遇見小麵
XIAO NOODLES

Guangzhou Xiao Noodles Catering Management Co., Ltd.
廣州遇見小麵餐飲股份有限公司

(A Joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2408)

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

The board (the "**Board**") of directors (the "**Directors**") of Guangzhou Xiao Noodles Catering Management Co., Ltd. (廣州遇見小麵餐飲股份有限公司) (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (together, the "**Group**") for the six months ended June 30, 2026, together with comparative figures for the six months ended June 30, 2025.

KEY FINANCIAL HIGHLIGHTS

	For the six months ended June 30,		
	2026 *RMB'000* ***(Unaudited)***	2025 *RMB'000*	Change (%)/ percentage points change
Revenue	**939,359**	703,185	33.6%
Profit for the period attributable to equity shareholders of the Company	**63,260**	41,834	51.2%
Total comprehensive income for the period attributable to equity shareholders of the Company	**62,579**	41,416	51.1%
Non-IFRS Measures			
Adjusted net profit[(1)]	**73,059**	52,192	40.0%
Adjusted net profit margin[(2)]	**7.8**	7.4	+0.4

Notes:

(1) We define the adjusted net profit (a non-IFRS measure) as profit for the period by eliminating (i) our equity-settled share-based payment expenses, (ii) listing expenses, (iii) net foreign exchange losses, (iv) net fair value changes of financial assets measured at fair value through profit or loss, and (v) tax effect of the above non-IFRS adjustments.

(2) We define the adjusted net profit margin (a non-IFRS measure) as the adjusted net profit (a non-IFRS measure) for the period as percentages of the revenue for that period.

KEY OPERATIONAL HIGHLIGHTS

	As of/for the six months ended June 30,	
	2026	2025
Number of restaurants		
– Self-operated restaurants	**451**	331
– Franchised restaurants	**99**	86
– **Total**	**550**	417
Growth rate	**31.9%**	
GMV *(RMB'000)*(1)		
Self-operated restaurants	**846,833**	629,847
Franchised restaurants	**184,212**	169,104
Total	**1,031,045**	798,951

	Six months ended June 30,			
	2026	**2025**	2025	2024
Same store sales growth(2)	**(4.3)%**		(2.9)%	
Same store average daily orders per restaurant(3)	**401**	**372**	391	388
Same store average spending per order(4)	**27.7**	**31.3**	29.2	31.9

Our same store average spending per order decreased from RMB31.3 for the six months ended June 30, 2025 to RMB27.7 for the six months ended June 30, 2026, primarily because we took the initiative to reduce the prices of our menu items and provide customers with more affordable dining experience in order to attract more customers and increase our overall sales.

Our same store average daily orders per restaurant increased from 372 for the six months ended June 30, 2025 to 401 for the six months ended June 30, 2026, demonstrating the effectiveness of our price reduction strategy.

Notes:

(1) Representing the total sales value of food and beverage sold under the restaurant operations and delivery business of restaurants under our self-operated and franchise models over the period, after deducting any fees or costs such as discounts or returns.

(2) Same store sales refer to the total GMV generated from our same stores, including those generated from dine-in and delivery orders. We define our same store base to be those restaurants that opened for at least 150 days and had the same number of seats in both the six months ended June 30, 2024 and 2025 and in both the six months ended June 30, 2025 and 2026.

(3) Same store average daily orders per restaurant is calculated by dividing (i) the total number of orders, including orders placed by both dine-in customers and customers of our delivery services of these same store restaurants, by (ii) the sum of restaurant operation days of each same store restaurant for the period.

(4) Same store average spending per order is calculated by dividing (i) the total GMV generated from restaurant operations and delivery business of same store restaurants by (ii) the total number of orders from our same stores, including orders placed by both dine-in customers and customers of our delivery services, for the period.

BUSINESS REVIEW AND OUTLOOK

Overview

We are a leading and rapidly growing Chinese noodle restaurants operator in China, operating the Xiao Noodles brand domestically and overseas.

As of June 30, 2026, the Group had 432 self-operated restaurants and 99 franchised restaurants in 25 cities in the Chinese Mainland, 17 and 2 self-operated restaurants in Hong Kong SAR and Singapore, respectively.

The Group recorded revenue of RMB939.4 million for the six months ended June 30, 2026, representing an increase of 33.6% compared with revenue of RMB703.2 million for the six months ended June 30, 2025.

Leveraging robust revenue growth, the Company has also enhanced operational efficiency, thereby improving profitability. The Group (i) recorded a net profit of RMB63.3 million for the six months ended June 30, 2026, representing an increase of approximately 51.2% compared to the net profit of RMB41.8 million for the six months ended June 30, 2025; and (ii) recorded an adjusted net profit (a non-IFRS measure) of RMB73.1 million for the six months ended June 30, 2026, representing an increase of approximately 40.0% compared to the adjusted net profit (a non-IFRS measure) of RMB52.2 million for the six months ended June 30, 2025. The improvement in profitability is primarily attributable to: (i) the expansion of our self-operated and franchised restaurant network, with the total number of restaurants increasing from 417 as of June 30, 2025 to 550 as of June 30, 2026; (ii) the gradual expansion of restaurants from their current locations in city centers to surrounding areas, which reduced rental costs and achieved higher profit margins; and (iii) the further dilution of our headquarters costs.

Shareholder Returns

The Board is committed to enhancing returns for Shareholders. We fully recognize that steady earnings growth and reasonable Shareholder returns are the cornerstones of sustainable corporate development. Looking ahead, we will continue to optimize our capital structure, striking a balance between reinvestment needs and Shareholder interests.

To enhance shareholder returns, the Company intends to, subject to suitable market conditions, exercise the H Share repurchase mandate granted at the 2025 annual general meeting held on June 25, 2026 by the Shareholders and repurchase the Company's issued H Shares in the open market. For details, please refer to the Company's announcement dated June 25, 2026 and the Company's circular dated April 27, 2026. As of June 30, 2026, the Company had utilized HKD77.4 million in its own funds to repurchase its H Shares on the market.

2026 Interim Business and Financial Performance Review

Restaurant network

The table below sets forth our restaurant count in various regions as of the dates indicated:

	As of June 30,	
	2026	2025
Number of restaurants		
Self-operated restaurants	**451**	331
– *First-tier and new first-tier cities*	**390**	298
– *Second-tier cities and below*	**42**	26
– *Hong Kong SAR*	**17**	7
– *Singapore*	**2**	–
Franchised restaurants	**99**	86
– *First-tier and new first-tier cities*	**41**	36
– *Second-tier cities and below*	**58**	50

Restaurant performance

The table below sets forth the key performance indicators of our self-operated and franchised restaurants for the periods indicated:

	For the six months ended June 30,	
	2026	2025
Number of restaurants		
– Self-operated restaurants	**451**	331
– Franchised restaurants	**99**	86
Total	**550**	417
Growth	**31.9%**	
GMV *(RMB'000)*[(1)]		
Self-operated restaurants	**846,833**	629,847
Franchised restaurants	**184,212**	169,104
Total	**1,031,045**	798,951
Total number of orders[(2)] *(thousands)*		
Self-operated restaurants	**29,574**	19,794
Franchised restaurants	**6,702**	5,465
Average spending per order *(RMB)*[(3)]		
Self-operated restaurants	**28.6**	31.8
Franchised restaurants	**27.5**	30.9
Average daily orders per restaurant[(4)]		
Self-operated restaurants	**388**	371
Franchised restaurants	**398**	371

Notes:

(1) Representing the total sales value of food and beverage sold under the restaurant operations and delivery business of restaurants under our self-operated and franchise models over the period, after deducting any fees or costs such as discounts or returns.

(2) Total number of orders include the number of orders placed by dine-in customers and customers of our delivery services for the period.

(3) Calculated by dividing (i) the total GMV generated from restaurant operations and delivery business of restaurants under our self-operated and franchise models by (ii) the total number of orders, including orders placed by both dine-in customers and customers of our delivery services, for the period.

(4) Calculated by dividing (i) the total number of orders, including orders placed by both dine-in customers and customers of our delivery services, by (ii) the total operation days of such restaurants for the period. The number of the total operation days is the sum of the operation days of all Xiao Noodles restaurants.

The average spending per order at our self-operated and franchised restaurants decreased from RMB31.8 and RMB30.9 for the six months ended June 30, 2025 to RMB28.6 and RMB27.5 for the six months ended June 30, 2026, respectively, primarily because we took the initiative to reduce the prices of our menu items and provide customers with a more affordable dining experience in order to attract customers and increase our overall sales.

The average daily orders per restaurant at our self-operated and franchised restaurants increased from 371 and 371 for the six months ended June 30, 2025 to 388 and 398 for the six months ended June 30, 2026, demonstrating the effectiveness of our price reduction strategy.

Same store sales

The table below sets forth details of the Group's same store sales for the periods indicated:

	For the six months ended June 30,			
	2026	**2025**	2025	2024
Number of same store[1]				
Self-operated restaurants	**255**		166	
Franchised restaurants	**65**		48	
Same store sales[2]*(RMB'000)*				
Self-operated restaurants	**503,342**	**525,219**	357,534	369,008
Franchised restaurants	**132,146**	**138,971**	107,554	110,806
Same store sales growth *(%)*				
Self-operated restaurants	**(4.2)**		(3.1)	
Franchised restaurants	**(4.9)**		(2.9)	
Same store average daily orders per restaurant[3]				
Self-operated restaurants	**399**	**370**	387	386
Franchised restaurants	**408**	**383**	393	404
Same store average spending per order[4] *(RMB)*				
Self-operated restaurants	**27.7**	**31.3**	31.2	32.3
Franchised restaurants	**27.7**	**31.1**	31.0	32.5

Notes:

(1) The Group defines its same store base to be those restaurants that opened for at least 150 days and had the same number of seats for both the six months ended June 30, 2024 and 2025 and for both the six months ended June 30, 2025 and 2026 from dine-in and delivery orders.

(2) Same store sales for the period refer to the total GMV generated from our same stores, including those generated from dine-in and delivery orders.

(3) Same store average daily orders per restaurant is calculated by dividing (i) the total number of orders, including orders placed by both dine-in customers and customers of our delivery services of these same store restaurants, by (ii) the sum of restaurant operation days of each same store restaurant for the period.

(4) Same store average spending per order is calculated by dividing (i) the total GMV generated from restaurant operations and delivery business of same store restaurants by (ii) the total number of orders from our same stores, including orders placed by both dine-in customers and customers of our delivery services for the period.

OUTLOOK

We expect to open 150 to 180 restaurants in 2026. As of August 10, 2026, we had opened 84 new restaurants since December 31, 2025, with an additional 93 restaurants in pre-opening preparation. We remain on track to meet our annual opening targets for the year ending December 31, 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

Revenue increased by 33.6% from RMB703.2 million for the six months ended June 30, 2025 to RMB939.4 million for the same period in 2026.

Revenue by segment

The Group primarily generated revenue from self-operated restaurant operations and franchise management. The following table sets forth a breakdown of the Group's revenue by segment for the periods indicated:

	For the six months ended June 30,			
	2026		2025	
	RMB'000 ***(Unaudited)***	*%*	*RMB'000*	*%*
Self-operated restaurants operations				
– Dine-in service	610,139	65.0	497,176	70.7
– Delivery business	242,417	25.8	128,898	18.3
Sub-total	**852,556**	**90.8**	**626,074**	**89.0**
Franchise management				
– Royalty and franchising income and provision of service	14,291	1.5	13,875	2.0
– Sales of food ingredients and restaurant supplies	72,031	7.6	62,787	8.9
Sub-total	**86,322**	**9.1**	**76,662**	**10.9**
Others[(1)]	**481**	**0.1**	**449**	**0.1**
Total	**939,359**	**100.0**	**703,185**	**100.0**

Note:

(1) Revenue from others mainly included sales of retail products on e-commerce platforms.

Revenue from self-operated restaurant operations increased by 36.2% from RMB626.1 million for the six months ended June 30, 2025 to RMB852.6 million for the six months ended June 30, 2026, primarily due to the increase in the number of self-operated restaurants. Revenue from self-operated restaurant operations as a percentage of total revenue increased from 89.0% for the six months ended June 30, 2025 to 90.8% for the six months ended June 30, 2026. In addition, revenue from our delivery business grew from 18.3% to 25.8% of our total revenue for the six months ended June 30, 2025 and 2026, respectively.

Revenue from franchise management increased by 12.6% from RMB76.7 million for the six months ended June 30, 2025 to RMB86.3 million for the six months ended June 30, 2026, primarily due to the increase in the number of franchised restaurants. Revenue from franchise management as a percentage of total revenue decreased from 10.9% for the six months ended June 30, 2025 to 9.1% for the six months ended June 30, 2026.

Revenue from others remained relatively stable, increasing slightly from RMB0.4 million for the six months ended June 30, 2025 to RMB0.5 million for the six months ended June 30, 2026. Revenue from others as a percentage of total revenue remained stable at 0.1% in both the six months ended June 30, 2025 and 2026.

Raw Materials and Consumables Used

Raw materials and consumables used increased by 35.3% from RMB220.9 million for the six months ended June 30, 2025 to RMB299.0 million for the six months ended June 30, 2026, primarily due to the growth in consumption of food ingredients and packaging materials, in line with the expansion of our restaurant network. Raw materials and consumables used as a percentage of revenue remained relatively stable at 31.4% for the six months ended June 30, 2025 and 31.8% for the six months ended June 30, 2026.

Staff Costs

Staff costs increased by 39.9% from RMB158.8 million for the six months ended June 30, 2025 to RMB222.1 million for the six months ended June 30, 2026, primarily due to (i) an increase in salaries, wages, and other benefits as well as outsourced staff costs resulting from the increase in restaurant staff driven by the expansion of our self-operated restaurant network; and (ii) an increase in headquarters headcount in line with the expansion of our restaurant network. Staff costs as a percentage of revenue increased from 22.6% for the six months ended June 30, 2025 to 23.6% for the six months ended June 30, 2026, primarily due to the increased revenue contribution from our self-operated restaurants as a percentage of our total revenue, as we did not incur staff costs at restaurant level for franchise management business.

Rental Expenses

Our rental expenses include depreciation of right-of-use assets and other rentals and related expenses. The Group's depreciation of right-of-use assets represents the depreciation of capitalized lease incurred by long-term leased properties in accordance with IFRS 16.

For the six months ended June 30, 2026, our rental expenses amounted to RMB158.6 million, representing an increase of RMB32.4 million or 25.6% as compared with RMB126.2 million for the six months ended June 30, 2025. The increase was primarily due to the expansion of our restaurant network from a total of 331 self-operated restaurants as of June 30, 2025 to a total of 451 self-operated restaurants as of June 30, 2026. Our rental expenses as a percentage of revenue decreased from 18.0% for the six months ended June 30, 2025 to 16.9% for the six months ended June 30, 2026, primarily due to the expansion of our restaurants from locations in the city center into surrounding areas, where rental costs are lower.

Depreciation and Amortization of Other Assets

Depreciation and amortization of property, plant and equipment and intangible assets increased by 41.5% from RMB26.0 million for the six months ended June 30, 2025 to RMB36.8 million for the six months ended June 30, 2026, primarily due to the expansion of our restaurant network from a total of 331 self-operated restaurants as of June 30, 2025 to a total of 451 self-operated restaurants as of June 30, 2026. Depreciation and amortization of property, plant and equipment and intangible assets as a percentage of revenue remained relatively stable at 3.7% for the six months ended June 30, 2025 and 3.9% for the six months ended June 30, 2026.

Utility Expenses

Utility expenses increased by 45.7% from RMB28.1 million for the six months ended June 30, 2025 to RMB40.9 million for the six months ended June 30, 2026 primarily due to the expansion of our restaurant network from a total of 331 self-operated restaurants as of June 30, 2025 to a total of 451 self-operated restaurants as of June 30, 2026. Utility expenses as a percentage of revenue slightly increased from 4.0% for the six months ended June 30, 2025 to 4.4% for the six months ended June 30, 2026.

Listing Expenses

We incurred listing expenses of RMB11.2 million for the six months ended June 30, 2025 and nil for the six months ended June 30, 2026, accounting for 1.6% and nil of our total revenue for the respective periods.

Advertising and Promotion Expenses

Advertising and promotion expenses increased by 12.1% from RMB9.5 million for the six months ended June 30, 2025 to RMB10.7 million for the six months ended June 30, 2026, primarily due to the expansion of our restaurant network from a total of 331 restaurants as of June 30, 2025 to a total of 451 restaurants as of June 30, 2026. Advertising and promotion expenses as a percentage of revenue slightly decreased from 1.4% for the six months ended June 30, 2025 to 1.1% for the six months ended June 30, 2026.

Travelling and Related Expenses

Travelling and related expenses increased by 50.1% from RMB2.6 million for the six months ended June 30, 2025 to RMB3.9 million for the six months ended June 30, 2026, primarily due to increased business trips driven by our ongoing restaurant network expansion and regular store inspections conducted by our headquarters following the expansion of our restaurant network. Travelling and related expenses as a percentage of revenue remained stable at 0.4% for both the six months ended June 30, 2025 and 2026.

Other Expenses

Other expenses increased by 70.8% from RMB53.7 million for the six months ended June 30, 2025 to RMB91.7 million for the six months ended June 30, 2026, primarily due to the increase in delivery platform fees driven by the growth of our delivery business.

Other Income

Other income increased by 163.9% from RMB4.5 million for the six months ended June 30, 2025 to RMB11.9 million for the six months ended June 30, 2026, primarily due to an increase of RMB6.4 million in interest income from bank deposits for the six months ended June 30, 2026.

Other net gains/(losses)

Other net gains/(losses) increased by 539.1% from a loss of RMB1.9 million for the six months ended June 30, 2025 to a gain of RMB8.2 million for the six months ended June 30, 2026, primarily due to (i) an increase of RMB22.1 million in gains on early termination of leases; (ii) an increase of RMB11.9 million in net fair value changes of financial assets measured at FVPL; and (iii) an increase of RMB20.9 million in net foreign exchange losses.

Finance Costs

Finance costs increased by 15.7% from RMB14.5 million for the six months ended June 30, 2025 to RMB16.8 million for the six months ended June 30, 2026 primarily due to higher interest expenses on lease liabilities, driven by the growth in the number of leases as a result of the expansion of our self-operated restaurant network.

Impairment Losses of Property, Plant and Equipment

Impairment losses of property, plant and equipment increased by 20.8% from RMB2.0 million for the six months ended June 30, 2025 to RMB2.4 million for the six months ended June 30, 2026, primarily due to impairment of assets associated with underperforming restaurants, mainly comprising leasehold improvements and restaurant equipment.

Income Tax

Income tax increased by 26.7% from RMB10.5 million for the six months ended June 30, 2025 to RMB13.3 million for the six months ended June 30, 2026, primarily due to the increase in our taxable income.

Profit for the Period

As a result of the foregoing, profit for the period increased by 51.2% from RMB41.8 million for the six months ended June 30, 2025 to RMB63.3 million for the same period in 2026.

Non-IFRS Measures

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use the adjusted net profit (a non-IFRS measure) and adjusted net profit margin (a non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe that such non-IFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of certain items. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of the adjusted net profit (a non-IFRS measure) and adjusted net profit margin (a non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation form, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define the adjusted net profit (a non-IFRS measure) as profit for the period by eliminating (i) our equity-settled share-based payment expenses, (ii) listing expenses, (iii) net foreign exchange losses, (iv) net fair value changes of financial assets measured at fair value through profit or loss, and (v) tax effect of the above non-IFRS adjustments. Our management considers that (1) equity-settled share-based payment expenses are non-cash in nature and do not result in cash outflow; (2) listing expenses are expenses relating to the global offering; (3) net foreign exchange losses represents exchange differences arising on monetary items denominated in foreign currencies due to changes in the spot exchange rate at the reporting date compared to the spot exchange rate at the date of initial recognition or the prior reporting date and (4) net fair value changes of financial assets measured fair value through profit or loss primarily represents unrealized gains or losses arising from the remeasurement of the fair value of forward exchange contracts at each reporting date. We define the adjusted net profit margin (a non-IFRS measure) as the adjusted net profit (a non-IFRS measure) for the period as percentages of the revenue for that period.

The following table reconciles our adjusted net profit (a non-IFRS measure) presented in accordance with IFRS, namely profit for the period:

	For the six months ended June 30,	
	2026	2025
	(Unaudited)	
Profit for the period	63,260	41,834
Equity-settled share-based payment expenses	4,116	2,624
Listing expenses	–	11,164
Net foreign exchange losses	20,904	41
Net fair value changes of financial assets measured at fair value through profit or loss	(11,954)	(18)
Tax effect of non-IFRS adjustments	(3,267)	(3,453)
Adjusted net profit (a non-IFRS measure)	**73,059**	**52,192**
Adjusted net profit margin (%) (a non-IFRS measure)	**7.8**	**7.4**

Inventories

Inventories of the Group mainly represented its food ingredients and other materials used in its restaurant operations. The following table set forth a breakdown of inventories as of the dates indicated:

	As of June 30, 2026	As of December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	
Food ingredients	30,211	33,176
Other materials	1,034	930
Total	**31,245**	**34,106**

Inventories decreased by 8.4% from RMB34.1 million as of December 31, 2025 to RMB31.2 million as of June 30, 2026 primarily due to our enhancement in inventory management efficiency.

The Group's inventory turnover days, being the average of the beginning and ending inventories for that year/period divided by raw materials and consumables used for the same year/period and multiplied by the number of days in that year/period, remained stable at 20 days in 2025 and for the six months ended June 30, 2026.

Trade and other receivables

Our trade and other receivables primarily consist of (i) input value-added tax recoverable, (ii) deposits, mainly comprising rental deposits and other deposits in relation to our ordinary business operations, (iii) trade debtors, mainly including amounts due from third-party payment service providers and delivery platforms, which are generally settled within one month, and amounts due from franchisees representing franchise and royalty fees receivable from franchisees as well as receivables derived from sales of food ingredients and restaurant supplies to them, (iv) prepayments to vendors, mainly representing prepaid rent and service fees, (v) lease payment receivables relating to subleasing, (vi) other receivables, mainly comprising petty cash of our restaurants, (vii) interest receivables from time deposits, and (viii) the current portion of long-term receivables which represents the amount due from several franchisees at longer payment terms for their upfront expenses for opening franchised restaurants to us as part of our strategy to nurture franchisees with potential, with repayment periods ranging from one to five years. Such extended repayment terms were typically granted to franchisees in recognition of their exceptional performance in our unified performance evaluation system.

Our trade and other receivables increased by 10.5% from RMB115.2 million as of December 31, 2025 to RMB127.4 million as of June 30, 2026, primarily due to an increase in input value-added tax of RMB8.8 million and an increase in interest receivables from time deposits of RMB4.6 million. The Group's trade debtor turnover days, being the average of the opening and closing balances of trade debtors for that year/period divided by revenue for the same year/period and multiplied by the number of days in the year/period, remained stable at five days in 2025 and for the six months ended June 30, 2026, primarily due to stable settlement arrangements with third-party payment service providers and food delivery platforms.

Financial assets measured at FVPL

Our financial assets measured at FVPL increased from nil as of December 31, 2025 to RMB12.0 million as of June 30, 2026, primarily due to the Group entering into forward foreign exchange contracts starting from 2026.

Restricted bank deposits

Our restricted bank deposits mainly consist of restricted bank deposits reserved for balances in our stored value membership accounts and deposits pledged as security for forward exchange contracts in accordance with relevant regulations issued by Ministry of Commerce of PRC. Our restricted bank deposits increased from RMB56.2 million as of December 31, 2025 to RMB87.0 million as of June 30, 2026, primarily due to (i) the increase in the balances in stored value membership accounts, which was generally in line with the increase in the number of our stored value members alongside the expansion of our restaurant network and (ii) increase in deposits pledged as security for forward exchange contracts.

Cash and cash equivalents

	As at 30 June 2026 *RMB'000*	As at 31 December 2025 *RMB'000*
Cash at bank and cash on hand	**702,308**	732,752
Less: restricted bank deposits	**(87,023)**	(56,210)
Less: time deposits with original maturity date over three months	**(380,068)**	–
Cash and cash equivalents in the consolidated statement of financial position and the condensed consolidated cash flow statement	**235,217**	676,542

Our cash and cash equivalents decreased from RMB676.5 million as of December 31, 2025 to RMB235.2 million as of June 30, 2026, primarily due to the increase in time deposits with an original maturity of over three months, which increase from nil as of December 31, 2025 to RMB380.1 million as of June 30, 2026.

Trade and Other Payables

Our trade and other payables consist of (i) trade payables, mainly arising from procurement of raw materials and consumables for our restaurant operations from suppliers, (ii) staff cost payable, (iii) other payables including amounts received from third-party platforms such as Meituan to be settled with franchisees, (iv) payables for purchase of property, plant and equipment, (v) deposits received from franchisees and suppliers, (vi) other taxes payables, and (vii) dividend payables.

Our trade and other payables increased by 8.4% from RMB160.8 million as of December 31, 2025 to RMB174.3 million as of June 30, 2026, primarily due to the increase in dividend payables of RMB20.5 million. The Group's trade payable turnover days, being the average of the opening and closing balances of trade payables for that year/period divided by raw materials and consumables used for the same year/period and multiplied by the number of days in the year/period, remained relatively stable at 45 days in 2025 and 46 days in the six months ended June 30, 2026.

Capital Structure

The Group's total assets increased from RMB2,083.1 million as of December 31, 2025 to RMB2,118.0 million as of June 30, 2026. The Group's total liabilities increased from RMB1,261.3 million as of December 31, 2025 to RMB1,318.1 million as of June 30, 2026. Liabilities-to-assets ratio increased from 60.5% as of December 31, 2025 to 62.2% as of June 30, 2026.

The current ratio, being current assets divided by current liabilities as of the respective date, decreased from 1.56 as of December 31, 2025 to 1.38 as of June 30, 2026.

Liquidity, Capital Resources and Gearing

The Group adopts a prudent funding and treasury policy with a view to optimize its financial position. The Group regularly monitors its funding requirements to support its business operations and perform ongoing liquidity review. For the six months ended June 30, 2026, the Group financed its operations primarily through cash generated from operations, proceeds from the global offering (the "**Global Offering**") of the Company's shares (the "**Shares**") in connection with the listing (the "**Listing**") of the Shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on December 5, 2025. The Group mainly used Renminbi and Hong Kong dollars to make borrowings and loans and to hold cash and cash equivalents. The Group mainly utilized its cash on procurement of food ingredients, consumables and equipment, staff costs, restaurant renovations and other business activities. Cash and cash equivalents of the Group decreased by 65.2% from RMB676.5 million as of December 31, 2025 to RMB235.2 million as of June 30, 2026, primarily attributable to an increase in time deposits with an original maturity of over three months.

The Group's gearing ratio, being short-term borrowings divided by total equity as of the respective dates and multiplied by 100%, increased from nil as of December 31, 2025 to 2.0% as of June 30, 2026, primarily due to the increase in short-term borrowings of RMB16.0 million.

Capital Expenditures

The Group's capital expenditures, which referred to (i) payment for purchases of items of property, plant and equipment, primarily used to open new restaurants, procure equipment for new restaurants and renovate existing restaurants, and (ii) payment for purchases of intangible assets, which mainly comprise computer software licenses to support our day-to-day operation and management. The total capital expenditures of the Group increased by 2.8% from RMB53.7 million for the six months ended June 30, 2025 to RMB55.2 million for the six months ended June 30, 2026.

Indebtedness

Bank Loans

The analysis of the repayment schedule of bank loans is as follows:

	As of June 30, 2026	As of December 31, 2025
	RMB'000	*RMB'000*
	(Unaudited)	
Within one year or on demand		
– unsecured	**16,000**	–
Total	**16,000**	–

As of June 30, 2026, bank loans of nil were with floating-interest rates (as of December 31, 2025: nil), and bank loans of RMB16.0 million were with fixed-interest rate (as of December 31, 2025: nil).

Lease Liabilities

The Group's lease liabilities increased by 0.3% from RMB942.1 million as of December 31, 2025 to RMB945.2 million as of June 30, 2026, primarily due to the expansion of our restaurant network from a total of 411 self-operated restaurants as of December 31, 2025 to a total of 451 self-operated restaurants as of June 30, 2026.

Contingent Liabilities

As of June 30, 2026, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group that was likely to have a material and adverse effect on the Group's business, financial condition or results of operations.

Charge of Assets

As of June 30, 2026, bank deposits of RMB24.2 million were pledged as security for currency forward contracts.

Save as disclosed above, as of June 30, 2026, the Group did not have any charge on its assets.

Significant Events After the Reporting Period

There are no material events subsequent to June 30, 2026 which could have a material impact on the Group's operating and financial performance as of the date of this announcement.

Foreign Exchange Risk and Hedging

The Group primarily operates in the PRC with most of the transactions denominated and settled in Renminbi. However, the Group has cash and deposits denominated in other currencies which are exposed to foreign currency exchange risks. As of June 30, 2026, the Group has not hedged its foreign currency exchange risks, but will closely monitor the exposure and take additional measures when necessary to make sure the foreign exchange risks are manageable.

Significant Investments and Future Plans for Material Investments or Capital Assets

As of June 30, 2026, we did not hold any significant investment. In addition, save for the expansion plans as disclosed in the sections headed "Business" and "Future Plans and Use of Proceeds" in the Prospectus dated November 27, 2025, the Group has no specific plan for any material investments or acquisitions of capital assets. However, the Group will continue to identify new opportunities for business development.

Material Acquisitions and Disposals

During the six months ended June 30, 2026, the Group did not conduct any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Interim Dividend

The Board did not recommend the payment of an interim dividend for the six months ended June 30, 2026 (for the six months ended June 30, 2025: RMB34,365,000 (RMB0.06 per ordinary share).

Company Information

The Company was incorporated in the People's Republic of China on February 14, 2014 as a limited liability company, converted into a joint stock limited liability company on September 7, 2023, and the H Shares were listed on the Main Board of the Stock Exchange on December 5, 2025.

Employees

As of June 30, 2026, the Group had a total of 2,067 employees and 5,608 outsourced staff. For the six months ended June 30, 2026, staff costs (including Directors' emoluments) of the Group amounted to RMB222.1 million (for the six months ended June 30, 2025: RMB158.8 million). Our success depends on our ability to attract, motivate and retain a sufficient number of qualified staff, in particular, restaurant managers. We offer our staff competitive compensation packages. Compensation for our staff includes base salary, bonuses, share-based payment and other benefits, such as employee meals.

We conduct comprehensive online and offline training programs for all employees. Upon onboarding, we provide comprehensive pre-employment training for new employees, emphasizing our values and professional standards. During daily operations we have set up a primarily online training system based upon our digital infrastructure. Through the integration of personnel development platform, knowledge base, E-learning platform, and the restaurant performance evaluation mechanism, we are able to provide a standardized training program that efficiently cultivates talents across our restaurants. By promoting standardization across our operations, we ensure a seamless and enjoyable experience for our customers.

No Material Changes

Since the publication of the Group's annual report for the year ended December 31, 2025 on April 27, 2026, there has been no material change to the Group's business.

Use of Proceeds

Use of Proceeds from the Global Offering

The Company was listed on the Stock Exchange on December 5, 2025. The net proceeds from the Global Offering amounted to approximately HKD617.0 million[1].

Intended use of proceeds	Percentage of intended use of proceeds (%)	Intended use of proceeds from the Global Offering (In HKD millions)	Actual usage for the six months ended June 30, 2026 (In HKD millions)	Total utilized net proceeds as at June 30, 2026 (In HKD millions)	Total unutilized net proceeds as at June 30, 2026 (In HKD millions)	Expected timeline for utilizing the remaining net proceeds
Expanding our restaurant network, broadening our geographical coverage and deepening our market penetration	60.0	370.2	54.3	54.3	315.9	By the end of 2028

Intended use of proceeds	Percentage of intended use of proceeds (%)	Intended use of proceeds from the Global Offering (In HKD millions)	Actual usage for the six months ended June 30, 2026 (In HKD millions)	Total utilized net proceeds as at June 30, 2026 (In HKD millions)	Total unutilized net proceeds as at June 30, 2026 (In HKD millions)	Expected timeline for utilizing the remaining net proceeds
Advancing our information technology capabilities through upgrading the technology and digital systems across our restaurant network	10.0	61.7	10.1	10.1	51.6	By the end of 2028
– further adopting AI technologies, IoT systems and big data analytics in the iteration of our existing technology infrastructure to support our growing operation scale	6.0	37.0	4.9	4.9	32.2	By the end of 2028
– upgrading our technology infrastructure to further digitalize and automate our operations and reduce our costs of labour	2.0	12.3	2.3	2.3	10.0	By the end of 2028
– optimizing and consolidating our existing technology infrastructure into a one-stop system	2.0	12.3	2.9	2.9	9.5	By the end of 2028
Brand building and further strengthening customer loyalty	10.0	61.7	9.0	9.0	52.7	By the end of 2028
– enhancing our brand through comprehensive upgrade of our restaurant image	4.0	24.7	3.1	3.1	21.6	By the end of 2028
– collaborating with local lifestyle platforms and food influencers	1.5	9.3	3.0	3.0	6.3	By the end of 2028
– forming cross-industry partnerships with well-known brands in various sectors	1.5	9.3	0.6	0.6	8.6	By the end of 2028
– further enriching our brand through crafting compelling brand stories and developing merchandise	1.5	9.3	1.9	1.9	7.3	By the end of 2028
– further expanding our membership base	1.5	9.3	0.4	0.4	8.9	By the end of 2028
Strategic investment in potential companies in the upstream food processing industry	10.0	61.7	–	–	61.7	By the end of 2028
General corporate purposes and working capital	10.0	61.7	10.5	10.5	51.2	By the end of 2028
Total	**100.0**	**617.0**	**83.9**	**83.9**	**533.1**	–

Note:

(1) The figures in the table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

ROUNDING

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 – Unaudited
(Expressed in Renminbi)

	Note	Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
Revenue	*3*	**939,359**	703,185
Raw materials and consumables used		**(298,992)**	(220,932)
Staff costs	*5(b)*	**(222,129)**	(158,797)
Depreciation of right-of-use assets	*5(e)*	**(145,461)**	(109,726)
Depreciation and amortisation of property, plant and equipment and intangible assets	*5(e)*	**(36,833)**	(26,028)
Utility expenses		**(40,942)**	(28,102)
Other rentals and related expenses		**(13,127)**	(16,505)
Listing expenses		**–**	(11,164)
Advertising and promotion expenses		**(10,678)**	(9,525)
Travelling and related expenses		**(3,868)**	(2,577)
Other expenses	*5(d)*	**(91,733)**	(53,698)
Other income	*4*	**11,876**	4,500
Other net gains/(losses)	*5(c)*	**8,198**	(1,867)
Finance costs	*5(a)*	**(16,790)**	(14,512)
Impairment losses of property, plant and equipment		**(2,363)**	(1,956)
Profit before taxation		**76,517**	52,296
Income tax	*6*	**(13,257)**	(10,462)
Profit for the period attributable to equity shareholders of the Company		**63,260**	41,834
Other comprehensive income for the period			
Exchange differences on translation of financial statements of subsidiaries		**(681)**	(418)
Total comprehensive income for the period attributable to equity shareholders of the Company		**62,579**	41,416
Earnings per share	*7*		
Basic (RMB cents)		**9.08**	6.95
Diluted (RMB cents)		**9.01**	6.90

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026 – Unaudited
(Expressed in Renminbi)

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment		**232,146**	217,068
Right-of-use assets		**903,083**	880,392
Intangible assets		**2,719**	3,763
Financial assets measured at fair value through other comprehensive income ("**FVOCI**")		**50**	50
Deferred tax assets		**30,120**	31,308
Rental deposits		**74,143**	65,205
Lease payment receivables		**205**	458
Other non-current assets		**1,624**	2,043
		1,244,090	1,200,287
Current assets			
Inventories	*9*	**31,245**	34,106
Trade and other receivables	*10*	**127,355**	115,236
Income tax recoverable		**1,027**	699
Financial assets measured at fair value through profit or loss ("**FVPL**")	*8*	**11,954**	–
Deposits with banks with original maturity date over three months	*11*	**380,068**	–
Restricted bank deposits	*11*	**87,023**	56,210
Cash and cash equivalents	*11*	**235,217**	676,542
		873,889	882,793

	Note	At **30 June** **2026** ***RMB'000***	At 31 December 2025 *RMB'000*
Current liabilities			
Trade and other payables	*12*	**174,253**	160,817
Contract liabilities		**153,103**	131,239
Lease liabilities		**275,934**	258,471
Provisions		**2,094**	2,397
Short-term borrowings		**16,000**	–
Current taxation		**11,848**	11,270
		633,232	564,194
Net current assets		**240,657**	318,599
Total assets less current liabilities		**1,484,747**	1,518,886
Non-current liabilities			
Contract liabilities		**3,887**	4,173
Lease liabilities		**669,241**	683,634
Provisions		**11,727**	9,281
		684,855	697,088
Net Assets		**799,892**	821,798
Capital And Reserves			
Share capital		**14,214**	14,214
Reserves		**785,678**	807,584
Total Equity		**799,892**	821,798

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

This unaudited interim financial information was extracted from the interim financial report of Guangzhou Xiao Noodles Catering Management Co., Ltd. ("the **Company**") and its subsidiaries (together the "**Group**") for the six months ended 30 June 2026.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("**IAS**") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("**IASB**"). It was authorised for issue on 17 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for (i) a new accounting policy for derivative financial instruments, as the Group has entered into forward foreign exchange contacts starting from 2026; and (ii) accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

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

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

The interim financial report is unaudited, but has been reviewed by KPMG 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.

2 NEW AND CHANGES IN ACCOUNTING POLICIES

(i) New accounting policy for derivative financial instruments

The Group holds derivative financial instruments to manage its foreign currency risk exposures and for investments.

Derivatives are initially measured at fair value. Subsequently, they are measured at fair value with changes in fair value being recognised in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation.

(ii) Changes in accounting policies

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

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are self-operated restaurant operations and franchise management.

(i) Disaggregation of revenue

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15:		
Self-operated restaurant operations		
– Dine-in service	**610,139**	497,176
– Delivery business	**242,417**	128,898
Franchise management		
– Royalty and franchising income and provision of service	**14,291**	13,875
– Sales of food ingredients and restaurant supplies	**72,031**	62,787
Others	**481**	449
	939,359	703,185
Disaggregated by timing of revenue recognition		
– Point in time	**925,068**	689,310
– Over time	**14,291**	13,875
	939,359	703,185

No individual customer contributed over 10% of total revenue of the Group for the six months ended 30 June 2026 and 2025.

(ii) Revenue expected to be recognised in the future arising from contracts in existence at the reporting date

Contracts within the scope of IFRS 15

As at 30 June 2026, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB3,887,000 (2025: RMB4,173,000). This amount represents revenue expected to be recognised in the future from Franchise Agreements. The Group will recognise the expected revenue in future over the remaining contract period, which is expected to occur over the next 12-60 months.

(b) Segment reporting

The directors of the Company have been identified as the Group's most senior executive management. The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. Therefore, the Group has one operating segment. The Group's most senior executive management reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment. Accordingly, no reportable segment information is presented.

Analysis of the Group's revenue from external customers as well as analysis of the Group's carrying amount of non-current assets by geographical market has not been presented as over 85% of the Group's revenue and non-current assets are generated and located in Chinese Mainland.

4 OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest income on:		
– bank deposits	**6,931**	482
– rental deposits	**1,231**	1,155
– lease payment receivables	**24**	64
	8,186	1,701
Government grants	**3,426**	2,400
Investment income from financial assets measured at FVPL	**264**	399
	11,876	4,500

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
(a) Finance costs		
Interest on bank loans	**177**	7
Interest on lease liabilities	**16,357**	14,329
Unwind of discount on provisions	**256**	176
	16,790	14,512

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
(b) Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	**104,810**	79,416
Contributions to defined contribution retirement plans	**8,907**	6,256
Equity-settled share-based payment expenses	**4,116**	2,624
	117,833	88,296
Outsourced staff costs	**104,296**	70,501
	222,129	158,797

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
(c) Other net gains/(losses)		
Losses on restaurant closures	**(3,013)**	(1,765)
Gains on early termination of leases	**22,562**	453
(Losses)/gains on disposal of property, plant and equipment	**(1,894)**	62
Donation	**(100)**	(350)
Net fair value changes of financial assets measured at FVPL	**11,954**	18
Net foreign exchange losses	**(20,904)**	(41)
Others	**(407)**	(244)
	8,198	(1,867)

		Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
(d)	**Other expenses**		
	Service fee paid to third-party online food delivery platforms	**52,380**	30,516
	Materials for restaurant operation	**8,265**	5,856
	Transportation expenses	**7,118**	5,285
	Bank and other charges	**3,723**	2,816
	Maintenance expenses	**4,427**	2,460
	Software service fee	**5,445**	1,606
	Professional service fees	**4,591**	1,340
	Office expenses	**1,637**	1,178
	Business tax and surcharges	**1,106**	781
	Others	**3,041**	1,860
		91,733	53,698

		Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
(e)	**Depreciation and amortisation**		
	Amortisation of intangible assets	**1,113**	1,219
	Depreciation		
	– property, plant and equipment	**35,720**	24,809
	– right-of-use assets	**145,461**	109,726
		181,181	134,535

6 INCOME TAX

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current tax		
Provision for the period		
– PRC Corporate Income Tax	**10,813**	10,039
– Hong Kong Profits Tax	**1,256**	1,126
	12,069	11,165
Deferred tax		
Origination and reversal of temporary differences	**1,188**	(703)
	13,257	10,462

Notes:

(i) Taxable income for the Group's subsidiaries in Chinese Mainland are subject to PRC income tax rate of 25% for the six months ended 30 June 2026 (six months ended 30 June 2025:25%), unless otherwise specified below.

Certain subsidiaries met the criteria required for preferential income tax rate granted to small and low profit-making enterprise in Chinese Mainland, and were entitled to a preferential income tax rate of 5% on taxable income for the six months ended 30 June 2026 (six months ended 30 June 2025: 5%).

Certain subsidiaries fell within the state encouraged industries in the specified western regions and southern regions were entitled to a preferential income tax rate of 15% for the six months ended 30 June 2026 (six months ended 30 June 2025: 15%).

(ii) The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (six months ended 30 June 2025: 16.5%) to the six months ended 30 June 2026, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2025.

(iii) Subsidiary in Singapore was established in 2025 and did not have any assessable profits for the six months ended 30 June 2026.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB63,260,000 (six months ended 30 June 2025: RMB40,137,000) and the weighted average of 696,879,000 ordinary shares (six months ended 30 June 2025: 577,747,000 shares) in issue during the interim period.

(i) Profit attributable to ordinary equity shareholders of the Company

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit for the period attributable to equity shareholders of the Company	**63,260**	41,834
Allocation of profit for the period attributable to Restricted Shares held for share-based incentive scheme	**–**	(4)
Allocation of profit for the period attributable to redemption liabilities	**–**	(1,693)
Profit for the period attributable to ordinary equity shareholders of the Company	**63,260**	40,137

(ii) Weighted average number of ordinary shares:

	Six months ended 30 June	
	2026	2025
	'000	*'000*
Ordinary shares in issue at 1 January	**710,689**	613,325
Effect of unvested shares held for share-based incentive scheme	**(8,451)**	(11,215)
Effect of redemption liabilities	**–**	(24,363)
Effect of shares repurchased	**(5,359)**	–
Weighted average number of ordinary shares at 30 June	**696,879**	577,747

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB63,260,000 (six months ended 30 June 2025: RMB40,137,000) and the weighted average number of ordinary shares of 702,077,000 (six months ended 30 June 2025: 582,055,000 shares).

(i) Weighted average number of ordinary shares (diluted):

	Six months ended 30 June	
	2026	2025
	'000	*'000*
Weighted average number of ordinary shares at 1 January	**696,879**	577,747
Effect of unvested shares held for share-based incentive scheme	**5,198**	4,308
Weighted average number of ordinary shares (diluted) at 30 June	**702,077**	582,055

8 FINANCIAL ASSETS MEASURED AT FVPL

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Financial assets measured at FVPL		
– Forward exchange contracts	**11,954**	–

9 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Food ingredients	**30,211**	33,176
Other materials	**1,034**	930
	31,245	34,106

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Carrying amount of inventories sold	**298,992**	220,932

10 TRADE AND OTHER RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade debtors	**23,592**	24,350
Deposits	**27,937**	28,420
Other receivables	**3,487**	2,619
Interest receivables	**4,596**	–
Current portion of long-term receivables	**588**	757
Lease payment receivables	**708**	897
Financial assets measured at amortised cost	**60,908**	57,043
Input value-added tax recoverable	**54,419**	45,570
Prepayments to vendors	**12,028**	12,623
	127,355	115,236

All of the trade and other receivables is expected to be recovered or recognised as expense within one year or are recovered on demand.

As at the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the revenue recognition date, is as follows:

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 1 month	**22,669**	22,938
More than 1 month but within 3 months	**923**	1,412
	23,592	24,350

11 CASH AND CASH EQUIVALENTS

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Cash at bank and cash on hand	**702,308**	732,752
Less: restricted bank deposits *(note (i))*	**(87,023)**	(56,210)
Less: deposits with banks with original maturity date over three months	**(380,068)**	–
Cash and cash equivalents in the consolidated statement of financial position and the condensed consolidated cash flow statement	**235,217**	676,542

Note:

(i) As at 30 June 2026, restricted bank deposits mainly included deposits reserved for receipts in advance of stored value membership accounts in accordance with relevant regulations issued by Ministry of Commerce of the PRC and deposits pledged as security for currency forward contracts.

12 TRADE AND OTHER PAYABLES

(a) Trade and other payables

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade payables	**71,605**	79,370
Payables for purchase of property, plant and equipment	**20,526**	19,422
Dividend payables	**20,539**	–
Other payables	**20,351**	20,753
Financial liabilities measured at amortised cost	**133,021**	119,545
Staff cost payable	**30,248**	30,728
Deposits received from franchisees and suppliers	**8,964**	9,162
Other taxes payables	**2,020**	1,382
	174,253	160,817

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

As at the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
Within 1 year	**71,605**	79,370

13 CAPITAL, RESERVES, AND DIVIDENDS

(a) Dividends

(i) Dividends payable to equity shareholders attributable to the interim period

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
No interim dividend declared and paid after the interim period (six months ended 30 June 2025: RMB0.06 per ordinary share)	**–**	34,365

The interim dividend has not been recognised as a liability at the end of the reporting period.

(ii) Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year of RMB0.03 per ordinary share (six months ended 30 June 2025: RMB0.02 per ordinary share)	**20,539**	14,727

No final dividend in respect of the previous financial year was paid for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB14,727,000) and unpaid dividends of RMB20,539,000 was accrued and presented in "Trade and other payables" as at 30 June 2026.

(b) Purchase of own shares

For the six months ended 30 June 2026, the Company repurchased its own shares on The Stock Exchange of Hong Kong Limited, as follows:

Month/year	Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate price paid	Aggregate price paid RMB equivalent
		HKD	*HKD*	*HKD*	*RMB*
February 2026	3,091,500	6.00	4.85	17,326,820	15,514,000
March 2026	344,500	4.92	4.40	1,613,155	1,428,000
April 2026	2,418,000	4.65	4.10	10,386,290	9,119,000
May 2026	4,759,000	4.31	3.98	19,750,495	17,282,000
June 2026	7,524,000	4.37	3.40	28,364,875	24,738,000
					68,081,000

14 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period, the Company repurchased 1,132,500 shares of its own ordinary shares at a total consideration of approximately HKD3,945,335 (approximately RMB3,421,000).

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

For the six months ended June 30, 2026, the Company repurchased a total of 18,137,000 H Shares (the "**H Shares Repurchased**") on the Stock Exchange at an aggregate consideration of approximately HK$77.4 million (inclusive of transaction fees such as brokerage fee, stamp duty and transaction levy). All H Shares Repurchased were repurchased for cancellation but not yet cancelled. The repurchase of shares was effected because the Board considered that a share repurchase in the then conditions demonstrated the Company's confidence in its own business outlook and prospects and would, in the long term, benefit the Company and create value to the Shareholders.

Particulars of the Shares Repurchased for the six months ended June 30, 2026 are as follows:

Month of repurchase	No. of H Shares repurchased	Highest price paid per Share *(HK$)*	Lowest price paid per Share *(HK$)*	Aggregate consideration *(HK$'000)*
February	3,091,500	6.00	4.85	17,326.82
March	344,500	4.92	4.40	1,613.16
April	2,418,000	4.65	4.10	10,386.29
May	4,759,000	4.31	3.98	19,750.50
June	7,524,000	4.37	3.40	28,364.88

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company listed securities (whether on the Stock Exchange or otherwise) for the six months ended June 30, 2026.

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company has applied the principles as set out in the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules.

The Board is of the view that the Company has complied with all the code provisions as set out in the CG Code during the six months ended June 30, 2026, except for the deviation from code provision C.2.1 as explained below.

Mr. Song Qi is the chairman of our Board and also assumes the role of chief executive officer of our Company. In view of Mr. Song's experience, personal profile and substantial contribution to our Group since his appointment to his roles, we consider it to be beneficial to the management and business development of our Group to have Mr. Song act as the chairman of the Board and continue his role as the chief executive officer of our Company after Listing. Our Board believes this arrangement with Mr. Song will continue the strong and consistent leadership he has provided to our Group since our founding.

While this would constitute a deviation from code provision C.2.1 of the CG Code, our Board believes that this structure will not impair the balance of power and authority between our Board and the management of our Company, given that: (i) there are sufficient checks and balances on our Board, as decisions to be made by our Board requires the approval of at least a majority of our Directors, and our Board comprises three independent non-executive Directors as required under the Listing Rules; (ii) Mr. Song and our other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among others, that they act for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of our Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Furthermore, the key business, financial, and operational policies of our Group as well as the overall strategic development goals of our Group are made collectively by our Board and senior management after thorough discussions.

Our Board will continue to evaluate and consider if dividing the roles of the chairman of our Board and the chief executive of our Company at an appropriate time is necessary, taking into account the circumstances of our Group as a whole.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors, all Directors confirmed that they have strictly complied with the Model Code during the six months ended June 30, 2026.

The Board has also established written guidelines on terms no less exacting than the Model Code (the "**Guidelines**") for securities transactions by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code. No incident of non-compliance with the Guidelines by the Company's relevant employees has been noted during the six months ended June 30, 2026 after making reasonable enquiry.

Audit Committee and Review of Financial Statements

The Company established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the CG Code. As of the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Kwok Bun (Chairman), Mr. Xu Lei and Mr. Zhong Jiesheng (with Mr. Chan Kwok Bun possessing the appropriate professional qualifications and accounting and related financial management expertise). The main duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Group, oversee the audit process, review and oversee the existing and potential risks of the Group and perform other duties and responsibilities as assigned by the Board.

The unaudited interim financial information for the six months ended June 30, 2026 has been reviewed with no disagreement by the Audit Committee.

The financial information set out in this announcement represents an extract from the interim financial report for the six months ended 30 June 2026, which is unaudited, but has been reviewed by KPMG, 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.

Publication of Interim Results Announcement and Interim Report

This interim results announcement is published on the website of the Stock Exchange (*www.hkexnews.hk*) and the website of the Company (*www.xiaonoodles.com*). The interim report of the Company for the six months ended June 30, 2026 containing all the information required by the Listing Rules will be dispatched (if requested) to the Shareholders and made available on the same websites in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, suppliers and customers of the Company for their continued support and trust. The Board would also like to thank all the employees and management team for executing the Group's strategies with professionalism, integrity and dedication.

By order of the Board
Guangzhou Xiao Noodles Catering Management Co., Ltd.
Song Qi
Chairman of the Board, Executive Director and
Chief Executive Officer

Guangzhou, the People's Republic of China, August 17, 2026

As at the date of this announcement, the Board of Directors of the Company comprises: (i) Mr.Song Qi, Mr. Su Xuxiang and Ms. Luo Yanling as executive Directors; (ii) Mr. Wang Xiaolong as a non-executive Director; and (iii) Mr. Xu Lei, Mr. Chan Kwok Bun and Mr. Zhong Jiesheng as independent non-executive Directors.