼多多) and Douyin (抖音), while continuously optimising our online channel mix. By further consolidating the leading positions and competitive moats of our various product categories through enhanced core product competitiveness, we aim to achieve growth in revenue scale and enhance profitability; and

    - Further in-depth development of offline channels: We will continue to strengthen our distribution foundation across all product categories. Through the integration of Hebei Kangda's business and the provision of operational support and resources, we will further broaden and deepen our coverage of domestic end-user markets.

2. Technology R&D improvement: integrate internal and external R&D resources to continuously enhance the know-how of our team, maintain our leading R&D capabilities in the industry, propel technological innovation, and introduce more high-quality and differentiated products;

3. Application of artificial intelligence technologies: we will closely monitor developments in artificial intelligence technologies and actively explore their application across the organisation. We will also explore the integration of artificial intelligence technologies with emerging businesses, including the pet business, to strengthen the digital and intelligent capabilities and enhance overall operational efficiency;

4. Empowerment through team's building: continue to promote diversified portfolio incentive mechanisms to enhance the Group's organisational cohesion and coordination and ensure efficient implementation of the Group's development strategies;

5. Proactiveness in mergers and acquisitions opportunities: focus on domestic and foreign pet, personal care, cosmetics, and fast-moving consumer goods (FMCG) industries and target quality projects with stable cash flow, clear profit model and room for business development; and

6. Implementation of dividend policy: continue a high-proportion and stable dividend policy to maximise the Company's shareholders' returns.

FINANCIAL REVIEW

Revenue

The Group derived its revenue primarily from the sales of products to customers through its omni-channel sales and distribution network, and the provision of services through pet stores. The Group's principal businesses include: (i) household care; (ii) pet business; (iii) personal care; and (iv) other products. Our revenue is stated net of allowances for returns, sales discounts, rebates and value-added tax.

Our revenue increased by 22.1% from RMB1,338.8 million for the six months ended 30 June 2025 to RMB1,635.0 million for the six months ended 30 June 2026. The movement was primarily attributable to our successful capitalisation on market opportunities, active promotion of product innovation and rapid growth across our online and offline businesses.

Revenue by product categories

	Six months ended 30 June			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Household Care[1]	**1,493,083**	**91.3**	1,214,162	90.7
Pet Business[2]	**110,606**	**6.8**	95,955	7.2
Personal Care	**28,795**	**1.8**	25,776	1.9
Others[3]	**2,500**	**0.1**	2,914	0.2
Total	**1,634,984**	**100.0**	1,338,807	100.0

Notes:

(1) Household care included household insecticide and repellent products, household cleaning and air care products.

(2) Pet business included pet stores and pet products.

(3) Others included numerous household supplies, appliances, other products and testing services, and none of them accounted for a material portion individually.

Revenue from household care category increased by 23.0% from RMB1,214.2 million for the six months ended 30 June 2025 to RMB1,493.1 million for the six months ended 30 June 2026.

Revenue from pet business category increased by 15.3% from RMB96.0 million for the six months ended 30 June 2025 to RMB110.6 million for the six months ended 30 June 2026.

Revenue from personal care category increased by 11.7% from RMB25.8 million for the six months ended 30 June 2025 to RMB28.8 million for the six months ended 30 June 2026.

Revenue by sales channels

	Six months ended 30 June			
	2026		2025	
	RMB'000	%	RMB'000	%
Online Channels[1]	658,481	40.3	517,189	38.6
Offline Channels[2]	976,503	59.7	821,618	61.4
Total	1,634,984	100.0	1,338,807	100.0

Notes:

(1) Online channels included self-operated online stores, online distributors, and community e-commerce platforms.

(2) Offline channels included offline distributors, corporate and institutional customers, overseas distributors, retail channel (Liby Channel), OEM business and physical pet stores, etc..

Revenue from online channels increased by 27.3% from RMB517.2 million for the six months ended 30 June 2025 to RMB658.5 million for the six months ended 30 June 2026.

Revenue from offline channels increased by 18.9% from RMB821.6 million for the six months ended 30 June 2025 to RMB976.5 million for the six months ended 30 June 2026.

Gross Profit and Gross Profit Margin

Gross profit increased by 28.4% from RMB659.8 million for the six months ended 30 June 2025 to RMB847.4 million for the six months ended 30 June 2026. Gross profit margin increased by 2.5 percentage points from 49.3% to 51.8%, respectively, primarily due to the strengthening of our brand influence, the continued optimisation of our product-category and channel mix, and the ongoing enhancement of our supply-chain operating efficiency.

Gross profit and gross profit margin by product categories

	Six months ended 30 June			
	2026		2025	
	Gross Profit RMB'000	Gross Profit Margin %	Gross Profit RMB'000	Gross Profit Margin %
Household Care[1]	764,663	51.2	595,839	49.1
Pet Business[2]	68,063	61.5	55,761	58.1
Personal Care	15,246	52.9	10,340	40.1
Others[3]	(612)	(24.5)	(2,155)	(74.0)
Total	847,360	51.8	659,785	49.3

Notes:

(1) Household care included household insecticide and repellent products, household cleaning and air care products.

(2) Pet business included pet stores and pet products.

(3) Others included numerous household supplies, appliances, other products and testing services, and none of them accounted for a material portion individually.

Gross profit from household care category for the six months ended 30 June 2026 was RMB764.7 million, and gross profit margin increased from 49.1% for the six months ended 30 June 2025 to 51.2% for the six months ended 30 June 2026.

Gross profit from pet business category for the six months ended 30 June 2026 was RMB68.1 million, and gross profit margin increased from 58.1% for the six months ended 30 June 2025 to 61.5% for the six months ended 30 June 2026.

Gross profit from personal care category for the six months ended 30 June 2026 was RMB15.2 million, and gross profit margin increased from 40.1% for the six months ended 30 June 2025 to 52.9% for the six months ended 30 June 2026.

Gross profit and gross profit margin by sales channels

	Six months ended 30 June			
	2026		2025	
	Gross Profit RMB'000	Gross Profit Margin %	Gross Profit RMB'000	Gross Profit Margin %
Online Channels[1]	401,666	61.0	309,956	59.9
Offline Channels[2]	445,694	45.6	349,829	42.6
Total	847,360	51.8	659,785	49.3

Notes:

(1) Online channels included self-operated online stores, online distributors, and community e-commerce platforms.

(2) Offline channels included offline distributors, corporate and institutional customers, overseas distributors, retail channel (Liby Channel), OEM business and physical pet stores, etc..

Gross profit from online channels for the six months ended 30 June 2026 was RMB401.7 million, and gross profit margin increased from 59.9% for the six months ended 30 June 2025 to 61.0% for the six months ended 30 June 2026.

Gross profit from offline channels for the six months ended 30 June 2026 was RMB445.7 million, and gross profit margin increased from 42.6% for the six months ended 30 June 2025 to 45.6% for the six months ended 30 June 2026.

Other Income

Other income decreased by 25.6% from RMB55.3 million for the six months ended 30 June 2025 to RMB41.2 million for the six months ended 30 June 2026, primarily due to a reduction in interest income resulting from a decrease in the amount of funds deposited and lower bank interest rates. Other income represented 4.1% and 2.5% of total revenue for the six months ended 30 June 2025 and 2026, respectively.

Selling and Distribution Expenses

Selling and distribution expenses increased by 22.6% from RMB408.3 million for the six months ended 30 June 2025 to RMB500.6 million for the six months ended 30 June 2026, primarily attributable to the expansion of the revenue base, in line with the growth of our business.

Administrative Expenses

Administrative expenses increased by 45.1% from RMB80.1 million for the six months ended 30 June 2025 to RMB116.1 million for the six months ended 30 June 2026, primarily attributable to an increase in staff costs arising from the consolidation of the new businesses.

Other Gains and Losses

The Group recorded other gains of RMB8.6 million for the six months ended 30 June 2026, compared with other gains of RMB9.6 million for the six months ended 30 June 2025, primarily relating to the impact of foreign exchange rate fluctuations.

Finance Cost

The Group's finance cost remained relatively stable at RMB1.2 million and RMB1.3 million for the six months ended 30 June 2025 and for the six months ended 30 June 2026, respectively.

Profit before Tax

As a result of the foregoing, the Group's profit before tax increased by 19.3% from RMB231.7 million for the six months ended 30 June 2025 to RMB276.5 million for the six months ended 30 June 2026.

Income Tax Expense

Income tax expense increased by 9.9% from RMB60.6 million for the six months ended 30 June 2025 to RMB66.6 million for the six months ended 30 June 2026, mainly due to the increase in our profit before tax. The effective tax rate was 26.2% and 24.1%, respectively, which were lower than the PRC statutory income tax rate of 25% primarily because one of our subsidiary enjoyed a preferential income tax rate of 15% since 2019 and is a qualified high-tech enterprise.

Profit for the Period

As a result of the foregoing, the Group's profit for the period increased by 22.7% from RMB171.1 million for the six months ended 30 June 2025 to RMB209.9 million for the Reporting Period. Net profit margin was 12.8% and 12.8%, respectively for the six months ended 30 June 2025 and the Reporting Period.

Operating Cash Flows

Net operating cash outflow for the six months ended 30 June 2026 was RMB206.1 million, compared with net operating cash outflow of RMB36.4 million for the six months ended 30 June 2025, which was attributable to our profit before tax of RMB276.5 million, adjustments for non-cash and non-operating items, movements in working capital and income tax paid.

Capital Expenditures

Capital expenditures increased from RMB18.2 million for the six months ended 30 June 2025 to RMB60.9 million for the six months ended 30 June 2026. Capital expenditure was used primarily for the purchase of property, plant and equipment and right-of-use assets and financed primarily by operating cash flow.

Financial Position

Historically, we funded our operations primarily with net cash generated from our business operations. After the global offering of the Company (the "**Global Offering**"), we intend to finance our future capital requirements through the same sources of funds above, together with the net proceeds we received from the Global Offering.

As at 30 June 2026, the Group had RMB2,421.4 million in cash and cash equivalents and time deposits, most of which were denominated in RMB.

Gearing Ratio

The gearing ratio (calculated as total interest-bearing debt, comprising bank borrowing, current and non-current lease liabilities, divided by total equity and multiplied by 100%) was 1.7% as at 30 June 2026, compared with 2.0% as at 31 December 2025, representing a stable level.

Significant Investments Held

The Group maintains an investment portfolio intended to generate income with potential for capital appreciation. As at 31 December 2025 and 30 June 2026, respectively, the Group did not hold any other significant investment with a fair value representing 5% or more of the Group's total assets.

Funding and Treasury Policy

The Group adopts a stable approach on its finance and treasury policy, aiming to maintain an optimal financial position, the most economic finance costs, and minimal financial risks. The Group regularly reviews its funding requirements to maintain adequate financial resources in order to support its current business operations as well as its future investments and expansion plans.

Material Acquisitions and Future Plans for Major Investment

During the six months ended 30 June 2026, the Group did not conduct any material acquisitions or disposals, other than the completion of the major transaction in relation to the acquisition of the entire equity interest of Hebei Kangda Co., Ltd.* (河北康達有限公司) by Guangzhou Cheerwin Holding Company Limited* (廣州朝雲控股有限公司), a wholly-owned subsidiary of the Company, as disclosed in the announcements of the Company dated 31 December 2025 and 26 January 2026 and the circular of the Company dated 13 February 2026. In addition, save for the expansion plans as disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 26 February 2021 (the "**Prospectus**"), the Group has no specific plan for major investment or acquisition of major capital assets or other businesses. However, the Group will continue to identify new opportunities for business development.

Exposure to Fluctuations in Exchange Rates

The Group operates mainly in China with most of its transactions settled in RMB. However, the Group is exposed to foreign exchange risk arising mainly from deposits denominated in USD and Hong Kong dollars. The Group closely monitors the exchange rate fluctuations and reviews its foreign exchange risk management strategies from time to time. The Board may consider hedging foreign exchange exposures where appropriate in order to minimize its foreign exchange risk.

Pledge of Assets

As at 30 June 2026, the Group has pledged its building with a carrying value of approximately RMB17.6 million to secure bank borrowings of the Group (31 December 2025: RMB18.2 million).

Contingent Liabilities

As at 30 June 2026, the Group had no significant contingent liabilities.

Human Resources

As at 30 June 2026, the Group had 1,953 employees, compared with 1,367 employees as at 31 December 2025. Total staff costs, including basic salary and wages, social insurance and bonus, amounted to RMB111.6 million and RMB148.4 million for the six months ended 30 June 2025 and 2026, respectively, primarily attributable to an increase in headcount and staff costs arising from the consolidation of the new businesses.

Interim Dividend

The Board resolved to declare an interim dividend of RMB0.0636 per share of the Company (the "**Share(s)**") (equivalent to HK$0.0735 per Share) for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB0.0521 per Share), representing a dividend payout ratio of 40.0% (six months ended 30 June 2025: 40.0%), payable on or around Wednesday, 7 October 2026 to shareholders of the Company (the "**Shareholder(s)**") on the register on Tuesday, 15 September 2026 (i.e. record date).

The interim dividend will be declared in RMB and paid in Hong Kong dollars. The Hong Kong dollar amount will be converted at the average central parity rate announced by the People's Bank of China for the period from Wednesday, 19 August 2026 to Tuesday, 25 August 2026.

As at the date of this report, there are no treasury shares held by the Company (whether held or deposited in the Central Clearing and Settlement System, or otherwise).

Closure of Register of Members

For determining the entitlement to the interim dividend, the register of members of the Company will be closed from Thursday, 10 September 2026 to Tuesday, 15 September 2026, both days inclusive, during which period no share transfers of the Company will be registered. To qualify for the interim dividend, all transfers forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 9 September 2026.

DIRECTOR'S AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (with the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong (the "**SFO**")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which have been entered in the register required to be kept pursuant to Section 352 of the SFO, or which shall be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") are as follows:

Interest in Shares

Name of Director	Nature of interest	Number of Shares	Approximate percentage of interest[4]
Chen Danxia	Beneficial owner	4,793,500 (L)	0.36%
Wang Dong[2]	Beneficial owner	401,000 (L)	0.03%
Zhong Xuyi[3]	Beneficial owner	150,000 (L)	0.01%

Notes:

(1) The letter "L" denotes the person's long position in such Shares.

(2) Ms. Wang Dong holds 251,000 Shares and she is interested in 150,000 underlying Shares. Such underlying Shares are the relevant Shares that may be allotted and issued to her upon the full exercise of all the outstanding share options granted to her under the Share Option Scheme as at 30 June 2026.

(3) Mr. Zhong Xuyi is interested in 150,000 underlying Shares. Such underlying Shares are the relevant Shares that may be allotted and issued to him upon the full exercise of all the outstanding share options granted to him under the Share Option Scheme as at 30 June 2026.

(4) As at 30 June 2026, the Company had 1,333,333,500 ordinary Shares in issue.

Save as disclosed above, as at 30 June 2026, none of the Directors nor the chief executive of the Company had any interests or short positions in any of the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the Shares or underlying Shares which were recorded in the register required to be kept by the Company under Section 336 of the SFO or which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of shareholder	Nature of interest	Number of Shares	Approximate percentage of interest[5]
Ms. Ma Huizhen ("**Ms. Ma**")[2]	Interest of corporation controlled/ Interest of spouse	990,000,000 (L)	74.25%
Ms. Li Ruohong ("**Ms. Li**")[3]	Interest of corporation controlled/ Interest of spouse	990,000,000 (L)	74.25%
Mr. Chen Kaixuan[3]	Interest of corporation controlled/ Interest of spouse	990,000,000 (L)	74.25%
Mr. Chen Kaichen[2]	Interest of corporation controlled/ Interest of spouse	990,000,000 (L)	74.25%
Cheerwin Global Limited[4]	Beneficial interest	990,000,000 (L)	74.25%

Notes:

(1) The letter "L" denotes the person's long position in such Shares.

(2) Ms. Ma and Mr. Chen Kaichen are in a spousal relationship. By virtue of the SFO, they are deemed to be interested in all the Shares held by each other.

(3) Ms. Li and Mr. Chen Kaixuan are in a spousal relationship. By virtue of the SFO, they are deemed to be interested in all the Shares held by each other.

(4) The entire issued share capital of Cheerwin Global Limited is beneficially owned by Ms. Ma, Ms. Li, Mr. Chen Kaichen and Mr. Chen Kaixuan who are deemed to be interested in the Shares held by Cheerwin Global Limited pursuant to SFO.

(5) As at 30 June 2026, the Company had 1,333,333,500 ordinary Shares in issue.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

SHARE INCENTIVE SCHEMES

Share Option Scheme

On 23 July 2021, the share option scheme of the Company (the "**Share Option Scheme**") was approved and adopted by the Shareholders. The purpose of the Share Option Scheme is to attract, retain and motivate talented employees to strive towards long term performance targets set by the Group and to provide them with an incentive to work better for the interest of the Group. The Share Option Scheme will link the value of the Company with the interests of the share option participants, enabling the share option participants and the Company to develop together and promote the Company's corporate culture. The Board may offer to grant an option to subscribe for certain number of Shares as the Board may determine to an eligible person including Directors, senior management and core employees of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group in accordance with the terms of the Share Option Scheme.

The maximum number of Shares issued and to be issued upon exercise of the share options granted and to be granted to each participant (including both exercised, cancelled and outstanding share options) under the Share Option Scheme or any other share option schemes adopted by the Company in any 12-month period is limited to 1% of the Shares in issue, unless otherwise separately approved by Shareholders in general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting.

The total number of Shares which may be issued upon exercise of share options to be granted under the Share Option Scheme or any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") are applicable) shall not exceed 10% of the total number of the Shares in issue (i.e. 133,333,350 Shares) on the adoption date of the Share Option Scheme. Share options which have lapsed shall not be counted in calculating the 10% limit. The Company may refresh the 10% limit with Shareholders' approval provided that each such limit (as refreshed) may not exceed the 10% of the total number of the Shares in issue as at the date of the Shareholders' approval. Share options previously granted under the Share Option Scheme and any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with the relevant scheme or exercised options) will not be counted for the purpose of calculating the limit to be refreshed. The Company may seek separate approval by Shareholders in general meeting of the Company for granting options beyond the 10% limit provided that the share options in excess of the limit are granted only to share option participants specially identified by the Company before such approval is sought. Total number of Shares which may be issued upon exercise of all options granted and yet to be exercised under the Share Option Scheme or any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the total number of the Shares in issue from time to time. No options may be granted under the Share Option Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

The total number of share options available for grant under the Share Option Scheme as at 1 January 2026 and 30 June 2026 were 129,583,350 and 129,583,350, respectively. The total number of share options which may be granted under the Share Option Scheme is 129,583,350, representing approximately 9.72% of the total number of issued Shares (i.e. 1,333,333,500 Shares) as at the date of this report.

The total number of Shares that may be issued in respect of the share options under the Share Option Scheme during the Reporting Period divided by the weighted average number of Shares in issue (excluding the treasury shares) for the Reporting Period was 0.08%.

Subject to any adjustments made pursuant to the terms of the Share Option Scheme, the exercise price shall be at a price determined by the Board at its absolute discretion and notified to the share option participant and shall be at least the highest of: (i) the closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange on the offer date; (ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the offer date; and (iii) the nominal value of a Share on the offer date.

The share options granted shall be open for acceptance for a period of seven days from the date of grant. An amount of HK$1.00 is payable upon acceptance of the grant of the share options. The Share Option Scheme shall be valid and effective for a period of ten years commencing on the date on which the Share Option Scheme was conditionally adopted. Accordingly, as at 30 June 2026, the remaining life of the Share Option Scheme is approximately 5 years.

Any option shall be vested on an option-holder upon his acceptance of the offer of options provided that if any vesting schedule and/or conditions are specified in the offer of the option, such option shall only be vested on an option-holder according to such vesting schedule and/or upon the fulfillment of the vesting conditions (as the case may be). The Board may specify the exercise period and/or the vesting schedule of the options in the grant letter, and in all circumstances all options shall automatically lapse upon the expiry of the tenth anniversary of the date of grant. During the six months ended 30 June 2026, no share options were granted, exercised, cancelled or lapsed under the Share Option Scheme. Details of the movements of the share options granted under the Share Option Scheme as at 30 June 2026 are set out below:

Name of grantee	Position held with the Company/relationship with the Company	Date of grant	No. of Shares involved in the share options outstanding as at 1 January 2026	Share options granted during the Reporting Period	Share options exercised during the Reporting Period	Share options cancelled during the Reporting Period	Share options lapsed/ forfeited during the Reporting Period	No. of Shares involved in the share options outstanding as at 30 June 2026	Exercise price (HK$ per Share)(1)	Vesting date(2)	Exercise period
Ms. Wang Dong	Executive Director and Chief Operating Officer	23 September 2021	150,000	–	–	–	–	150,000	4.33	15 April 2024	15 April 2024 – 14 April 2031(3)
Mr. Zhong Xuyi	Executive Director and Chief Financial Officer	23 September 2021	150,000	–	–	–	–	150,000	4.33	15 April 2024	15 April 2024 – 14 April 2031(3)
Five Other Employees of the Group	Employees of the Group	23 September 2021	750,000	–	–	–	–	750,000	4.33	15 April 2024	15 April 2024 – 14 April 2031(3)
Total			**1,050,000**					**1,050,000**			

Notes:

(1) The closing price of the securities immediately before the date on which the share options were granted was HK$4.21 per Share. The fair value of the share options at the date of grant was HK$4.33.

(2) 25% of the total number of share options granted was vested on 15 April 2024.

(3) The exercise period for the vested share options expires 7 years from the date of vesting.

Restricted Share Award Scheme

The restricted share award scheme of the Company (the "**RSA Scheme**") was approved and adopted by the Board on 3 June 2021. Pursuant to the RSA Scheme, the Board may, from time to time, in its absolute discretion, select any individual who is a key management personnel of the Group including Directors, senior management and core employees of the Group, after taking into consideration various factors as they deem appropriate and determine the number of award shares to be granted to each of the selected participants. In determining the number of award shares for each selected participant, the Board shall take into consideration matters, including but not limited to, the selected participant's position, experience, years of service, performance and contribution to the Group and the market price of the Shares.

The purpose and objective of the RSA Scheme are (i) to realize the binding of the management team with the Shareholders and the Company's interests in the long run; (ii) to incentivize the management team to achieve the Company's performance goals, supporting the Company's rapid growth in the future; (iii) to send positive signals to the capital market and increase the market's confidence in the Company's development; and (iv) to attract external talents and enhance talent competitiveness.

The award shares shall be open for acceptance for a period of seven days from the date of grant. An amount of HK$1.00 is payable upon acceptance of the grant of the restricted shares. The RSA Scheme shall be effective from its adoption date and shall be in full force and effect for a term of ten years or until such date of early termination as determined by the Board, whichever is the earlier. Accordingly, as at 30 June 2026, the remaining life of the RSA Scheme is approximately 5 years. The maximum number of award shares that may be granted under the RSA Scheme in aggregate shall be no more than 25,000,000 Shares, representing 1.87% of the total number of the issued Shares as at the date of this report, subject to the compliance of the Listing Rules, including, the requirement concerning the maintenance of the public float.

Details of the share awards granted under the RSA Scheme

Details of the movements of the restricted shares granted under the RSA Scheme as at 30 June 2026 are set out below:

Name of grantee	Position held with the Company/ relationship with the Company	Date of grant	No. of Shares involved in the restricted shares outstanding as at 1 January 2026	Restricted shares granted during the Reporting Period	Restricted Shares exercised during the Reporting Period	Restricted shares cancelled during the Reporting Period	Restricted shares lapsed/ forfeited during the Reporting Period	No. of Shares involved in the restricted shares outstanding as at 30 June 2026	Closing price (HK$ per Share)(1)	Vesting date(2)
Ms. Chen Danxia	Executive Director, Chairman and Chief Executive Officer	23 September 2021	3,750,000	–	–	–	–	3,750,000	4.33	15 April 2024
Ms. Wang Dong	Executive Director and Chief Operating Officer	23 September 2021	150,000	–	–	–	–	150,000	4.33	15 April 2024
Mr. Zhong Xuyi	Executive Director and Chief Financial Officer	23 September 2021	150,000	–	–	–	–	150,000	4.33	15 April 2024
Five Other Employees of the Group	Employees of the Group	23 September 2021	750,000	–	–	–	–	750,000	4.33	15 April 2024
Total			**4,800,000**					**4,800,000**		

Notes:

(1) The closing price of the securities immediately before the date on which the restricted shares were granted was HK$4.21 per Share. The fair value of the restricted shares at the date of grant was HK$4.33. Pursuant to Rule 17.09(8) of the Listing Rules, the basis of determining the purchase price of restricted shares awarded not applicable as there is no purchase price under RSA Scheme.

(2) 25% of the total number of restricted shares granted was vested on 15 April 2024.

For the purpose of the RSA Scheme, the Company appointed two trustees to hold Shares in two separate trust plans for the respective benefit of the connected persons (the "**Connected Grantees**") and other non-connected persons (the "**Non-connected Grantees**") of the Company. The two trustees hold 16,200,000 restricted shares for three Connected Grantees and 3,600,000 restricted shares for the other Non-connected Grantees, respectively, in accordance with the terms of the RSA Scheme. The restricted shares held for the Non-connected Grantees will be counted as public float. As at the date of this report, the trustees and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons. The trustees shall not exercise the voting rights in respect of any Shares held under the trusts including but not limited to the restricted shares.

As at the date of this report, a total number of 4,800,000 outstanding restricted shares, representing approximately 0.36% of the Shares in issue, had been granted to three Directors and five employees of the Group pursuant to the RSA Scheme. The selected participants are not required to pay any exercise price to receive the restricted shares granted under the RSA Scheme while the vesting conditions shall be fulfilled before the restricted shares can be vested. The total number of restricted shares which may be granted under the RSA Scheme is 20,200,000 (consist of 5,200,000 ungranted restricted shares and 15,000,000 granted restricted shares which has lapsed/forfeited since adoption of the RSA Scheme), representing approximately 1.51% of the total number of issued Shares (i.e. 1,333,333,500 Shares) as at the date of this report. The total number of restricted shares available for grant under the RSA Scheme as at 1 January 2026 and 30 June 2026 were 20,200,000 and 20,200,000 respectively.

As the above Share Option Scheme and RSA Scheme were all adopted before the effective date of the new Chapter 17 of the Listing Rules, the Company has complied and will continue to comply with the new Chapter 17 to the extent required by the transitional arrangements for the existing share schemes. The Company confirmed that it will continue to comply with the new Chapter 17 requirements, and in the future event that the Company wishes to make further grants under the existing schemes and/or adopt new share schemes, to make appropriate announcement and if necessary to seek Shareholders' approval accordingly.

USE OF PROCEEDS FROM GLOBAL OFFERING

The Shares were listed on the Main Board of the Stock Exchange on 10 March 2021 (the "**Listing Date**"). The Company received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the Global Offering of approximately RMB2,418.8 million (equivalent to approximately HK$2,883.8 million) (the "**Net Proceeds**"). As at 30 June 2026, approximately RMB1,019.4 million of the Net Proceeds had been utilised and approximately RMB1,399.4 million remained unutilised.

On 3 August 2026, after the end of the Reporting Period, the Board resolved to change the use of the unutilised Net Proceeds. For details, in particular, the reasons for and benefits of the change in use of proceeds, please refer to the Company's announcement dated 3 August 2026.

The details of intended application of Net Proceeds from the Global Offering (before revision) and revised allocation of unutilised Net Proceeds and the expected timetable for utilisation of the revised allocation as resolved by the Board on 3 August 2026 are set out as follows:

Item	Approximate % of total net proceeds (Before revision)	Net proceeds from the Global Offering (Before revision) (RMB million)	Unutilised net amount as at 31 December 2025 (Before revision) (RMB million)	Actual net amount utilised during the Reporting Period (Before revision) (RMB million)	Actual net amount utilised up to 30 June 2026 (Before revision) (RMB million)	Unutilised net amount as at 30 June 2026 (Before revision) (RMB million)	Revised allocation of unutilised net proceeds resolved on 3 August 2026 (RMB million)	Expected timetable for utilisation of the revised allocation
Enhancing research and development capabilities								
Research and development of new products, upgrade of existing products and development of new brands and categories	7.1%	171.8	65.5	16.4	122.7	49.1	105.8	By end of 2030

Item	Approximate % of total net proceeds (Before revision)	Net proceeds from the Global Offering (Before revision) (RMB million)	Unutilised net amount as at 31 December 2025 (Before revision) (RMB million)	Actual net amount utilised during the Reporting Period (Before revision) (RMB million)	Actual net amount utilised up to 30 June 2026 (Before revision) (RMB million)	Unutilised net amount as at 30 June 2026 (Before revision) (RMB million)	Revised allocation of unutilised net proceeds resolved on 3 August 2026 (RMB million)	Expected timetable for utilisation of the revised allocation
Facilitate the construction and upgrade of relevant research and development centers and support their research activities	10.2%	246.7	246.7	1.4	1.4	245.3	45.3	By end of 2030
Motive existing research personnel and recruit additional experienced and talented personnel for our research and development team	2.7%	65.3	65.3	0.0	0.0	65.3	35.3	By end of 2030
Enhancing sales and distribution network								
Further develop online distribution channels	10.0%	241.9	0.0	0.0	241.9	0.0	131.2	By end of 2028
Further enhance our offline distribution network	5.0%	120.9	64.2	35.2	91.9	29.0	27.9	By end of 2028
Establish and optimise our overseas online and offline sales network and develop new markets	5.0%	120.9	120.9	0.0	0.0	120.9	20.9	By end of 2028
Marketing activities to enhance branding and products promotion								
Enhance our market penetration in lower-tier cities	5.0%	120.9	110.5	0.5	10.9	110.0	19.9	By end of 2028
Invest in online brand marketing activities to enhance brand and product awareness and educate customers	10.0%	241.9	86.0	14.8	170.7	71.2	67.6	By end of 2028
Improve the efficiency and flexibility of our supply chain								
Establish overseas supply chain to improve our cost advantage for our overseas operations	1.5%	36.3	36.3	0.0	0.0	36.3	36.3	By end of 2030
Upgrade our existing production facilities and existing production lines at our Anfu and Panyu plants, and to establish new production lines to increase production capacity and efficiency	1.5%	36.3	36.3	0.5	0.5	35.8	45.8	By end of 2030
Establish a supply chain base in Shanghai which include a warehouse and a logistic center and offices	7.0%	169.3	169.3	0.0	0.0	169.3	0.0	Not applicable
Deepen our digitalisation strategy, enhance information technology infrastructure, and further develop our technology and data-driven middle-office for our supply chain management, consumer community and proprietary platform operation and distribution channel management to improve operating efficiency	10.0%	241.9	229.4	4.1	16.6	225.3	55.0	By end of 2030

Item	Approximate % of total net proceeds (Before revision)	Net proceeds from the Global Offering (Before revision) (RMB million)	Unutilised net amount as at 31 December 2025 (Before revision) (RMB million)	Actual net amount utilised during the Reporting Period (Before revision) (RMB million)	Actual net amount utilised up to 30 June 2026 (Before revision) (RMB million)	Unutilised net amount as at 30 June 2026 (Before revision) (RMB million)	Revised allocation of unutilised net proceeds resolved on 3 August 2026 (RMB million)	Expected timetable for utilisation of the revised allocation
Strategic acquisitions of upstream and downstream businesses to acquire external high quality, complementary technologies, brands and businesses	15.0%	362.8	188.7	188.7	362.8	0.0	500.0	By end of 2030
Working capital and other general corporate purposes	10.0%	241.9	241.9	0.0	0.0	241.9	0.00	Not applicable
Strategic expansion of pet business	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	300.0	By end of 2030
Total:	**100%**	**2,418.8**	**1,661.0**	**261.6**	**1,019.4**	**1,399.4**	**1,391.0**	

In addition, the Group has adopted a more prudent approach to implementing its investment and development plans. In light of the prevailing global economic conditions and market uncertainties, the management considers it appropriate to extend the expected timeline for utilisation of the unutilised Net Proceeds to by end of 2028 or 2030, as the case may be.

As at 30 June 2026, the remaining proceeds amounted to approximately RMB1,399.4 million (equivalent to approximately HK$1,611.2 million). As at 30 June 2026, the Group used proceeds in accordance with the purposes as set out in the Prospectus. Majority of the unutilised net proceeds are deposited with reputable banks in Hong Kong or the PRC as at 30 June 2026.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. During the Reporting Period, the Company has complied with all applicable code provisions under the CG Code as in force during the Reporting Period and adopted most of the best practices set out therein except for the following provision.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

However, the Company does not have a separate chairman and chief executive officer and the responsibilities of both chairman and chief executive officer vest in Ms. Chen Danxia. The Board believes that vesting the responsibilities of both chairman and chief executive officer in the same person has the benefit of ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group. Besides, with three independent non-executive Directors out of a total of eight Directors in the Board, there will be sufficient independent voice within the Board to protect the interests of the Company and the Shareholders as a whole.

Therefore, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the Reporting Period, there are no treasury shares held by the Company.

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

PUBLIC FLOAT

Based on the information publicly available to the Company and to the knowledge of the Directors, the Company has maintained sufficient public float as required by the Listing Rules as at the date of this report. The Company maintained the minimum level of public float of 25% of its total number of issued Shares.

EVENTS AFTER THE PERIOD

Save as disclosed in this report, there is no significant subsequent event after the Reporting Period.

AUDIT COMMITTEE

The Board has established the Audit Committee, which comprises three independent non-executive Directors, namely, Mr. Chan Wan Tsun Adrian Alan (Chairman), Mr. Guo Sheng and Dr. Yu Rong and one non-executive Director, namely Mr. Chen Zexing. The Audit Committee has 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, together with the senior management of the Company, reviewed the accounting principles and practices adopted by the Group as well as the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have also been reviewed by the Company's independent auditor, Messrs Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CHANGES TO DIRECTORS' INFORMATION

There is no change to any information required to be disclosed in relation to any Director pursuant to paragraphs (a) to (e) and (g) under Rule 13.51(2) of the Listing Rules since the publication of the Company's 2025 annual report.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF CHEERWIN GROUP LIMITED

(incorporated in Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Cheerwin Group Limited (the "**Company**") and its subsidiaries set out on pages 24 to 48, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
25 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	NOTES	Six months ended 30 June	
		2026	2025
		RMB'000	RMB'000
		(unaudited)	(unaudited)
Revenue	3	**1,634,984**	1,338,807
Cost of sales		**(787,624)**	(679,022)
Gross profit		**847,360**	659,785
Other income	4	**41,176**	55,322
Other gains and losses	5	**8,551**	9,596
Impairment losses under expected credit loss model, net of reversal		**(2,589)**	(3,485)
Selling and distribution expenses	6	**(500,561)**	(408,262)
Administrative expenses		**(116,127)**	(80,054)
Finance cost	7	**(1,275)**	(1,201)
Profit before tax		**276,535**	231,701
Income tax expense	8	**(66,617)**	(60,595)
Profit for the period	9	**209,918**	171,106
Other comprehensive expense			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**(44,234)**	(16,830)
Total comprehensive income for the period		**165,684**	154,276
Profit (loss) for the period attributable to:			
Owners of the Company		**212,161**	173,562
Non-controlling interests		**(2,243)**	(2,456)
		209,918	171,106
Total comprehensive income (expenses) for the period attributable to:			
Owners of the Company		**167,927**	156,732
Non-controlling interests		**(2,243)**	(2,456)
		165,684	154,276
Earnings per share			
Basic (RMB cents)	11	**15.91**	13.02

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	NOTES	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	12	192,925	150,928
Right-of-use assets	12	119,039	52,849
Intangible asset		73,771	–
Goodwill		223,674	–
Interest in associates		3,538	3,538
Deposits paid for acquisition of property, plant and equipment		1,280	424
Time deposits	19	104,228	278,864
Deferred tax assets	14	78,581	65,837
		797,036	552,440
Current assets			
Inventories	15	148,630	243,116
Trade and other receivables	16	153,268	107,944
Tax recoverable		8,654	21,670
Amounts due from related parties	17	36,694	15,294
Other financial assets at amortised cost	18	205,546	240,333
Financial assets at fair value through profit or loss ("**FVTPL**")	13	246,783	143,666
Time deposits	19	1,143,188	1,127,121
Bank balances and cash		1,174,033	1,430,526
		3,116,796	3,329,670
Current liabilities			
Trade and other payables	20	523,346	400,887
Contract liabilities	21	47,215	335,418
Dividend payable		108,048	–
Borrowings		9,000	10,000
Amounts due to related parties	17	35,862	53,209
Lease liabilities		14,958	19,058
Income tax payables		23,807	14,345
		762,236	832,917
Net current assets		2,354,560	2,496,753
Total assets less current liabilities		3,151,596	3,049,193
Non-current liabilities			
Lease liabilities		27,490	30,306
Deferred tax liability	14	32,453	–
Contingent consideration as liability at FVTPL	25	23,548	–
		83,491	30,306
Net assets		3,068,105	3,018,887

		As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Capital and reserves			
Share capital	22	2	2
Reserves		3,072,675	3,023,845
Equity attributable to owners of the Company		3,072,677	3,023,847
Non-controlling interests		(4,572)	(4,960)
Total equity		3,068,105	3,018,887

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company										
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Translation reserve RMB'000	Merger reserve RMB'000	Share based payments reserve RMB'000	Statutory reserve RMB'000 (Note)	Retained profits RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025 (audited)	2	2,465,311	21,595	129,873	(25,066)	18,978	39,986	340,203	2,990,882	(1,648)	2,989,234
Profit (loss) for the period	–	–	–	–	–	–	–	173,562	173,562	(2,456)	171,106
Other comprehensive expense for the period	–	–	–	(16,830)	–	–	–	–	(16,830)	–	(16,830)
Total comprehensive (expense) income for the period	–	–	–	(16,830)	–	–	–	173,562	156,732	(2,456)	154,276
Dividends recognised as distribution (Note 10)	–	–	–	–	–	–	–	(90,933)	(90,933)	–	(90,933)
At 30 June 2025 (unaudited)	2	2,465,311	21,595	113,043	(25,066)	18,978	39,986	422,832	3,056,681	(4,104)	3,052,577
At 1 January 2026 (audited)	2	2,465,311	20,478	100,670	(25,066)	18,978	41,230	402,244	3,023,847	(4,960)	3,018,887
Profit (loss) for the period	–	–	–	–	–	–	–	212,161	212,161	(2,243)	209,918
Other comprehensive expense for the period	–	–	–	(44,234)	–	–	–	–	(44,234)	–	(44,234)
Total comprehensive (expense) income for the period	–	–	–	(44,234)	–	–	–	212,161	167,927	(2,243)	165,684
Dividends recognised as distribution (Note 10)	–	–	–	–	–	–	–	(109,466)	(109,466)	–	(109,466)
Purchase of non-controlling interest	–	–	(9,631)	–	–	–	–	–	(9,631)	2,631	(7,000)
At 30 June 2026 (unaudited)	2	2,465,311	10,847	56,436	(25,066)	18,978	41,230	504,939	3,072,677	(4,572)	3,068,105

Note: Pursuant to the relevant laws and regulations in the People's Republic of China (the "**PRC**"), subsidiaries established in the PRC are required to transfer a portion of the profit after taxation to the statutory surplus reserve as approved by the respective boards of directors annually. The appropriation is 10% of profit after tax at a minimum and should cease when it reaches 50% of the registered capital of the relevant PRC subsidiaries. The statutory reserve, which is non-distributable, can be used (i) to offset the prior year losses, if any, and/or (ii) in capital conversion.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Operating cash flows before movements in working capital	256,856	216,246
Decrease in inventories	133,260	163,641
Increase in trade and other receivables	(43,319)	(58,449)
Increase in amounts due from related parties	(21,400)	(36,038)
Increase (decrease) in trade and other payables	56,885	(14,853)
Decrease in contract liabilities	(516,725)	(246,013)
Decrease in amounts due to related parties	(17,347)	(25,289)
Cash used in operations	(151,790)	(755)
Income tax paid	(54,330)	(35,626)
Net cash used in operating activities	(206,120)	(36,381)
Withdrawal of time deposits of more than three months	731,469	1,266,796
Withdrawal of financial assets at amortised cost	226,600	258,344
Proceeds on disposal of financial assets at FVTPL	66,900	230,000
Bank interest income received	17,006	37,346
Receipt of interest income from financial assets at amortised cost	11,950	14,780
Receipt of investment income from financial assets at FVTPL	22,901	2,337
Proceeds on disposal of property, plant and equipment	174	–
Purchase of financial assets at amortised cost	(205,823)	(294,198)
Purchase and deposits paid for acquisition of property, plant and equipment	(5,053)	(8,777)
Purchase of financial assets at FVTPL	(190,000)	(230,000)
Payment for acquisition of a subsidiary, net off cash acquired (Note 25)	(119,252)	–
Placement of time deposits of more than three months	(599,891)	(895,194)
Net cash (used in) from investing activities	(43,019)	381,434
Purchases of non-controlling interest	(7,000)	–
Repayments of lease liabilities	(10,710)	(10,166)
Finance cost paid	(1,275)	(1,201)
Repayments of borrowings	(1,000)	–
Net cash used in financing activities	(19,985)	(11,367)
Net (decrease) increase in cash and cash equivalents	(269,124)	333,686
Cash and cash equivalents at the beginning of the period	1,700,814	1,186,149
Effect of foreign exchange rate changes	(9,170)	(11,903)
	1,422,520	1,507,932
Cash and cash equivalents at the end of the period, represented by		
Bank balances and cash	1,174,033	935,685
Time deposits with maturity of three months or less	248,487	572,247
	1,422,520	1,507,932

1. BASIS OF PREPARATION

The condensed consolidated financial statements of Cheerwin Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") have been prepared in accordance with IAS 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to an IFRS Accounting Standard, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

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

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue by types of products or services		
Household care (Note i)	**1,493,083**	1,214,162
Pet business (Note ii)	**110,606**	95,955
Personal care	**28,795**	25,776
Others (Note iii)	**2,500**	2,914
Total	**1,634,984**	1,338,807
Timing of revenue recognition		
At a point in time	**1,634,984**	1,338,807

Notes:

(i) Household care included household insecticides and repellents, household cleaning and air care products.

(ii) Pet business included pet stores and pet products.

(iii) Others included numerous household supplies, appliances, other products and testing services, none of them accounted for a material portion individually.

(ii) Transaction price allocated to the remaining performance obligations for contracts with customers

As at 30 June 2026, the Group had aggregate amount of the transaction price allocated to remaining performance obligations (unsatisfied or partially unsatisfied) amounted to approximately RMB47,215,000 (unaudited) (31 December 2025: RMB335,418,000 (audited)). The amounts were equivalent to the contract liabilities as at 30 June 2026 and 31 December 2025, which represented payments received from customers by the Group while the underlying goods are yet to be delivered.

Based on the information available to the Group at the end of the reporting period, the management of the Group expects the transaction price allocated to the above unsatisfied (or partially unsatisfied) contracts as at 30 June 2026 and 31 December 2025 will be recognised as revenue within next twelve months.

(iii) Segment information

Revenue and operating result of the Group are reported to the executive directors of the Company, being the chief operating decision maker (the "**CODM**"), for the purposes of resource allocation and performance assessment. The accounting policies are the same as the Group's accounting policies. No other analysis of the Group's results nor assets and liabilities is regularly provided to the CODM for review and the CODM reviews the overall results and financial position of the Group as a whole. Accordingly, the CODM has identified one operating segment and only entity-wide disclosures on revenue, major customers and geographical information are presented in accordance with IFRS 8 *Operating Segments*.

3. REVENUE AND SEGMENT INFORMATION (continued)

(iv) Geographic information

The Group principally operates in the PRC, which is also the place of domicile. The Group's revenue is substantially all derived from operations in the PRC and the Group's non-current assets are substantially all located in the PRC.

(v) Information about major customers

There was no revenue derived from transactions with a single external customer which amounted to 10% or more of the Group's revenue for both six months ended 30 June 2026 and 2025.

4. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Government grants (Note)	**9,626**	12,029
Bank interest income	**25,891**	34,362
Interest income from other financial assets at amortised cost	**4,787**	6,151
Investment income from financial assets at FVTPL	**–**	2,337
Others	**872**	443
	41,176	55,322

Note: The amount represented subsidy income received from certain government authorities in the PRC for the purpose of giving immediate financial support to the Group with no future obligations.

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
(Losses) gains on disposal of property, plant and equipment	**(829)**	75
Donations	**(46)**	–
Foreign exchange gains, net	**6,508**	9,521
Gains on fair value changes of a financial assets at FVTPL (Note 13)	**2,918**	–
	8,551	9,596

6. SELLING AND DISTRIBUTION EXPENSES

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Staff costs	**66,591**	57,883
Promotion expenses	**45,427**	37,815
E-commerce channel promotion expenses	**274,853**	203,011
Advertising service expenses	**23,867**	26,364
Transportation and storage expenses	**64,621**	63,084
Marketing expenses	**15,625**	11,762
Others	**9,577**	8,343
	500,561	408,262

7. FINANCE COST

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expense on lease liabilities	**1,093**	1,201
Interest expense on bank borrowings	**182**	–
	1,275	1,201

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Enterprise Income Tax ("**EIT**"):		
Current tax	**76,823**	63,943
Overprovision in prior year	**(15)**	(64)
	76,808	63,879
Deferred tax (Note 14)	**(10,191)**	(3,284)
	66,617	60,595

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap 22. of the Cayman Islands and is exempted from the Cayman Islands income tax.

Under the Law of the PRC on EIT (the "**EIT Law**") and Implementation Regulation of the EIT Law, the PRC EIT rate of subsidiaries of the Group operating in the PRC was 25% for both periods, except for those described below.

8. INCOME TAX EXPENSE (continued)

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

Anfu Cheerwin Biotechnology Company Limited ("**Anfu Cheerwin**") has been qualified as a New and Hi-Tech Enterprise and entitled to a preferential tax rate of 15% from 2019 to 2027 granted by the local tax authority.

9. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging:		
– Directors' remuneration	6,828	8,445
Other staff costs:		
– Salaries and other allowances	130,884	94,697
– Contributions to retirement benefits scheme	10,663	8,491
Total staff costs (Note i)	148,375	111,633
Depreciation of property, plant and equipment	11,728	10,352
Depreciation of right-of-use assets	11,529	10,636
Total depreciation	23,257	20,988
Less: capitalised in inventories	(2,163)	(1,997)
	21,094	18,991
Auditor's remuneration	2,400	2,653
Research and development costs (included in administrative expenses)	18,940	12,488
Cost of inventories recognises as an expense (Note ii)	786,142	677,981

Notes:

(i) Total staff costs have been charged to the condensed consolidated statement of profit or loss and other comprehensive income as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Staff costs included in cost of inventories	14,146	13,963
Selling and distribution expenses	66,591	57,883
Administrative expenses	67,638	39,787
	148,375	111,633

(ii) Amount excluded write-down of inventories of approximately RMB1,482,000 (unaudited) (six months ended 30 June 2025: write-down of inventories of approximately RMB1,041,000 (unaudited)).

10. DIVIDENDS

During the current interim period, a final dividend of RMB0.0821 per ordinary share (equivalent to HK$0.0933 per ordinary share) in respect of the year ended 31 December 2025 (six months ended 30 June 2025: RMB0.0682 per ordinary share (equivalent to HK$0.0739 per ordinary share) in respect of the year ended 31 December 2024) was declared to owners of the Company. The aggregate amount of the final dividend amounted to approximately RMB109,466,000 (six months ended 30 June 2025: RMB90,933,000) was paid on 8 July 2026.

Subsequent to the end of the current interim period, the directors of the Company have determined that an interim dividend of RMB0.0636 per ordinary share (equivalent to HK$0.0735 per ordinary share) amounting to RMB84,800,000 in aggregate (six months ended 30 June 2025: RMB0.0521 per ordinary share (equivalent to HK$0.0571 per ordinary share) amounting to RMB69,467,000 in aggregate) will be paid to owners of the Company whose names appear in the Register of Members on 15 September 2026.

11. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Earnings for the purposes of calculating basic earnings per share (profit for the period attributable to the owners of the Company)	**212,161**	173,562

	No. of Shares	No. of Shares
	'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,333,334**	1,333,334

The computation of diluted earnings per share does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price of the Company's shares for both six months ended 30 June 2026 and 2025.

12. PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, GOODWILL AND OTHER INTANGIBLE ASSETS

During the six months ended 30 June 2026, the Group incurred approximately RMB54,727,000 (unaudited) (six months ended 30 June 2025: RMB6,859,000 (unaudited)) on the acquisition of property, plant and equipment, of which approximately RMB49,855,000 was acquired on acquisition of a subsidiary.

During the six months ended 30 June 2026, the Group renewed several lease agreements and entered into several new lease agreements with lease terms ranged from 2 to 3 years (six months ended 30 June 2025: ranged from 2 to 5 years). On date of lease modification or lease commencement, the Group recognised right-of-use assets of RMB4,292,000 (six months ended 30 June 2025: RMB11,300,000) and lease liabilities of RMB4,292,000 (six months ended 30 June 2025: RMB11,300,000). The Group is required to make fixed monthly payments.

In January 2026, the Group completed the acquisition of 100% of the equity interests in Hebei Kangda Co., Ltd and its subsidiary (collectively referred to as "**Hebei Kangda**") (Note 25). Total identifiable net assets of these entities acquired as at the acquisition date amounted to RMB199,874,000. The excess of the consideration transferred over the fair value of the identifiable net assets acquired is recorded as goodwill.

As the result of management assessment, no impairment provision on goodwill and intangible asset were recognized as at 30 June 2026 (unaudited) (six months ended 30 June 2025: nil (unaudited)).

13. FINANCIAL ASSETS AT FVTPL

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Unlisted investments	**–**	89,801
Wealth management product	**243,720**	50,802
Listed investment	**3,063**	3,063
Financial assets at FVTPL	**246,783**	143,666

The unlisted equity investments represent the Group's equity interests in private companies in the PRC.

14. DEFERRED TAX ASSETS/LIABILITY

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Deferred tax assets	78,581	65,837
Deferred tax liabilities	(32,453)	–
	46,128	65,837

The following are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior periods:

	Accrued sales rebates RMB'000	Unrealised profit on inventories RMB'000	Fair value adjustment arising from business combinations RMB'000	Deferred deductible promotion expenses RMB'000	Others RMB'000	Total RMB'000
At 1 January 2025	54,165	4,835	–	–	1,400	60,400
(Charged) credited to profit or loss	(504)	3,135	–	–	653	3,284
At 30 June 2025 (unaudited)	53,661	7,970	–	–	2,053	63,684
(Charged) credited to profit or loss	(4,161)	(4,114)	–	11,536	(1,108)	2,153
At 31 December 2025 (audited)	49,500	3,856	–	11,536	945	65,837
Acquisition of a subsidiary	1,604	–	(32,749)	–	1,245	(29,900)
Credited (charged) to profit or loss	16,946	4,180	296	(11,536)	305	10,191
At 30 June 2026 (unaudited)	68,050	8,036	(32,453)	–	2,495	46,128

15. INVENTORIES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Raw materials	32,440	35,069
Work-in-progress	6,331	13,344
Finished goods	109,859	194,703
	148,630	243,116

16. TRADE AND OTHER RECEIVABLES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Trade receivables	67,885	19,314
Less: Allowance for credit losses	(3,584)	(995)
	64,301	18,319
Prepayments for purchase of raw materials	8,511	15,567
Prepaid promotion service expenses	29,761	11,526
Other tax recoverables	19,406	37,802
Receivables from payment intermediaries (Note a)	11,715	5,217
Other receivables (Note b)	19,574	19,513
	153,268	107,944

Notes:

(a) Receivables from payment intermediaries represent the sales received by Alipay, Jingdong and other platforms on behalf of the Group for the online platform sales. The balance will be transferred back to the bank accounts of the Group upon the Group's instruction.

(b) Other receivables represent advances to staff and other miscellaneous deposits, which are unsecured, non-interest bearing and repayable in 12 months.

Trade receivables

Before accepting any new customer, the Group has assessed the potential customer's credit quality and defined credit limit to each customer on an individual basis. Credit limits attributed to customers are reviewed regularly.

The Group generally requires advance payments from majority of its customers before delivery of goods. For certain customers, the Group allows credit terms of 30 to 60 days from the invoice date for trade receivables.

16. TRADE AND OTHER RECEIVABLES (continued)

Trade receivables (continued)

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date which approximated the revenue recognition date at the end of each reporting period:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within 30 days	29,796	9,802
31–60 days	34,505	8,517
	64,301	18,319

As at 30 June 2026 and 31 December 2025, the Group's trade receivables are all within credit terms as at the reporting date. The directors of the Company are of the opinion that there has not been a significant change in credit quality and the balances are still considered fully recoverable considering factors such as historical settlement patterns from and on-going business relationship with these customers.

The Group applies the simplified approach to provide for expected credit losses ("**ECL**") prescribed by IFRS 9 "Financial Instruments", which permits the use of the lifetime expected loss provision for trade receivables.

Trade receivables with significant balances and credit-impaired are assessed for ECL individually. The remaining trade receivables are assessed collectively, grouped by internal credit rating taking into account past due status of respective receivables. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

During the six months ended 30 June 2026, the Group recognised credit loss allowance of approximately RMB2,589,000 (unaudited) (six months ended 30 June 2025: RMB3,485,000 (unaudited)) for trade receivables.

17. AMOUNTS DUE FROM (TO) RELATED PARTIES

Amounts due from related parties

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Trade nature (Notes a & b)	**35,572**	14,025
Trade related prepayments (Note a)	**1,122**	1,269

Notes:

(a) These entities have been identified as related parties of the Group as they are under the common control by the controlling shareholders of the Company.

(b) Trade related balances with related parties arose from sales of goods. In general, 45 days credit period is allowed. The amounts were unsecured and interest-free.

The following is the aged analysis of trade related balances (excluding prepayments to related parties) with related parties at the end of the reporting period presented based on the invoice date.

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within 45 days	**35,224**	11,941
46–90 days	**58**	888
91–135 days	**230**	1,196
136–180 days	**60**	–
	35,572	14,025

As at 30 June 2026, included in the Group's trade related balances with related parties approximately RMB348,000 (unaudited) (31 December 2025: Nil (audited)) were past due as at the reporting date. Out of the past due balances as at 30 June 2026, RMB60,000 (unaudited) (31 December 2025: Nil (audited)) had been past due over 90 days and were not considered as in default by considering the historical payment arrangement and forward-looking information of these related parties. The Group did not hold any collateral over these balances.

17. AMOUNTS DUE FROM (TO) RELATED PARTIES (continued)

Amounts due to related parties

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Trade nature (Note)	35,862	53,209

Note: These entities have been identified as related parties of the Group as they are under the common control by the controlling shareholders of the Company.

Trade related balances with related parties arose from purchase of goods and provision of services. In general, 30 to 60 days credit period is allowed. These balances were unsecured and interest-free.

The following is an aged analysis of the Group's trade related balances with related parties at the end of the reporting period presented based on invoice date:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within 30 days	15,173	38,289
31–60 days	8,318	13,257
61–90 days	5,771	1,663
91–180 days	6,600	–
	35,862	53,209

18. OTHER FINANCIAL ASSETS AT AMORTISED COST

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Other investments		
– principal	204,327	231,951
– interest receivables	1,219	8,382
	205,546	240,333

As at 30 June 2026, other investments include i) bonds of US$18,000,000 (equivalent to RMB122,596,000) (unaudited) (31 December 2025: US$21,000,000 (equivalent to RMB147,605,000)) issued by a subsidiary incorporated in Hong Kong of a listed company and their corresponding interest receivables. The bonds carry fixed interest at 5% (31 December 2025: 5.8% to 6.0%) per annum and due in March and June 2027, respectively; ii) asset management plans of US$12,000,000 (equivalent to RMB81,731,000) (unaudited) (31 December 2025: US$12,000,000 (equivalent to RMB84,346,000)) and its corresponding interest receivables with fixed interest rate at 3.6% (31 December 2025: 4.3%) per annum. The asset management plans are redeemable anytime at the Group's request and the interest is paid on a quarterly basis.

Since the contractual cash flows of the bonds and asset management plans represent solely the payments of principal and interest on the principal amount outstanding, the investments in bonds and asset management plans are measured at amortised cost.

19. TIME DEPOSITS

As at 30 June 2026, time deposits of approximately RMB1,247,416,000 (unaudited) (31 December 2025: RMB1,405,985,000 (audited)) carried fixed-rates ranging from 1.1% to 4.3% (31 December 2025: 1.4% to 4.14%) per annum.

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Time deposits with maturity of three months or less	248,487	270,288
Time deposits with maturity of more than three months but less than one year	874,400	847,964
Time deposits with maturity of more than one year	101,248	271,536
	1,224,135	1,389,788
Interest receivables	23,281	16,197
	1,247,416	1,405,985
Presented as:		
Current	1,143,188	1,127,121
Non-current	104,228	278,864
	1,247,416	1,405,985

20. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Trade payables	196,986	162,308
Accrued sales rebates (Note)	156,877	128,140
Other accrued expenses	92,515	49,233
Accrued staff payroll and welfare	36,023	35,043
Construction costs payables	2,022	1,347
Other tax payables	22,756	14,061
Other payables	16,167	10,755
	523,346	400,887

Note: The accrued sales rebates will be settled in cash or through offsetting future sales orders, at the discretion of the Group's customers.

Trade payables

The credit period of trade payables is normally within 20 to 60 days from the invoice date.

The following is an aged analysis of trade payables, presented based on the invoice date at the end of each reporting period:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within 30 days	84,519	100,283
31–60 days	65,852	51,188
61–90 days	30,644	5,818
Over 90 days	15,971	5,019
	196,986	162,308

21. CONTRACT LIABILITIES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Receipts in advances from customers – finished goods	47,215	335,418

The Group generally requires advance payments from majority of its customers before delivery of goods. This will give rise to a contract liability at the beginning of a contract, until the revenue recognised on the relevant contract exceeds the amount received.

22. SHARE CAPITAL

	Par value	Number of shares	Share capital USD	Presented as RMB'000
Authorised:				
At 31 December 2024 (audited), 30 June 2025 (unaudited), 31 December 2025 (audited) and 30 June 2026 (unaudited)	**USD0.0000002**	**250,000,000,000**	**50,000**	
Issued and fully paid:				
At 31 December 2024 (audited), 30 June 2025 (unaudited), 31 December 2025 (audited) and 30 June 2026 (unaudited)	**USD0.0000002**	**1,333,333,500**	**267**	**2**

23. CAPITAL COMMITMENTS

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	**2,482**	2,361

24. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liability that are measured at fair value on a recurring basis

Certain of the Group's financial assets and financial liability are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liability are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Financial assets/ Financial liability	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)	Fair value hierarchy	Valuation technique and key input	Significant unobservable inputs
Financial asset at FVTPL	–	89,801,000	Level 3	With reference to agreed transaction price of underlying investment	Nil
Financial asset at FVTPL	243,720,000	50,802,000	Level 3	Direct comparison reference to market evidence of recent transaction prices of the underlying investment	Recent transaction prices of the underlying investment
Financial asset at FVTPL	3,063,000	3,063,000	Level 1	Quoted bid prices in an active market	Nil
Contingent consideration as liability at FVTPL	23,548,000	–	Level 3	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow out of the Group arising from the contingent consideration, based on an appropriate discount rate	Discount rate of 14%. (Note)

Note: A 1% increase in the discount rate holding all other variables constant would decrease the carrying amount of the contingent consideration as liability at FVTPL by RMB256,000.

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial statements approximate to their fair values.

The fair values of financial assets and financial liabilities recorded at amortised cost have been determined in accordance with generally accepted pricing model based on discounted cash flow analysis.

25. ACQUISITION OF A SUBSIDIARY

On 28 January 2026, the Group acquired 100% interest in Hebei Kangda. Hebei Kangda are principally engaged in the manufacturing and trading of insecticide aerosol, household cleaning products, electric mosquito repellent and smokeless mosquito coil in the PRC. The acquisition has been accounted for as acquisition of business using the acquisition method.

Consideration transferred

	RMB'000
Cash	400,000
Contingent consideration arrangement (Note)	23,548
	423,548

Note: Based on the relevant agreement, the Group is required to pay an additional amount of RMB25,000,000 plus 30% of the excess of the adjusted net profit exceeding RMB60,000,000 if Hebei Kangda's audited net profit attributable to the parent company after deducting non-recurring items for the year ending 31 December 2026 exceeds RMB60,000,000. The amount of RMB23,548,000 represents the fair value of this obligation.

Acquisition-related costs amounting to approximately RMB3,174,000 have been excluded from the consideration transferred and have been recognised directly as an expense in the current period within the "administrative expenses" line item in the condensed consolidated statement of profit or loss and other comprehensive income.

Assets acquired and liabilities recognised at the date of acquisition

	RMB'000
Property, plant and equipment	49,855
Right-of-use assets	73,925
Intangible asset	73,771
Deferred tax assets	2,849
Inventories	40,302
Trade and other receivables	4,594
Tax recoverable	11,120
Bank balances and cash	280,748
Trade and other payables	(76,019)
Contract liabilities	(228,522)
Deferred tax liabilities	(32,749)
	199,874

The receivables acquired (which principally comprised trade receivables) with a fair value of RMB4,594,000 at the date of acquisition had gross contractual amounts of RMB4,594,000. The fair value of receivables acquired at the date of acquisition approximated to their gross contractual amounts.

25. ACQUISITION OF A SUBSIDIARY (continued)

The initial accounting for the assets and liabilities acquired in the above business combination have been determined on a provisional basis, awaiting the completion of professional valuations. The amounts of deferred tax liabilities and goodwill may be adjusted accordingly.

Goodwill arising on acquisition:

	RMB'000
Consideration transferred	423,548
Less: recognised amounts of net assets acquired	(199,874)
Goodwill arising on acquisition	223,674

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Hebei Kangda

	RMB'000
Cash consideration paid	400,000
Less: cash and cash equivalents balances acquired	(280,748)
	119,252

Impact of acquisition on the results of the Group

Included in the profit for the six months ended 30 June 2026 is RMB72,216,000 attributable to the additional business generated by Hebei Kangda. Revenue for the six months ended 30 June 2026 includes RMB268,653,000 generated from Hebei Kangda.

Had the acquisition of Hebei Kangda been completed on 1 January 2026, revenue for the interim period of the Group would have been RMB1,685,901,000, and profit for the interim period would have been RMB217,564,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2026, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had Hebei Kangda been acquired at the beginning of the six months ended 30 June 2026, the directors of the Company calculated depreciation and amortization of property, plant and equipment and intangible assets based on the recognised amounts of property, plant and equipment and intangible assets at the date of the acquisition.

26. RELATED PARTY TRANSACTIONS

(a) Details of the balances with related parties at the end of the reporting period are disclosed in the condensed consolidated statement of financial position and Note 17 to the condensed consolidated financial statements. Apart from disclosure elsewhere in the condensed consolidated financial statements, the Group entered into the following transactions with related parties during the period:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales to related parties (Note)	**61,114**	94,926
Rendering testing services to related party (Note)	**30**	126
Purchase from related parties (Note)	**56,577**	66,564
Sales support service expenses (Note)	**27,336**	27,594
Warehousing service expenses (Note)	**6,000**	4,500
IT service expenses (Note)	**1,500**	1,150
Expenses relating to short-term leases (Note)	**466**	571
Payment of lease liabilities (Note)	**4,378**	3,045
Property management expenses (Note)	**1,654**	1,786

Note: These entities have been identified as related parties of the Group as they are under the common control by the controlling shareholders of the Company.

(b) Compensation of key management personnel

The remuneration of directors, being the key management of the Company is set out in Note 9.