Hongxing Coldchain (Hunan) Co., Ltd.
紅 星 冷 鏈（湖 南）股 份 有 限 公 司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01641)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of Hongxing Coldchain (Hunan) Co., Ltd. (the "**Company**", and its subsidiaries, the "**Group**") is pleased to announce the unaudited interim consolidated results of the Group for the six months ended 30 June 2026 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2025 ("**6M2025**").

Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus of the Company dated 31 December 2025 (the "**Prospectus**").

FINANCIAL HIGHLIGHTS

- Revenue decreased by approximately 6.1% to approximately RMB110.8 million for the Reporting Period (6M2025: approximately RMB118.0 million).

- Gross profit decreased by approximately 48.2% to approximately RMB32.6 million for the Reporting Period (6M2025: approximately RMB62.9 million).

- Profit for the period decreased by approximately 75.7% to approximately RMB9.6 million for the Reporting Period (6M2025: approximately RMB39.7 million).

- As a non-IFRS measure, the adjusted net profit (excluding listing expense) decreased by approximately 76.0% to approximately RMB9.6 million for the Reporting Period (6M2025: approximately RMB40.2 million).

- The earnings per share attributable to ordinary equity holders of the parent was RMB0.10 for the Reporting Period (6M2025: approximately RMB0.53).

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

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***RMB'000***	*RMB'000*
		(unaudited)	(audited)
REVENUE	*4*	**110,801**	118,048
Cost of sales		**(78,234)**	(55,187)
Gross profit		**32,567**	62,861
Other income and gains	*4*	**4,338**	2,639
Selling and distribution expenses		**(1,442)**	(181)
Administrative expenses		**(11,204)**	(9,171)
Research and development costs		**(1,335)**	(513)
Impairment losses on financial assets, net		**(117)**	(169)
Other expenses		**(8,605)**	(45)
Finance costs		**(1,989)**	(2,114)
PROFIT BEFORE TAX	*5*	**12,213**	53,307
Income tax expense	*6*	**(2,577)**	(13,624)
PROFIT FOR THE PERIOD		**9,636**	39,683
Attributable to:			
Owners of the parent		**9,636**	39,683
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT *(RMB)*	*8*	**0.10**	0.53
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**9,636**	39,683
Attributable to:			
Owners of the parent		**9,636**	39,683

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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		**683,953**	702,347
Investment properties		**209,862**	214,299
Right-of-use assets		**125,676**	127,490
Other intangible assets		**294**	295
Deferred tax assets		**3,721**	3,811
Total non-current assets		**1,023,506**	1,048,242
CURRENT ASSETS			
Inventories		**10,446**	368
Trade and operating lease receivables	*9*	**27,000**	15,280
Prepayments, deposits and other receivables		**11,524**	66,254
Cash and cash equivalents		**354,294**	93,830
Total current assets		**403,264**	175,732
CURRENT LIABILITIES			
Trade payables	*10*	**19,319**	1,692
Other payables and accruals		**87,628**	99,566
Advance from lessees		**2,832**	3,818
Income tax payable		**526**	6,615
Interest-bearing bank borrowings		**12,599**	10,539
Total current liabilities		**122,904**	122,230
NET CURRENT ASSETS		**280,360**	53,502
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,303,866**	1,101,744

	As at 30 June 2026 *RMB'000* (unaudited)	As at 31 December 2025 *RMB'000* (audited)
NON-CURRENT LIABILITIES		
Other payables and accruals	**13,836**	13,832
Deferred income	**32,258**	33,420
Interest-bearing bank borrowings	**187,515**	193,766
Total non-current liabilities	**233,609**	241,018
Net assets	**1,070,257**	860,726
EQUITY		
Equity attributable to owners of the parent		
Share capital	**98,263**	75,000
Reserves	**971,994**	785,726
Total equity	**1,070,257**	860,726

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. CORPORATE AND GROUP INFORMATION

Hongxing Coldchain (Hunan) Co., Ltd. (the "**Company**"), formerly known as Hunan Hongxing Frozen Food Co., Ltd., was incorporated as a limited liability company on 16 October 2006. The registered office of the Company is located at No 21, Part 1, Huanbao East Road, Yuhua District, Changsha, Hunan Province, the People's Republic of China ("**PRC**"). On 30 June 2019, the Company was converted into a joint stock company with limited liability.

The Company's shares were listed on the Stock Exchange of Hong Kong Limited ("**H shares**") on 13 January 2026.

During the six months ended 30 June 2026 (the "**Period**"), the Company and its subsidiary (collectively referred to as the "**Group**") was mainly involved in the following principal activities:

- frozen food storage services;
- loading services; and
- provision of property rental services.

2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information of the Group for the Period has been prepared in accordance with International Accounting Standard ("**IAS**") 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the Group's annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. The unaudited interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The nature and impact of the amended IFRS Accounting Standards are described below:

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(b) Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

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

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and services and only has one reportable operating segment.

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the general manager of the Group. As a result of this evaluation, the CODM considers that the Group's operations are managed as a single segment. Accordingly, no segment information is presented.

Geographical information

All operating entities are domiciled in the PRC. All the non-current assets of the Group are physically located in Chinese Mainland. The geographical location of customers is based on the location at which the customers operate, and all of the revenue of the Group was derived from operations in Chinese Mainland during the six months ended 30 June 2026.

Information about major customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Revenue from contracts with customers	**95,224**	94,280
Revenue from other sources		
Gross rental income from investment property operating leases:		
Leasing services	**15,577**	23,768
Total	**110,801**	118,048

Revenue from contracts with customers

(a) Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Types of services		
Frozen food storage services	**74,839**	81,188
Loading services	**10,858**	11,249
Sales of frozen food products	**8,325**	—
Others	**1,202**	1,843
Total	**95,224**	94,280
Geographical market		
Chinese Mainland	**95,224**	94,280
Timing of revenue recognition		
Services transferred over time	**74,839**	81,188
Goods or services transferred at a point in time	**20,385**	13,092
Total	**95,224**	94,280

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	Six months ended 30 June 2026	Year ended 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Storage and loading services	**583**	158

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Frozen food storage services

The performance obligation from providing the frozen food storage services is satisfied over the scheduled period on a straight-line basis and payment is generally within 5 days according to the services scheduled.

Loading services

The performance obligation from loading services is satisfied upon completion of the services completed and payment is generally within 5 days after the completion of services.

Sales of frozen food products

The performance obligation from sales of frozen food products is satisfied upon acceptance of the products as agreed in the sales contract.

All the contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction prices allocated to these unsatisfied performance obligations are not disclosed.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Other income		
Interest income	**2,975**	1,093
Government grants*	**1,218**	1,481
Others	**145**	56
Total other income	**4,338**	2,630
Gains		
Gain on disposal of property, plant and equipment	**—**	9
Total other income and gains	**4,338**	2,639

* Government grants mainly represent incentives received from local governments for the purpose of compensation for local economic contribution and purchases of items of property, plant and equipment. There are no unfulfilled conditions or contingencies relating to these grants.

5. PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Cost of services provided	**32,853**	16,299
Cost of inventories sold	**8,075**	—
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	**800**	337
Depreciation of property, plant and equipment	**18,656**	19,486
Depreciation of investment properties	**4,485**	4,771
Depreciation of right-of-use assets	**1,813**	1,813
Amortisation of intangible assets*	**42**	57
Research and development costs	**1,335**	513
Listing expenses	**—**	519
Auditor's remuneration	**283**	—
Employee benefit expenses (excluding directors', chief executive's and supervisors' remuneration):		
Wages, salaries and other allowances	**15,185**	16,557
Pension scheme contributions and social welfare**	**1,426**	1,429
Total	**16,611**	17,986
Impairment losses on financial assets	**117**	169
Loss on disposal of items of property, plant and equipment	**351**	14

* The amortisation of intangible assets is included in "Cost of sales" in profit or loss.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

6. INCOME TAX EXPENSE

The income tax expense for the Period is analysed as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Current — Chinese Mainland		
Charge for the Period	**2,487**	13,608
Deferred	**90**	16
Total tax charge for the Period	**2,577**	13,624

7. INTERIM DIVIDENDS

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

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the Period attributable to ordinary equity owners of the parent, and the weighted average number of ordinary shares of 96,712,000 (six months ended 30 June 2025: 75,000,000) in issue during the Period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 June 2026 and 2025 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

The calculation of basic earnings per share is based on:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Earnings		
Profit for the Period attributable to ordinary equity owners of the parent, used in the basic earnings per share calculation	**9,636**	39,683

	Number of shares Six months ended 30 June	
	2026	2025
	(unaudited)	(audited)
Shares		
Weighted average number of ordinary shares in issue during the Period used in the basic earnings per share calculation *(in thousand shares)*	**96,712**	75,000

9. TRADE AND OPERATING LEASE RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Trade receivables	**25,382**	12,997
Lease receivables	**2,312**	3,087
Impairment	**(694)**	(804)
Net carrying amount	**27,000**	15,280

The Group's trade and operating lease receivables arise from the storage and loading services and the provision of property rental services. A credit period of generally 5 days is granted to the customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management and credit limits attributed to customers are reviewed once a month. Trade and operating lease receivables are non-interest-bearing.

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

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000* (audited)
Within 2 months	**25,931**	13,185
In 3–12 months	**1,069**	2,095
Total	**27,000**	15,280

The movements in the loss allowance for impairment of trade and operating lease receivables are as follows:

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000* (audited)
At the beginning of the year/period	**804**	354
Impairment losses	**117**	456
Amount written off as uncollectible	**(227)**	(6)
At the end of the year/period	**694**	804

10. TRADE PAYABLES

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

	As at 30 June 2026 *RMB'000* **(unaudited)**	As at 31 December 2025 *RMB'000* (audited)
Within 90 days	**19,319**	1,692

Trade payables are non-interest-bearing and are normally settled on 90-day terms.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

We are a frozen food storage services and frozen food space leasing services provider, operating a business model that combines frozen food storage facilities with frozen food space leasing, enabling us to connect wholesalers and retailers within the frozen food supply chain.

Our frozen food storage services

We operate automated temperature-controlled warehouses providing professional frozen food storage services to frozen food wholesalers and retailers. Our facilities feature 24/7 maintenance and support systems, ensuring optimal preservation conditions for our customers' frozen products.

Our frozen food storage facilities feature automation capabilities that enable efficient warehouse management. We provide frozen food storage capacity, related warehouse management services such as goods sorting, categorization and packaging, inventory counting and tracking, inbound and outbound recording, as well as fire safety and environmental risk management, to frozen food wholesalers and retailers. Our warehouses are equipped with electric counterbalance forklifts, standing forklifts and electric hydraulic trucks, among others, for semi-automated frozen food storage and retrieval, and twin-screw compressors for safe and efficient frozen food storage. We utilize our system to ensure seamless processing from receipt and inbound storage to outbound delivery. All frozen food storage information is tracked through our management system. We also equip warehousing staff to manage key steps from receipt and inbound storage to outbound delivery, such as recording and checking storage information, conducting material handling and sorting, and performing quality control procedures for inventories, among others. We are responsible for the utility, repair and maintenance costs of frozen food storage warehouses. To ensure the availability of daily storage capacity, we primarily focus on (1) conducting proactive capacity planning based on predictive analytics trends to prevent shortage of storage capacity, and should the analysis forecast a potential capacity shortage, we then (2) implement layout optimizations to maximize spatial efficiency, for instance, we leverage underutilized or previously unused corner spaces in our warehouses.

Unmanned operations were enabled through the integration of our warehouse management system and transport management system. Key automated processes include automated stacker cranes that autonomously store and retrieve goods, and a continuous loop conveyor system that seamlessly transports items throughout the facility. This automation approach, combined with our customer-centric management philosophy, helps our customers streamline their operations and facilitates their business growth.

Auxiliary Services and Transportation Resources

In connection with our frozen food storage services, we also provide certain auxiliary services to support our customers' operations, primarily including loading services and transportation services.

- *Loading services.* Loading services primarily include unloading goods, transferring inventory, stacking goods within warehouses, relocating stocks for daily operations and loading goods on vehicles. Our customers are required to use our loading and unloading services. All machinery and devices used in providing loading and unloading services are owned by us. In addition to our own employees responsible for loading services, we also engage third-party service providers who primarily deliver services of unloading goods, and assist in warehouse stacking and vehicle loading. Our own employees handle inspection, invoicing, warehousing, transfer, storage adjustments, and outbound shipping. The operations of transfer and storage adjustments encompass the re-handling and repositioning of goods to fulfill customer-directed goals such as first-in-first-out, improved outbound efficiency, or enhanced warehouse utilization.

- *Transportation resources.* We have connected our customers with various third-party providers since 2018 to provide temperature-controlled transportation services to expand the reach of our customers' operation while ensuring the optimal quality and freshness of products. We select transportation service partners based on their trucks' temperature control system and hygienic conditions, personnel qualifications, and compliance with safety and regulatory standards. We regularly assess their operational efficiency, safety record and customer feedback to ensure reliable frozen food transportation while maintaining frozen food quality and hygiene. In addition, we also launched frozen food sorting and dispatch services in March 2025. Our frozen food logistics sorting and dispatch services combine sorting, temperature-controlled packaging, and last-mile distribution to deliver products directly to final destinations.

- *Inventory management consulting services.* Leveraging data analytics, we also provide inventory management consulting services for our frozen food storage customers to help them optimize stock levels, reduce carrying costs, and improve overall operational efficiency. These services include primarily warehouse layouts optimization and storage safety protocols implementation. We provide inventory management consulting services as part of our frozen food storage services and do not separately charge our customers for such services.

Our frozen food space leasing services

The premises for our frozen food space leasing services serve as a central hub for various participants in the frozen food industry, including frozen food wholesalers and retailers. With over 18 years' experience in China's cold chain service industry, we have established ourselves as a go-to choice for frozen food trading in Changsha, Hunan province.

Our premises for frozen food space leasing services connect upstream frozen food wholesalers and retailers with downstream retailers and consumers, serving as a regional hub for frozen food distribution, with customers distributing frozen food products to supermarkets, processing plants and farmers' markets in various provinces. We leased out trading space to our customers. In addition, we also provide ancillary leasing services to support their operations, including offices, dormitories, advertising space, temporary venues and EV charge stations. For trading space leasing, we charge rental fees from our customers. We neither participate in any customer transactions or settlements nor charge any commissions from transactions that take place at our market place. We charge our space leasing customers rental fees for trading space leasing, including monthly trading space rental fees and monthly premium. The prices of our monthly trading space rental fees are mainly based on the floor where the space is located and the specific locations of the space on each floor. Depending on the specific location of the trading space, we generally also charge customers a monthly premium in addition to the monthly trading space rental fees. Our customers are prohibited from assigning or subletting trading space without our consent.

To maintain sufficient leasing space, we primarily focus on (1) implementing dynamic space management protocols to maximize utilization efficiency of existing trading spaces, (2) conducting annual reviews of our customer portfolio to optimize trading space allocation, and (3) performing regular capacity-demand analyzes to proactively identify and address potential space constraints.

Automation technology and Information network

We aim to implement automation frozen food storage technologies to accelerate our internal digitalization, building an operating chain that empowers each step of our operations. We believe that more modern and consistently maintained facilities enhance prospects of winning new customers, retaining existing customers, driving more efficient operations, and improving profitability. In August 2024, we completed the construction of the automated frozen food storage warehouses under our expansion project, the Phase V Expansion Project, at our southern base in Changsha, featuring advanced automated storage infrastructure, professional and reliable service capabilities and top-notch equipment. Leveraging automatic conveyor lines, high-bay racks and stackers, our system can automatically plan storage paths based on product type and weight, significantly improving warehousing efficiency.

We place strong emphasis on data as the foundation of our digital operations. We have developed a warehouse management system, which utilizes data, such as inbound and outbound volume and type of frozen food products, to conduct data analysis, improving the efficiency of our operations and reducing costs through refined operations management. The system also records financial data relating to our frozen food storage services and frozen food space leasing, enabling continuous tracking of expenses and identification of improvement opportunities. In addition, we have also developed a transportation management system which tracks the entire process from customer transportation orders to the delivery of their frozen food products, achieving closed-loop control and management.

Recent Developments

First of all, against the backdrop of a macroeconomic downturn, weak end-consumer demand, price inversion in fresh and frozen pork products, industry de-stocking coupled with a gradual contraction in warehousing demand, the Company vigorously expands value-added services for customers and new business: (1) breakthroughs have been achieved in logistics value-added services, as evidenced by the stable operation in in-province logistics businesses. Moreover, progresses have been made in expanding inter-provincial logistics resources; with multiple inter-provincial logistics routes contracts signed. Supporting resources for platforms, offices and warehousing have been put in place, which enables the Company to establish connection with inter-provincial logistics transit labour business, and carry out a pilot of one-stop labor service solutions for freight carriers; (2) the Company launched standardized one-stop all-inclusive labor services to achieve service standardization and pricing transparency, enhancing customer experience. Besides, it also developed centralized procurement supporting services for market packaging consumables to unlock value-added revenue from merchants; (3) the Company has established a trading business division to engage primary upstream supply sources by connecting the full-chain parts among goods procurement, warehousing storage and distribution circulation, and steadily implementing shared supply chain warehouse services.

Furthermore, the Company has kicked off the food processing and distribution centre project, aiming to improve and extend the industrial chain by further expanding incremental markets, broadening business channels and supporting onboarded merchants to lower their comprehensive operating costs. The Company officially commenced construction for the food processing and distribution centre project as well as investment promotion and preparatory work in the first half of the year.

In addition, tangible results have been obtained in revitalizing existing assets. Hongxing Beisheng（紅星北盛）, a subsidiary of the Company, has further intensified investment promotion efforts, expanded customer resources through multiple channels and entered into cooperation with several clients, thus effectively improving the use efficiency of capacity warehouses.

OUTLOOK

2026 is the first year after the successful listing of our H Shares (the "**Shares**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Looking forward, we will continue to pursue the following strategies which will drive further growth.

Expand and Enhance Our Service Offerings

Looking ahead, the Group will continue to expand and enhance our service offerings to address our customers' evolving demands. We plan to expand into frozen food processing services to drive greater value and market growth by constructing a new processing plant to provide value-added services such as cutting, portioning, thawing, quick-freezing, sterilization and vacuum packaging of unprocessed frozen food into semi-finished or finished products. Operating a frozen food processing business does not require specialized expertise beyond an experienced workforce, and we believe this expansion is a natural extension of our frozen food storage expertise, enabling additional value-added services and strengthening our competitiveness.

We are pursuing this expansion because it is a natural and strategic extension of our frozen food storage services and frozen food space leasing services, driven by market opportunities. Among our over 700 frozen food storage customers, many have indicated their need for processing services. With the new facilities located near our existing storage and trading spaces, the three facilities will operate collaboratively to simplify logistics, reduce coordination needs and lower operation costs. To execute this strategy, we will construct a new processing plant and expand our southern base, increasing total usable storage capacity by approximately 8.7%, with construction expected to be completed by the end of 2028 and full equipment deployment by the end of 2029.

Invest in AI Technology to Empower Our Operations and Customers

We believe AI technology is transforming the cold chain industry by improving precision, automation and intelligence, and we plan to upgrade our equipment, IT infrastructure and software to enhance efficiency and reduce manual labor while providing customers with digital tools for better operational visibility.

We plan to recruit engineers and technicians to support these upgrades, which will include a cloud system combining on-site and online data storage, industrial-grade 5G and enhanced Wi-Fi, AGV forklift robots, sorting and palletizing machines, AI-powered cameras and alerts, and automated data analysis systems to track equipment performance, storage level and energy use. To benefit our customers, we plan to develop a mobile app for order and storage management and implement live dashboards for monitoring storage conditions and shipment status, aiming to streamline processes, improve service quality and drive innovation in the industry.

Pursue Strategic Acquisitions and Partnerships to Enhance Industry Integration

We plan to pursue strategic acquisitions and partnerships to enhance our industry integration and strengthen our position within the cold chain ecosystem. By forming alliances with upstream logistics service providers and downstream prepared food manufacturers, we aim to extend our vertical integration capabilities and improve supply chain control. Over the next four years, we intend to select two to three acquisition targets with at least ten years of operating history and enterprise values between RMB100 million and RMB200 million, generally acquiring majority interests in the targets. We believe there are sufficient potential targets in the market, with over 100 candidates meeting our criteria.

Expand Our Market Reach

We plan to integrate and expand our logistics resources to meet growing market demand and broaden our customer base. By collaborating with local cold chain logistics providers in surrounding areas, we aim to create a wider logistics network that enables resource and information sharing, reduces costs, and improves operational efficiency. We expect these strategic collaborations to enhance our market competitiveness by improving service quality, lowering operating costs, and expanding our market reach.

FINANCIAL REVIEW

Revenue

Total revenue was approximately RMB110.8 million for the six months ended 30 June 2026, representing a decrease of 6.1% from approximately RMB118.0 million for the six months ended 30 June 2025. The decrease was primarily due to downstream customers' proactive destocking and reduced large-scale storage, which led to a decline in the Company's warehouse utilisation rate and a corresponding decrease in revenue. The following table sets forth a breakdown of our revenue attributable to our products and services for the periods indicated:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Frozen food storage services	**74,839**	81,188
Leasing services	**15,577**	23,768
Loading services	**10,858**	11,249
Sales of frozen food products	**8,325**	—
Others[1]	**1,202**	1,843
Total	**110,801**	118,048

(1) Others primarily include miscellaneous income relevant to our primary business operations, such as parking lot service fees from our transportation partners, frozen food storage services customers and frozen food space leasing customers, for the access of parking lot space provided by us, charged primarily as hourly fees, and operation service fees charged to third-party transportation service providers, all in connection with our frozen food storage business. In addition, we also launched frozen food sorting and dispatch services in March 2025, for which we charge fee based on the weight of the frozen food handled, with minimal revenue contribution in six months ended 30 June 2025 and six months ended 30 June 2026. In connection with our frozen food storage business, our frozen food logistics sorting and dispatch services combine sorting, temperature-controlled packaging, and last-mile distribution to deliver products directly to final destinations.

Cost of Sales

Our cost of sales increased by 41.8% from approximately RMB55.2 million for the six months ended 30 June 2025 to approximately RMB78.2 million for the six months ended 30 June 2026, primarily due to the increase in the subsidies we provided to our customers in respect of their logistics and transportation costs, in response to the general macroeconomic slowdown and the reduction in inventory levels in the industry.

Gross Profit and Gross Margin

As a result of the foregoing, our gross profit decreased by 48.2% from approximately RMB62.9 million for the six months ended 30 June 2025 to approximately RMB32.6 million for the six months ended 30 June 2026. Our gross profit margin decreased to 29.4% for the six months ended 30 June 2026 from 53.3% for the six months ended 30 June 2025.

Other Income and Gains

Our other income and gains increased by 64.4% from approximately RMB2.6 million for the six months ended 30 June 2025 to approximately RMB4.3 million for the six months ended 30 June 2026, primarily due to the increase in the interest income derived from our bank deposits from the proceeds of the Global Offering.

Selling and Distribution Expenses

Our selling and distribution expenses increased by approximately RMB1.2 million from approximately RMB0.2 million for the six months ended 30 June 2025 to approximately RMB1.4 million for the six months ended 30 June 2026, primarily due to the increase in subsidies provided to logistics service providers; and other miscellaneous expenses incurred in our sales and marketing initiatives.

Administrative Expenses

Our administrative expenses increased by 22.2% from approximately RMB9.2 million for the six months ended 30 June 2025 to approximately RMB11.2 million for the six months ended 30 June 2026. The increase in our administrative expenses is generally attributable to the increase in various consulting service fees following the Company’s listing.

Research and Development Costs

Our research and development costs increased by 160.2% from approximately RMB0.5 million for the six months ended 30 June 2025 to approximately RMB1.3 million for the six months ended 30 June 2026, primarily due to the increase in the expenses in furthering our quality control technologies and initiatives.

Other Expenses

Our other expenses increased from RMB45,000 for the six months ended 30 June 2025 to approximately RMB8.6 million for the six months ended 30 June 2026. The increase in our other expenses is primarily due to exchange losses derived from the conversion of the proceeds from the listing from Hong Kong dollars to Renminbi.

Finance Costs

Our finance costs decreased by 5.9%, from approximately RMB2.1 million for the six months ended 30 June 2025 to approximately RMB2.0 million for the six months ended 30 June 2026, primarily due to the reduction in the loan interest rate from 2.05% in 2025 to 1.95% in 2026.

Cost of Services Provided and Cost of Inventories Sold

Our cost of services provided increased to approximately RMB32.9 million for the six months ended 30 June 2026 by approximately 101.6% from approximately RMB16.3 million for the six months ended 30 June 2025. This was mainly due to the increase in the subsidies we provided to our customers in respect of their logistics and transportation costs, in response to the general macroeconomic slowdown and the reduction in inventory levels in the industry.

Our cost of inventories amounted to RMB8.1 million which mainly represents the procurement cost attributable to our sales of frozen food products business, which commenced during the Reporting Period.

Income Tax Expense

Our income tax expenses decreased by 81.1% from approximately RMB13.6 million for the six months ended 30 June 2025 to approximately RMB2.6 million for the six months ended 30 June 2026. The decrease in our income tax expense was primarily due to the change in current tax expenses from approximately RMB13.6 million for the six months ended 30 June 2025 to approximately RMB2.5 million for the Reporting Period in line with the decreased profit before tax.

Profit for the Reporting Period

As a result of the foregoing, our profit for the Reporting Period decreased by 75.7% from a net profit of approximately RMB39.7 million for the six months ended 30 June 2025 to a net profit of approximately RMB9.6 million for the six months ended 30 June 2026.

Non-IFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS Accounting Standards, we also use adjusted profit (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS Accounting Standards.

We believe these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items and provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they helped our management. However, our presentation of adjusted profit (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of adjusted profit (non-IFRS measure) has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards. We define adjusted net profit/(non-IFRS measure) as profit for the period adjusted for listing expenses. Listing expenses are related to the global offering.

The following table reconciles our adjusted net profit/loss (non-IFRS measure) for the period presented in accordance with IFRS Accounting Standards, which is profit for the period.

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit for the period	**9,636**	39,683
Add:		
— Listing expenses	**—**	519
Adjusted net profit (non-IFRS measure)	**9,636**	40,202

Adjusted net profit (non-IFRS measure) for the six months ended 30 June 2026 amounted to approximately RMB9.6 million, representing a decrease of 76.0% as compared to approximately RMB40.2 million in 2025 resulted from the decrease in net profit of 75.7% from approximately RMB39.7 million for the six months ended 30 June 2025 to RMB9.6 million for the six months ended 30 June 2026.

Inventories

Our inventories amounted to approximately RMB10.4 million as at 30 June 2026, representing an approximately 27 times increase from approximately RMB0.4 million as at 31 December 2025, mainly represents the procurement cost attributable to our sales of frozen food products business, which commenced during the Reporting Period.

Trade and Operating Lease Receivables

As at 30 June 2026, the balance of trade and operating lease receivables amounted to approximately RMB27.0 million, representing an increase of 76.7% compared with the balance of approximately RMB15.3 million as at 31 December 2025. This increase was primarily attributable to: (1) the commencement of new sales of frozen food products during the year, with a trade receivable balance of approximately RMB5.2 million as at 30 June 2026; and (2) an increase in trade receivables resulting from extended credit period by certain storage and loading service customers due to market conditions. As of the date of this announcement, the majority of these trade receivables had been collected. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management and credit limits attributed to customers are reviewed once a month. Trade and operating lease receivables are non-interest-bearing.

Prepayments, Deposits and Other Receivables

As at 30 June 2026, prepayments, deposits and other receivables decreased to approximately RMB11.5 million, representing a decrease of 82.6% from approximately RMB66.3 million as at 31 December 2025. The decrease was mainly due to (i) the maturity of time deposits of RMB40.0 million and the receipt of the related interest of approximately RMB4.0 million; and (ii) the prepayment of approximately RMB15.8 million related to listing expenses incurred in the first half of 2025 in connection with the Company's listing (as the listing had already been completed, no further such prepayment was required in the first half in 2026), which were partially offset by an increase of approximately RMB8.2 million in prepayments attributable to our sales of frozen food products business, which commenced during the Reporting Period.

Cash and Cash Equivalents

Cash and cash equivalents are mainly denominated in RMB and HKD. As at 31 December 2025 and 30 June 2026, our cash and cash equivalents were RMB93.8 million and RMB354.3 million respectively. The increase in cash and cash equivalents was mainly due to the proceeds raised from the Global Offering and the cash recovered from the Company's operations.

Trade Payables

As at 30 June 2026, trade payables amounted to RMB19.3 million, representing an increase of approximately RMB17.6 million from RMB1.7 million as at 31 December 2025, which was due to (i) logistics subsidies of approximately RMB10.4 million payable which remained outstanding as at 30 June 2026; (ii) amounts payable in respect of loading and labour services.

Liquidity and Capital Resources

The Group has adopted a prudent liquidity management policy. During the six months ended 30 June 2026, we funded our cash requirements principally through cash generated from our operations. As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB354.3 million, representing an increase of 277.6% compared to approximately RMB93.8 million as at 31 December 2025.

Interest-bearing Bank and Other Borrowings

We obtained bank borrowings for financing our Phase V Expansion Project. Our bank borrowings amounted to approximately RMB200.1 million as at 30 June 2026, representing a 2.1% decrease from approximately RMB204.3 million as at 31 December 2025, primarily due to the repayment of approximately RMB4.2 million in bank borrowings during the six months ended 30 June 2026. As at 30 June 2026, our bank borrowings were secured by certain of our property, plant and equipment and right-of-use assets.

Gearing Ratio

As at 30 June 2026, the Group's gearing ratio, which is calculated based on total liabilities divided by total equity, was 33.3%, as compared with 42.2% as at 31 December 2025.

Foreign Currency Risk

During the six months ended 30 June 2026, we operated mainly in the PRC with most of the transactions settled in Renminbi. We seek to limit our exposure to foreign currency risk by minimizing our net foreign currency position. We consider that our business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of ours are denominated in the currencies other than the respective functional currencies of our entities, so that we do not hedge against any fluctuation in foreign currency.

As at 30 June 2026, except for the exchange losses derived from the conversion of the proceeds, we did not have significant foreign currency exposure from our operations.

Significant Investment Held and Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

In the first half of 2026, the Group subscribed for certain wealth management products offered by Bank of Communications Co. Ltd., Hunan Branch ("**BOCOM**"), details of which are set out below.

— On 10 February 2026, the Company subscribed for a 90-day wealth management product offered by BOCOM linked to foreign exchange rates, principal-protected with floating returns, in the amount of RMB50 million with an expected annualised return rate from 1% to 2.22% (the First Subscription).

— On 14 May 2026, the Company subscribed for a 42-day wealth management product offered by BOCOM linked to foreign exchange rates, principal-protected with floating returns, in the amount of RMB40 million with an expected annualised return rate from 1% to 1.8% (the Second Subscription).

In order to enhance capital efficiency and to maximize the return from the working capital of the Group, the Group reasonably and strategically utilizes the idle funds of the Group to conduct the subscriptions for wealth management purposes. As each of the wealth management products offered by BOCOM is principal-guaranteed in nature upon maturity, the subscriptions of such wealth management products are in line with the internal risk management, treasury management and investment policies of the Group. In addition, the Directors have further considered (i) the risk associated with each of the wealth management products is relatively low as it is principal-guaranteed in nature upon maturity; (ii) each of the subscriptions offered a return that is likely to be better than the prevailing fixed-term deposit interest rates generally offered by commercial banks in the PRC; and (iii) each of the subscriptions has no material impact on the operations and working capital of the Group as the term of each of the subscriptions is relatively short. For further details, please refer to the Company's announcements dated 10 February 2026 and 14 May 2026 respectively.

Save as disclosed above, the Company had no significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures in the first half of 2026.

Future Plans for Material Investments and Capital Assets

As at 30 June 2026, save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and further explained in section headed "Use of Net Proceeds" below, the Group had no specific plan for material investments or capital assets. However, the Group will continue to identify new opportunities for business development.

Pledge of Assets

As at 30 June 2026, certain property, plant and equipment and right-of-use assets with a net carrying amount of approximately RMB344.4 million and RMB34.3 million, compared with approximately RMB350.2 million and RMB34.7 million as at 31 December 2025, were pledged as security for bank facilities granted to the Group.

Contingent Liabilities

As at 30 June 2026, we had no material contingent liabilities.

Capital Expenditure and Commitments

Our capital commitments are mainly related to our construction in progress. Our capital commitments amounted to approximately RMB1.1 million as at 30 June 2026, compared with approximately RMB3.3 million as at 30 June 2025. Our capital expenditures primarily represented our purchases of property, plant and equipment, investment properties. Our capital expenditures amounted to approximately RMB0.8 million for the six months ended 30 June 2026, compared with approximately RMB16.8 million for the six months ended 30 June 2025. We may adjust our capital expenditures for any given period according to our development plans or in light of market conditions, regulatory environment and other factors we believe to be appropriate.

Employee and Remuneration Policy

As of 30 June 2026, we had a total of 351 employees (as of 30 June 2025: 353 employees). The total employee remuneration expenses for the six months ended 30 June 2026, (excluding directors', chief executive's and supervisors' remuneration), were approximately RMB16.6 million, as compared to approximately RMB18.0 million for the six months ended 30 June 2025.

Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. The remuneration policy will be reviewed by the Board from time to time. In addition to basic remuneration, the Group also makes contributions to mandatory social security funds for the benefit of the PRC employees that provide for retirement insurance, medical insurance, unemployment insurance, maternity insurance, occupational injury insurance and housing funds. All of the full-time employees are paid a fixed salary and may be granted other allowances, based on their positions. Those who meet or exceed their performance expectation will also be rewarded discretionary bonuses. We also provide comprehensive training programs to our employees to meet their various development needs, including leadership development programs, upskills programs, and on-the-job trainings.

Interim Dividend

The Board does not declare any interim dividend in respect of the six months ended 30 June 2026.

OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company's corporate governance practices are based on the principles and code provisions set forth in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). As the H Shares of our Company were not yet listed on the Stock Exchange until 13 January 2026 (the "**Listing Date**"), the principles and code provisions of the CG Code contained in Appendix C1 to the Listing Rules were not applicable to the Company until the Listing Date. From the Listing Date and up to the date of this announcement, the Company has complied with the provisions set out in Part 2 of the CG Code.

The Board will continue to periodically review and monitor its corporate governance practices for compliance with the CG Code and maintain a high standard of corporate governance practices of the Company.

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 the Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions. As the H Shares of our Company were not yet listed on the Stock Exchange until the Listing Date, the Model Code was not applicable to our Company until the Listing Date.

However, specific enquiry has been made to all Directors and all of them have confirmed that they have complied with the Model Code from the Listing Date and up to the date of this announcement.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares (as defined under the Listing Rules)) from the Listing Date to the date of this announcement.

As at the date of this announcement, no treasury shares (as defined under the Listing Rules) were held by the Company.

Use of Net Proceeds

The Company has been successfully listed on the Main Board of the Stock Exchange on the Listing Date. The net proceeds received from the Global Offering after deduction of the underwriting commissions and other fees and expenses were approximately HK$254.5 million.

The net proceeds (adjusted on a pro rata basis based on the actual net proceeds) will be utilized in the same manner, proportion and expected timeframe as set out in the Prospectus. The following table sets forth the status of the use of net proceeds from the Global Offering[1]:

Intended use of proceeds	Percentage of intended use of proceeds	Intended use of proceeds from the Global Offering	Net proceeds utilized from the Listing Date to 30 June 2026	Unutilized net proceeds as at 30 June 2026	Expected timelines for use of proceeds
	(%)	*(HK$ millions)*	*(HK$ millions)*	*(HK$ millions)*	
Construct a new processing plant and expand frozen food storage warehouses with processing equipment and systems	57.5%	146.3	0.5	145.8	By the end of 2029
Upgrade equipment, IT infrastructure, and software utilized in our existing business	12.8%	32.6	—	32.6	By the end of 2029
Strategic acquisitions and partnerships	19.7%	50.1	—	50.1	By the end of 2029
Working capital and other general corporate purposes	10.0%	25.5	24.4	1.1	N/A
Total	**100.0%**	**254.5**	**24.9**	**229.6**	

Note:

(1) The figures in the table are approximate figures.

For further information in relation to the use of net proceeds from the Global Offering and the expected implementation timetable, please refer to the section headed "Future Plans and Use of Proceeds" set out in the Prospectus.

Audit Committee

From the Listing Date and up to the date of this announcement, the audit committee of the Company (the "**Audit Committee**") consists of three independent non-executive Directors, namely Ms. LI Zhenzhu, Ms. CAI Yanping and Mr. HOW Sze Ming. Mr. HOW Sze Ming who possesses the appropriate professional qualifications, was appointed as the chairman of the Audit Committee. The Audit Committee is primarily responsible for communication, supervision and checking in relation to the internal and external audits of the Company.

The Audit Committee has reviewed the unaudited consolidated financial statements for the six months ended 30 June 2026 with the management of the Company. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management of the Company. The Audit Committee considers the interim results to be in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

Events after the Reporting Period

Upon redemption of the Second Subscription in full on 29 June 2026, on 14 July 2026, the Company subscribed for a 29-day wealth management product offered by BOCOM linked to foreign exchange rates, principal-protected with floating returns, in the amount of RMB30 million with an expected annualised return rate from 1% to 1.78% (the Third Subscription). The Third Subscription, on a standalone basis, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules exceed 5% but all of them are less than 25%, and hence is subject to the notification and announcement requirements set out under Chapter 14 of the Listing Rules. For further details, please refer to the Company's announcement dated 14 July 2026.

Further, upon redemption of the Third Subscription in full on 14 August 2026, on 18 August 2026, the Company subscribed for a 21-day wealth management product offered by BOCOM linked to foreign exchange rates, principal-protected with floating returns, in the amount of RMB20 million with an expected annualised return rate from 0.65% to 1.53% (the Fourth Subscription). The Fourth Subscription, on a standalone basis, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules exceed 5% but all of them are less than 25%, and hence is subject to the notification and announcement requirements set out under Chapter 14 of the Listing Rules. For further details, please refer to the Company's announcement dated 18 August 2026.

As of the date of this announcement, except for the wealth management product underlying the Fourth Subscription, all other subscriptions as mentioned above were matured and fully redeemed.

Save as disclosed above, there were no other material and important events affecting the Group that had occurred after 30 June 2026 and up to the date of this announcement.

Publication of Interim Results 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.hnhxld.com). The interim report of the Company for the six months ended 30 June 2026 will be published on the aforesaid websites and dispatched to the Company's shareholders upon request in due course.

By order of the Board
Hongxing Coldchain (Hunan) Co., Ltd.
紅星冷鏈（湖南）股份有限公司
LUO Yue
Chairman of the Board and non-executive Director

Hong Kong, 28 August 2026

As of the date of this announcement, the Board comprises: (i) Mr. ZHANG Mingsheng and Ms. XU Qunying as executive Directors; (ii) Mr. LUO Yue, Mr. LI Jun, Ms. LU Fenfang and Mr. ZHANG Zhong as non-executive Directors; and (iii) Ms. LI Zhenzhu, Ms. CAI Yanping and Mr. HOW Sze Ming as independent non-executive Directors.