# HANGZHOU TONGSHIFU CULTURAL AND CREATIVE (GROUP) CO., LTD.
# 杭州銅師傅文創（集團）股份有限公司

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

**(Stock Code: 0664)**

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

**HIGHLIGHTS OF INTERIM RESULTS FOR 2026**

- The revenue for the six months ended June 30, 2026 was RMB341.5 million, representing a period-on-period increase of 10.8%.

- The gross profit for the six months ended June 30, 2026 was RMB116.4 million, representing a period-on-period increase of 7.7%. Gross profit margin for the six months ended June 30, 2026 was 34.1%, compared to 35.1% for the same period last year.

- The net profit for the six months ended June 30, 2026 was RMB1.3 million, representing a period-on-period decrease of 95.8%.

- The adjusted net profit (non-IFRS measure)*Note* for the six months ended June 30, 2026 was RMB16.7 million, representing a period-on-period decrease of 61.0%; adjusted EBITDA (non-IFRS measure)*Note* was RMB36.0 million, representing a period-on-period decrease of 35.9%.

- Basic earnings per share for the six months ended June 30, 2026 was RMB0.02, representing a period-on-period decrease of 96.2%.

*Note:*

The Group's adjusted net profit (non-IFRS measure) refers to net profit for the Period adjusted by adding back net foreign exchange losses and listing expenses. Adjusted EBITDA (non-IFRS measure) refers to net profit for the Period adjusted by adding back income tax (credit) expenses, total depreciation and amortization and finance costs, and deducting interest income on bank deposits. For details, please refer to the section headed "Management Discussion and Analysis – Non-IFRS Measure" in this announcement.

The board of directors (the "**Board**") of Hangzhou Tongshifu Cultural and Creative (Group) Co., Ltd. (the "**Company**") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended June 30, 2026 (the "**Reporting Period**" or the "**Period**") prepared in accordance with the International Accounting Standard 34 ("**IAS 34**") Interim Financial Reporting, together with the comparative figures for the corresponding period for the six months ended June 30, 2025 (the "**Previous Period**"). These results have been reviewed by the audit committee of the Board.

In this announcement, "we", "us" and "our" refer to the Company or the Group, as the context may require.

## BUSINESS REVIEW AND OUTLOOK

## OVERALL BUSINESS AND FINANCIAL PERFORMANCE

The Group is principally engaged in the design, development and sale of copper-based cultural and creative products that combine traditional craftsmanship with modern design and usage scenarios, and has expanded its product portfolio to include other material types such as gold, silver and plastic. Our primary market is located in the Chinese Mainland, and we mainly serve retail customers. Copper-based cultural and creative products have consistently been the Group's primary source of revenue. Our business model is design-led and product-centric: we design and develop products in-house, organise production through a combination of our own production capabilities and appropriate external processing. In terms of sales, online direct sales are currently the primary source of revenue, while the Group is actively expanding its offline self-operated stores and consignment network to build a multi-channel retail ecosystem integrating online and offline.

During the Reporting Period, we continued to scale up our cultural and creative craft business by integrating traditional craftsmanship with modern design and usage scenarios, with copper-based cultural and creative products remaining at the core of our offerings. We primarily serve customers in the PRC through an online-first retail model while maintaining an integrated production and procurement model anchored by our in-house manufacturing at our Hangzhou Facility.

For the six months ended June 30, 2026, the Group achieved a total revenue of RMB341.5 million, representing an increase of 10.8% period-on-period, which was mainly attributable to the expansion of the number of offline self-operated stores and the continuous expansion of the consignment network. Among which, direct sales channel revenue increased by 13.6% period-on-period to RMB270.9 million, and consignment revenue increased from RMB14.4 million in the same period last year to RMB22.4 million. Gross profit amounted to RMB116.4 million, representing a period-on-period increase of 7.7%, and the gross profit margin slightly decreased to 34.1% from 35.1% in the same period last year, which was mainly affected by the increase in raw material costs, the increase in depreciation and manufacturing expenses due to the expansion of production capacity, and certain inventory promotion activities. The

Group's net profit for the Reporting Period was RMB1.3 million, representing a period-on-period decrease of 95.8%, which was primarily attributable to the multiple factors including rigid cost growth brought by the rapid expansion of offline self-operated stores (selling and marketing expenses increased by 71.2% period-on-period), the phased increase in costs due to production capacity expansion and production line upgrades, the continuous increase in R&D investment, and the foreign exchange losses arising from the conversion of Hong Kong dollar proceeds raised from the listing. For detailed analysis, please refer to the section headed "Management Discussion and Analysis" in this announcement.

The Board considers that the above factors mainly reflect the strategic investments made by the Group in response to business expansion, and that the expansion of offline self-operated stores, capacity enhancement and R&D investment are all core components of the Group's long-term growth strategy. The management believes that the benefits of the relevant investments will gradually materialise in the future as newly opened stores mature, new production capacity is gradually released and new products are successively launched.

***Enhancement of Original Design Capabilities***

The Group has consistently focused on original design and self-developed IP creation, which supports our differentiated storytelling, SKU iteration and long-term brand equity. During the Reporting Period, we continued to advance our strategy of strengthening original design capabilities and expanding our self-developed IP portfolio, and launched a total of 368 new SKUs, of which 143 were original designs, represented by series including traditional themes such as "the Great Sage (齊天大聖)" and "Pixiu (貔貅)"; 225 were co-branded and licensed IP products, including those developed under collaborations with well-known IPs such as "Swords Into Plowshares (《太平年》)", "A Record of a Mortal's Journey to Immortality (《凡人修仙傳》)" and Dunhuang Museum, covering different price ranges and consumption scenarios, effectively increasing the breadth and depth of our product offering. The Group continued to increase investment in R&D, with research and development expenses amounting to RMB20.4 million during the Reporting Period, representing a period-on-period increase of 31.7%, which was mainly used for the expansion of R&D team, new material product development and new IP licensing cooperation to support the continuous expansion of product portfolio.

In terms of product strategy, we maintain a "self-creation-first, IP licensing as supplement" approach: we prioritize in-house creative development and IP protection, while deeply carrying out co-branded collaborations, IP licensing and other partnerships from a more open and diversified perspective to broaden themes, reach incremental audiences and enrich our product portfolio. In the first half of 2026, our top five best-selling product series (including the Gourd series, the Great Sage series and the Mortal's Journey to Immortality series, etc.) were primarily original products, which fully demonstrated the market competitiveness of our original design capabilities. We will also continue to invest in our design and R&D capabilities as a key growth driver and strengthen our IP portfolio and SKU pipeline.

*Construction of a Multi-Channel Sales Network*

On the channel side, online sales remain our primary channel and continue to provide scale, efficiency and direct consumer engagement. At the same time, we have been expanding offline touchpoints to strengthen brand presence and consumer experience. As of June 30, 2026 and the date of this announcement, the total number of self-operated stores reached 65 and 72, respectively, located in major cities across 19 provinces, autonomous regions and municipalities. The rapid expansion of offline self-operated stores effectively contributed to the revenue growth of the direct sales channel, which amounted to RMB270.9 million during the Reporting Period, representing a period-on-period increase of 13.6%. In addition, we actively expanded more flexible and diverse sales channels by signing cooperation agreements with premium supermarkets such as OLE, Sam's Club and Pangdonglai, by engaging in co-branded development partnership models with cultural tourism organisations such as Wudang Mountain, and by carrying out sales cooperation with Bilibili, Wanweimao Animation and China Literature Limited, which contributed an increase in revenue from consignment arrangement to RMB22.4 million from RMB14.4 million in the same period last year. These offline expansion initiatives, by combining online reach with offline engagement, constitute an important part of our strategy to optimise an integrated, multi-channel retail ecosystem.

Admittedly, the rapid expansion of offline self-operated stores has also brought phased cost pressure. As of June 30, 2026, the total number of self-operated stores reached 65, representing a net increase of 55 stores compared with 10 stores as of June 30, 2025, leading to a significant increase in selling and marketing expenses such as store staff remuneration, rent and decoration amortisation, which surged by 71.2% period-on-period. Such investments represent upfront costs for business expansion, and newly opened stores typically require a certain ramp-up period to achieve the expected sales level. As newly opened stores gradually enter mature operations, the relevant fixed costs will be gradually absorbed. The management will continue to optimise store location selection, operational efficiency and product mix to promote the gradual release of per-store profitability. The Group's current offline expansion progress is generally in line with the business plan set out in the prospectus dated March 23, 2026 (the "**Prospectus**").

*Capacity Expansion and Supply Chain Optimisation*

Operationally, to enhance fulfilment flexibility and support long-term product supply, the Group continued to advance the construction and commissioning of the second production centre during the Reporting Period. This project was officially put into operation in the second quarter of 2026, with total production capacity increased by over 50%, providing capacity support for product portfolio expansion and sales scale growth. During the capacity expansion process, the upgrading and iteration of production equipment generated certain losses on disposal of old equipment and workshop renovation costs, along with a net increase of approximately 600 production workers. New employees are still in their probationary period and have not yet reached the average standard of production efficiency. Coupled with the increase in depreciation and manufacturing expenses at the initial stage of the new production line, unit costs have risen, exerting a phased impact on net profit for the Reporting Period. The Group is actively responding by strengthening the skills training of new employees to enhance production efficiency, optimising procurement arrangements, strengthening inventory management and improving the accuracy of demand forecasting. It is anticipated that with the gradual improvement of capacity utilisation of the second production centre, the economy of scale will help to optimise unit production costs.

## INDUSTRY ENVIRONMENT AND MARKET POSITION

In terms of industry environment, during the Reporting Period, China's cultural and creative products industry continued to benefit from the rise of "China Chic" aesthetics and the increasing consumer demand for cultural identity and personalised expression, with the online-offline integrated retail model further deepening. As the "China Chic" trend extends from mass consumer goods to the high-end handicraft sector, copper-based cultural and creative products, as a category combining cultural value and material scarcity, are gaining broader market recognition. At the same time, the industry also faces challenges such as fluctuations in raw material prices. As a leading enterprise in China's copper-based cultural and creative products market, the Group needs to continuously seek a balance between product innovation, channel expansion and cost control.

The Group's core competitiveness lies in its original design capabilities and intangible cultural heritage craftsmanship barriers. On the manufacturing side, the Group has a vertically integrated production system with its own production base in Hangzhou. It has integrated the traditional lost-wax casting method into a modern craftsmanship system for improvement, transforming complex manual processes into reproducible assembly-line operations, achieving large-scale production and cost optimisation while ensuring product craftsmanship quality, and possessing strong product delivery assurance capabilities. This craft has been recognised as an intangible cultural heritage, constituting an important craftsmanship barrier. On the product side, the Group adheres to a "self-creation-first, IP licensing as supplement" strategy, with a mature design team and self-developed IP matrix. During the Reporting Period, revenue from self-developed IP products accounted for approximately 85%, and market freshness is maintained through high-frequency SKU iteration. On the channel side, online direct sales are currently the Group's primary revenue source, while the Group is accelerating the construction of its offline self-operated store network, with a plan to open approximately 90 self-operated stores by the end of 2026, so as to strengthen brand touchpoints and consumer experience and build an online-offline integrated multi-channel retail ecosystem. In addition, the "Tongshifu" brand enjoys high market recognition and consumer loyalty in the copper-based cultural and creative segment.

## KEY RISKS AND UNCERTAINTIES

The Group faces several key risks at its current stage of development:

- The rapid expansion of offline self-operated stores (a net increase of 55 stores period-on-period during the Reporting Period) has led to significant increases in fixed costs such as rent and labor costs. Revenue from new stores has not yet been fully realised during the ramp-up period, which continues to exert pressure on profitability in the short term, and certain store asset groups also face impairment risks.

- Fluctuations in raw material prices have a direct impact on the Group's costs and gross profit. Direct material costs have long maintained a proportion of approximately 50% of total cost of sales, and the rise in copper prices during the Reporting Period directly pushed up cost of sales.

- The Group's reliance on online channels (especially third-party platforms such as Tmall and Douyin) is relatively high, and changes in platform rules and commission rates may have a material adverse effect on the Group's sales revenue and profit.

- Product and IP development involves uncertainties, with relatively long development cycles and challenges in matching production with sales. If market acceptance falls short of expectations, it may lead to inventory accumulation and write-down risks.

- The production process relies on skilled workers, and the training cycle for new employees is relatively long, which may affect production efficiency and product quality in the short term.

## BUSINESS OUTLOOK AND STRATEGIES

In the future, the Group will continue to focus on four major directions to drive business growth: channel expansion, original design, capacity optimisation and product category extension. In the short term, the Group remains in a period of strategic expansion investment, and the ramp-up of offline stores, production capacity build-up at new facilities and R&D investment are expected to continue exerting phased pressure on profitability. The management will closely monitor the implementation progress and effectiveness of various initiatives.

*Focusing on Offline Self-Operated Store Marketing and Per-Store Revenue Enhancement*

Our core customer group values cultural connotations, collectible value and material craftsmanship, with primary consumption scenarios including office display, home decoration and festive gifting. Offline stores will prioritise locations in prime commercial districts and high-end shopping malls. The store space design focuses on creating a cultural atmosphere that blends modern and traditional craftsmanship aesthetics, enhancing customer dwell time and purchase intention through scenographic displays and immersive experiences.

The Group is also actively expanding its female and younger customer base. The Group has observed that female buyers of products such as the "Rainbow Gourd" series exceeded male buyers for the first time, reflecting the release of consumption potential among female customers for lightweight, aesthetically appealing cultural and creative products. The Group will further expand product lines such as bag charms, accessories and small home décor items that combine "self-pleasing" attributes with everyday practicality, while introducing internationally renowned IP co-branded products to reach family and younger consumer groups.

In terms of store management, the Group will continue to optimise store location selection, operational efficiency and product mix to promote the gradual release of per-store profitability. The Group has also established a store investment evaluation and dynamic monitoring system, which accurately estimates fixed costs and payback periods before store opening, and tracks per-store operating data on an ongoing basis after opening. The Group systematically conducts comparative analysis between operating forecasts and actual performance, clearly distinguishes between external environmental changes and internal judgement deviations (such as revenue recognition timing and cost control efficiency), and forms traceable and explainable analytical documentation. For stores that have consistently failed to meet expected targets, the Group promptly conducts operational diagnoses and makes strategic adjustments.

Meanwhile, the Group leverages the content marketing advantages of online platforms and cross-traffic exchange with offline stores, with offline stores serving as brand experience and community activity venues. The Group has established a membership tier system and repurchase incentive mechanisms, and will also consider conducting "Tong Fan" offline experience events in light of IP popularity in the future.

### *Continuously Strengthening Original Design and IP Matrix*

The Group will continue to increase R&D investment, upgrade development processes and introduce 3D modelling and 3D printing technologies. The new integrated building is expected to be completed in the second quarter of 2027, with planned usage for showrooms, R&D centres and live streaming rooms. In the second half of 2026, the Group will continue to expand IP licensing cooperation. As of the date of this announcement, the Group has obtained licences for well-known film and television IPs such as "A Chinese Odyssey (《大話西遊》)", "Sword Comes (《劍來》)", "Spider-Man (《蜘蛛俠》)" and "Marvel's The Avengers (《復仇者聯盟》)", and has signed co-branded agreements with Shaanxi History Museum and Gansu Provincial Museum, further enriching its IP matrix and SKU pipeline. In response to product and IP development risks, the Group maintains a high-frequency SKU iteration rhythm, quickly adjusts product strategies through small-batch trial production and market feedback, and has established an inventory dynamic monitoring mechanism to promptly carry out promotional sales and reduce inventory accumulation risks.

### *Advancing Capacity Optimisation and Supply Chain Management*

As the capacity utilisation rate of the second production centre gradually improves, the Group expects that economies of scale will help optimise unit production costs. The Group will continue to promote standardisation and automation of production processes, strengthen skills training for new employees, shorten the capacity ramp-up period for new production lines, and enhance overall production efficiency. On the supply chain side, the Group will deepen strategic cooperation with core raw material suppliers and smooth out the impact of price fluctuations by entering into medium-to-long-term procurement framework agreements and optimising procurement batches and timing. At the product and material level, the Group will also actively expand other material product lines (such as silver and gold) to gradually reduce its reliance on copper as a single raw material, enhancing supply chain resilience and cost risk resistance. In addition, the Group will continuously improve inventory turnover levels and enhance overall supply chain operational efficiency through measures such as optimising procurement arrangements, introducing demand forecast management systems and strengthening inventory dynamic monitoring.

### *Expanding Multi-Category Product Matrix and Building a Balanced Channel Network*

The Group will use copper, silver, gold and other materials as the primary carriers to actively expand accessory products, metal trendy toys and other categories, with a particular focus on products that are exquisite, refined and moderately priced, to attract a more diverse customer base, promote product portfolio diversification, and gradually reduce revenue dependence on copper-based products. On the channel side, the Group is gradually reducing its reliance on single online platforms such as Tmall and Douyin by accelerating the expansion of offline self-operated stores and developing a private domain membership system, so as to build a more balanced multi-channel sales network, while strengthening coordinated management of online and offline pricing and promotional activities to avoid channel conflicts and brand dilution.

The Group will continue to promote various strategic initiatives in accordance with the use of proceeds from the global offering and business plans disclosed in the Prospectus. As of June 30, 2026, the proceeds are being gradually applied to areas such as product development, production capacity expansion, sales channel construction and digital enhancement as planned.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the unaudited interim condensed consolidated financial results of the Group for the six months ended June 30, 2026 and comparative figures for the six months ended June 30, 2025:

| | **For the six months ended June 30,** | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| **Revenue** | **341,506** | 308,238 |
| Cost of sales | **(225,068)** | (200,075) |
| **Gross profit** | **116,438** | 108,163 |
| Other income | **7,879** | 5,131 |
| Other gains and losses | **(5,925)** | 771 |
| Reversal of impairment losses on financial assets | **163** | 4 |
| Selling and marketing expenses | **(68,379)** | (39,935) |
| Administrative expenses | **(19,040)** | (12,686) |
| Other operating expenses | **(3,407)** | (803) |
| Research and development expenses | **(20,405)** | (15,498) |
| Listing expenses | **(8,914)** | (12,627) |
| Finance costs | **(349)** | (47) |
| **(Loss) profit before tax** | **(1,939)** | 32,473 |
| Income tax credit (expenses) | **3,220** | (2,229) |
| **Profit and total comprehensive income for the period** | **1,281** | 30,244 |

## REVENUE

The table below sets forth a breakdown of the Group's revenue by type of goods, sales channel and geographical region for the six months ended June 30, 2025 and 2026, in absolute amounts and as percentages of total revenue:

***By type of goods***

| | For the six months ended June 30, | | | |
|---|---|---|---|---|
| | **2026** | | 2025 | |
| | ***RMB'000*** | ***%*** | *RMB'000* | *%* |
| | **(Unaudited)** | | (Unaudited) | |
| **Type of goods** | | | | |
| Copper-based cultural and creative products | **328,457** | **96.2** | 292,452 | 94.9 |
| – Copper ornaments | **305,106** | **89.4** | 267,756 | 86.9 |
| – Copper engraved artworks | **23,351** | **6.8** | 24,696 | 8.0 |
| Plastic collectibles and trendy toys | **3,410** | **1.0** | 5,213 | 1.7 |
| Silver cultural and creative products | **3,747** | **1.1** | 4,692 | 1.5 |
| Gold cultural and creative products | **5,892** | **1.7** | 5,878 | 1.9 |
| Wooden cultural and creative products | **–** | **0** | 3 | 0 |
| **Total** | **341,506** | **100.0** | 308,238 | 100.0 |

*By sales channel*

| | For the six months ended June 30, | | | |
|---|---|---|---|---|
| | **2026** | | 2025 | |
| | ***RMB'000*** | ***%*** | *RMB'000* | *%* |
| | **(Unaudited)** | | (Unaudited) | |
| **Sales channel** | | | | |
| **Direct sales** | **270,880** | **79.3** | 238,463 | 77.4 |
| – Online direct sales | **211,149** | **61.8** | 215,118 | 69.8 |
| – Retail stores sales | **50,506** | **14.8** | 14,570 | 4.7 |
| – Other direct sales[(1)] | **9,225** | **2.7** | 8,775 | 2.9 |
| **Distribution partnerships** | **48,201** | **14.1** | 55,381 | 18.0 |
| – Online distributors | **17,112** | **5.0** | 19,576 | 6.4 |
| – Offline distributors | **31,089** | **9.1** | 35,805 | 11.6 |
| **Consignment arrangement** | **22,425** | **6.6** | 14,394 | 4.7 |
| – Online | **16,379** | **4.8** | 13,176 | 4.3 |
| – Offline | **6,046** | **1.8** | 1,218 | 0.4 |
| **Total** | **341,506** | **100.0** | 308,238 | 100.0 |

*Note:*

(1) Other direct sales refer to institutional and individual customers who place orders directly with the Group. Institutional customers comprise enterprises, governmental entities, and other organizations purchasing our products tailored for particular festivals, events, or promotional activities.

*By geographical region*

| | For the six months ended June 30, | | | |
|---|---|---|---|---|
| | **2026** | | 2025 | |
| | ***RMB'000*** | *%* | *RMB'000* | *%* |
| | **(Unaudited)** | | (Unaudited) | |
| **Geographical region** | | | | |
| Chinese Mainland | **338,178** | **99.0** | 304,603 | 98.8 |
| Taiwan | **3,328** | **1.0** | 3,360 | 1.1 |
| United States | **–** | **0** | 275 | 0.1 |
| **Total** | **341,506** | **100.0** | 308,238 | 100.0 |

Our copper-based cultural and creative products have consistently been the primary contributors to our revenue, accounting for 96.2% and 94.9% of our total revenue for the six months ended June 30, 2026 and the six months ended June 30, 2025, respectively. Our Group's total revenue increased by approximately 10.8% from RMB308.2 million for the six months ended June 30, 2025 to RMB341.5 million for the six months ended June 30, 2026, primarily driven by the continued growth of our core copper-based cultural and creative products during the Reporting Period. In particular, revenue from copper ornaments increased from RMB267.8 million for the six months ended June 30, 2025 to RMB305.1 million for the six months ended June 30, 2026. Such growth was primarily driven by the expansion of the number of offline retail stores, especially self-operated stores, which increased revenue from direct sales from RMB238.5 million for the six months ended June 30, 2025 to RMB270.9 million for the six months ended June 30, 2026; at the same time, revenue from consignment arrangement increased from RMB14.4 million for the six months ended June 30, 2025 to RMB22.4 million for the six months ended June 30, 2026, primarily benefited from the channel of premium retail supermarkets such as Sam's Club, Ole and Pangdonglai, as well as continuous expansion of offline consignment arrangement network such as cultural tourism attractions. Our Group's revenue was primarily generated from Chinese Mainland, accounting for 99.0% and 98.8% of our total revenue for the six months ended June 30, 2026 and the six months ended June 30, 2025, respectively, while our overseas market is still at an early stage of development.

## COST OF SALES

Our cost of sales increased by approximately 12.5% from RMB200.1 million for the six months ended June 30, 2025 to RMB225.1 million for the six months ended June 30, 2026, generally in line with our revenue growth. The increase was mainly attributable to higher direct materials and manufacturing costs in connection with higher sales volume, increase in certain raw material prices (in particular, copper), as well as increase in related production costs during the process of capacity expansion.

## GROSS PROFIT AND GROSS PROFIT MARGIN

Our gross profit increased by approximately 7.7% from RMB108.2 million for the six months ended June 30, 2025 to RMB116.4 million for the six months ended June 30, 2026 and the gross profit margin decreased from 35.1% for the six months ended June 30, 2025 to 34.1% for the six months ended June 30, 2026, mainly due to multiple factors: the increase in material costs (especially the increase in copper prices), coupled with the increase in depreciation and manufacturing costs due to the expansion of production capacity; meanwhile, the Group carried out promotional activities to clear certain accumulated inventories, which also diluted the overall gross profit margin to a certain extent.

## OTHER INCOME

Our other income primarily consists of sales of scrap and others, government grants, super deduction of value added tax, interest income on bank deposits and compensation from third-parties, etc. Other income increased by approximately 53.6% from RMB5.1 million for the six months ended June 30, 2025 to RMB7.9 million for the six months ended June 30, 2026, mainly due to: (i) the significant increase in government grants related to income, which primarily represented financial incentives provided by local government authorities in recognition of the Group's contribution to local economic development; (ii) the increase in sales of scrap and others; and (iii) the corresponding increase in super deduction of value added tax driven by the increase in purchase of equipment during the Period.

## OTHER GAINS AND LOSSES

We recorded net other losses of RMB5.9 million for the six months ended June 30, 2026, as compared to net other gains of RMB0.8 million for the six months ended June 30, 2025. The change was mainly due to the net foreign exchange losses arising from the proceeds raised from the listing (approximately RMB6.5 million).

## SELLING AND MARKETING EXPENSES

Our selling and marketing expenses primarily consist of e-commerce platform service fees, remuneration of offline store sales staff, depreciation and amortization, rent and decoration costs, property and utility costs, amortization of IP licensing fees at the sales stage and travel expenses, etc. Selling and marketing expenses increased by approximately 71.2% from RMB39.9 million for the six months ended June 30, 2025 to RMB68.4 million for the six months ended June 30, 2026, mainly due to: (i) the rapid expansion of offline self-operated stores, which led to a significant increase in related store operating expenses such as remuneration of offline store sales staff, depreciation and amortization, rent and decoration costs, property and utility costs and travel expenses; and (ii) the increase in amortization of licensing fees for newly introduced IPs at the sales stage.

## ADMINISTRATIVE EXPENSES

Our administrative expenses primarily consist of administrative staff remuneration, professional service fees, depreciation and amortization, office and lease expenses, etc. Our administrative expenses increased by approximately 50.1% from RMB12.7 million for the six months ended June 30, 2025 to RMB19.0 million for the six months ended June 30, 2026, mainly due to the increase in administrative staff costs and professional service fees as our business scale expanded and compliance requirements increased after listing.

## OTHER OPERATING EXPENSES

Our other operating expenses were RMB3.4 million for the six months ended June 30, 2026 as compared to RMB0.8 million for the six months ended June 30, 2025, and the increase was primarily related to the cost of sales of scrap and other materials, which corresponded to the increase in sales of scrap and others in other income.

## RESEARCH AND DEVELOPMENT EXPENSES

Our research and development expenses primarily consist of compensation of R&D personnel, material consumption, depreciation and amortization, amortization of IP licensing fees at the R&D stage and other expenses. Our research and development expenses increased by approximately 31.7% from RMB15.5 million for the six months ended June 30, 2025 to RMB20.4 million for the six months ended June 30, 2026, primarily attributable to (i) the increase in R&D personnel costs as a result of the expansion of our R&D team in line with the expansion of our product portfolio and the development of new material products; (ii) the slight increase in amortization of licensing fees for newly introduced IPs at the R&D stage; and (iii) the increased expenses related to styling creation and process R&D of new products.

## LISTING EXPENSES

We incurred listing expenses of RMB8.9 million during the Reporting Period, representing a decrease of approximately 29.4% compared with RMB12.6 million during the Previous Period. The decrease was mainly attributable to the fact that the Company officially completed the listing on March 31, 2026, and the balance of professional fees and other expenses related to the listing application recognized during the Reporting Period decreased significantly as compared to that in the six months ended June 30, 2025, during which substantial work was performed for the listing application.

In March 2026, the Company entered into some financing agreements with three independent parties (the "**Financial Service Providers**"), pursuant to which the Financial Service Providers provide advisory services related to the Company's Listing, including identifying and introducing investors. In April 2026, the aggregate service fees amounted to approximately RMB38.2 million were paid to these Financial Service Providers. In the opinion of the management, the service fees were considered as the incremental costs directly attributable to issue of shares in the Listing and was accounted for as a deduction from equity.

## FINANCE COSTS

Our finance costs increased from RMB0.05 million for the six months ended June 30, 2025 to RMB0.3 million for the six months ended June 30, 2026, mainly due to the increase in interest on lease liabilities as a result of the expansion of our offline self-operated stores.

## (LOSS) PROFIT BEFORE TAX

As a result of the foregoing, our profit before income tax turned from a profit of RMB32.5 million for the six months ended June 30, 2025 to a loss of RMB1.9 million for the six months ended June 30, 2026.

## INCOME TAX CREDIT (EXPENSES)

Our income tax turned from expenses of RMB2.2 million for the six months ended June 30, 2025 to income tax credit of RMB3.2 million for the six months ended June 30, 2026, which was mainly due to (i) the turnaround from profit to loss before tax and the corresponding decrease in taxable income during the Period, mainly due to the significant increase in selling and marketing expenses, including the rigid expense increase brought by the expansion of offline self-operated stores and the increase in marketing spending on online channel platforms; (ii) the tax incentive effect of super-deduction arising from the increase in research and development expenses; and (iii) recognition of deferred income tax assets on operating loss for the Period.

## PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, RETURN ON EQUITY AND RETURN ON TOTAL ASSETS

Our profit and total comprehensive income for the Period decreased by approximately 95.8% from RMB30.2 million for the six months ended June 30, 2025 to RMB1.3 million for the six months ended June 30, 2026. As explained above, the decrease was mainly attributable to: (i) the significant increase in selling and marketing expenses, administrative expenses as a result of the rapid expansion of offline self-operated stores, (ii) the costs arising from the expansion of production capacity and production line upgrade; and (iii) the continuous increase in R&D investment. The combination of the above factors resulted in a turnaround from a profit before tax of RMB32.5 million to a loss before tax of RMB1.9 million and an income tax credit of RMB3.2 million was recognized during the Period, partially offset by the loss before tax, ultimately resulting in a profit and total comprehensive income for the Period of RMB1.28 million.

As a result of the foregoing, our return on equity (ROE) and return on total assets (ROA) also decreased during the Reporting Period. ROE represents net profit for the Period divided by the arithmetic mean of opening and closing balances of shareholder's equity, multiplied by 100%. It declined from 7.1% for the six months ended June 30, 2025 to 0.2% for the six months ended June 30, 2026, mainly due to the increase in various expenses caused by the expansion of offline self-operated stores and the investment in production capacity, which resulted in the decrease in net profit.

ROA is calculated by dividing net profit by the arithmetic mean of opening and closing balances of total assets and multiplying by 100%. It declined from 6.0% for the six months ended June 30, 2025 to 0.2% for the six months ended June 30, 2026, also in line with the decrease in net profit for the Period.

## NON-IFRS MEASURE

To supplement our consolidated financial statements that are presented in accordance with IFRS, we also use adjusted net profit (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe that the presentation of adjusted net profit (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) can provide investors and the management with useful information to understand the consolidated results of the Group's core businesses for each period by excluding the potential impact of certain items that are not operating items and are not related to the Group's core businesses, which can provide them with a clearer understanding on the actual operating conditions and profitability of the Group's core businesses. However, our presentation of adjusted net profit (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net profit (non-IFRS measure) as net profit for the Period adjusted by adding back net foreign exchange losses and listing expenses. We define adjusted EBITDA (non-IFRS measure) as net profit for the Period adjusted by adding back income tax (income) expenses, total depreciation and amortization and finance costs, and deducting interest income on bank deposits.

The following table provides the reconciliation from profit and total comprehensive income for the Period to adjusted net profit (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) for the periods indicated:

| | **For the six months ended June 30,** | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Profit and total comprehensive income for the period | **1,281** | 30,244 |
| Add: | | |
| Net foreign exchange losses | **6,514** | 19 |
| Listing expenses | **8,914** | 12,627 |
| **Adjusted net profit (non-IFRS measure)** | **16,709** | 42,890 |
| Add: | | |
| Income tax (credit) expenses | **(3,220)** | 2,229 |
| Total depreciation and amortization | **22,761** | 11,520 |
| Finance costs | **349** | 47 |
| Less: | | |
| Interest income on bank deposits | **(564)** | (451) |
| **Adjusted EBITDA (Non-IFRS measure)** | **36,035** | 56,235 |

## INVENTORIES

Our inventory balance increased by 32.5% from RMB170.1 million as of December 31, 2025 to RMB225.4 million as of June 30, 2026. Our inventory turnover days increased from approximately 135 days for the year ended December 31, 2025 to approximately 159 days for the six months ended June 30, 2026, mainly attributable to (i) the increase in raw materials and work in progress as a result of the expansion of production capacity and production scale; and (ii) the increase in the number of offline self-operated stores, which led to a corresponding increase in inventory of merchandise to support store display and sales demand.

## TRADE AND OTHER RECEIVABLES

Our trade and other receivables increased from RMB44.0 million as of December 31, 2025 to RMB47.0 million as of June 30, 2026. Our trade receivables turnover days slightly increased from 10 days for the year ended December 31, 2025 to 12 days for the six months ended June 30, 2026. The increase was mainly attributable to the relatively longer settlement cycle of the self-operated stores in shopping malls and offline consignment arrangement such as premium retail supermarkets and cultural tourism attractions as compared to that of the other sales channels, and the revenue contribution from these channels increased during the Reporting Period.

## FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at June 30, 2026, the Group's financial assets at fair value through profit or loss amounted to RMB150.3 million, all recorded as the current assets. As at December 31, 2025, such financial assets amounted to RMB45.1 million. These financial assets mainly comprise non-principal-guaranteed fixed income collective fund trust plans and principal-guaranteed floating structured deposits purchased from banks in Chinese Mainland with maturity terms of less than one year, of which the returns of structured deposits are linked to exchange rates in the foreign exchange market.

## TRADE AND OTHER PAYABLES

The Group's trade and other payables increased from RMB82.0 million as of December 31, 2025 to RMB116.6 million as of June 30, 2026, mainly due to the increase in trade payables, which rose from RMB40.3 million to RMB57.5 million during the Period. The increase in trade payables was generally in line with our revenue growth and the corresponding increase in procurement activities during the Period, primarily driven by the expansion of offline self-operated stores and the expansion of production capacity. Our trade payables turnover days were 33 days for the year ended December 31, 2025 and 40 days for the six months ended June 30, 2026, which remained at a reasonable level in the industry, reflecting the sound credit relationship between the Group and suppliers.

## LIQUIDITY AND CAPITAL RESOURCES

The Group's principal source of funds was net cash from operations, supplemented by short-term bank borrowings as necessary. For the six months ended June 30, 2026, the Group's cash from operating activities amounted to RMB15.7 million, as compared to RMB22.7 million for the six months ended June 30, 2025.

The Group mainly holds cash and cash equivalents in RMB. As at June 30, 2026, the Group's bank balances and cash, comprising cash and short-term bank deposits with original maturities of three months or less, amounted to RMB138.2 million, representing a significant increase from RMB6.4 million as at December 31, 2025, mainly due to the receipt of proceeds from the global offering.

The Group has sufficient liquidity to meet its daily working capital management needs. The Group's future cash requirements will depend on many factors, including the Group's operating income, capital expenditures on property, plant and equipment, and intangible assets, market acceptance of the Group's products and other changing business conditions, or future developments, such as any investments or acquisitions that we may decide to pursue. If existing funds are insufficient to meet the Group's requirements, the Group may seek to issue equity and/or debt securities or borrow from financial institutions. The Group adopts a prudent capital management strategy and regularly monitor its liquidity position to ensure operational flexibility and financial stability.

## CAPITAL STRUCTURE

As at June 30, 2026, the net asset value of the Group was RMB792.3 million, as compared to RMB457.0 million as at December 31, 2025. The net assets value as at June 30, 2026 mainly comprised current assets of RMB584.3 million, non-current assets of RMB359.9 million, current liabilities of RMB141.1 million and non-current liabilities of RMB10.8 million.

## BANK AND OTHER BORROWINGS

The Group did not have any bank and other borrowings during the Reporting Period.

## CURRENT RATIO, QUICK RATIO AND GEARING RATIO

Current ratio is calculated as total current assets divided by total current liabilities. We maintained a healthy liquidity position with current ratios of 3.4 and 4.1 as at December 31, 2025 and June 30, 2026, respectively.

Quick ratio is calculated as total current assets less inventories and divided by total current liabilities. Our quick ratio increased from 1.6 as at December 31, 2025 to 2.5 as at June 30, 2026, reflecting a sound liquidity position.

Gearing ratio equals total interest-bearing borrowings and lease liabilities divided by the sum of total interest-bearing borrowings, lease liabilities and equity attributable to owners of the Company at the end of the period, multiplied by 100%. The Group's gearing ratio increased from 2.6% as at December 31, 2025 to 3.5% as at June 30, 2026, primarily driven by the increase in lease liabilities in connection with the expansion of our offline self-operated stores.

## CAPITAL MANAGEMENT

The primary objectives of our capital management are to safeguard our ability to continue as a going concern and to maintain healthy capital ratios to support our business and maximize equity holders' value.

We manage our capital structure and adjust our capital structure in view of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, if applicable, we may adjust the dividend payment to equity holders, return capital to equity holders or issue new shares. We are not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes for managing capital during the Reporting Period.

## CAPITAL COMMITMENTS

As at June 30, 2026, the Group had contracted but not provided for capital commitments for acquisition of property, plant and equipment of approximately RMB0.6 million, as compared to approximately RMB0.2 million as at December 31, 2025.

## CAPITAL EXPENDITURES

The Group's capital expenditure primarily relates to payments of property, plant and equipment, intangible assets and land lease. For the six months ended June 30, 2026, the Group's capital expenditures were approximately RMB103.9 million, as compared to approximately RMB6.4 million for the six months ended June 30, 2025.

## PLEDGE ON ASSETS

As at June 30, 2026, the Group did not have any pledge on any of the Group's assets.

## RISK ON EXCHANGE RATE FLUCTUATIONS

During the Reporting Period, the Group's foreign currency risk mainly arose from the proceeds raised from the global offering, which were held in Hong Kong dollars. As a result of the depreciation of the exchange rate of Hong Kong dollars during the Period, this amount incurred a one-off foreign exchange loss of approximately RMB6.5 million upon conversion. Apart from this one-off foreign exchange loss, the Group's foreign currency risk primarily arises from trade and other receivables and bank balances denominated in non-functional currencies, and such exposure primarily relates to trade receivables and bank account balances denominated in US dollars. As nearly 99% of the Group's revenue is generated from the Chinese Mainland, with less than 1% coming from Taiwan, the overall foreign exchange risk is minimal. Accordingly, the Group currently does not use any derivative contracts to hedge foreign exchange risk, however, the management of the Company will continue to closely monitor foreign currency exchange rate fluctuations and, where necessary, consider adopting appropriate hedging strategies to manage significant foreign exchange risks.

## CONTINGENT LIABILITIES

As at June 30, 2026, the Group did not have any material contingent liabilities.

## MATERIAL ACQUISITION AND DISPOSAL

During the Reporting Period, the Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures.

## SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS INVESTMENTS

On May 27, 2026, the Company subscribed for a non-principal-guaranteed fixed income collective fund trust plan (the "**Trust Plan**") sold by China CITIC Bank Corporation Limited at a consideration of RMB30.0 million, which has medium and low risk characteristics. The Trust Plan mainly invests in fixed income asset management products and trust industry guarantee funds, and the idle funds can be used for bank deposits, money market funds, large negotiable certificates of deposit and reverse repurchase of bonds. The term of the Trust Plan commenced from May 27, 2026 to August 24, 2026, with a variable management fee mechanism and a performance benchmark of 2.30%, and was fully redeemed on August 24, 2026.

On May 20, 2026 and June 10, 2026, the Company subscribed for two principal-guaranteed floating structured deposit products (the "**Structured Deposits**") sold by Bank of Ningbo Co., Ltd. at a consideration of RMB50.0 million and RMB70.0 million, respectively, which have low risk characteristics. Their returns are linked to the foreign currency spot exchange rate as published on the Bloomberg page, with expected annualized yields tiered at 1.00%, 2.05% or 2.25%, each with a term of 92 days. Among them, the first structured deposit was fully redeemed on August 20, 2026.

As the highest applicable percentage ratio in respect of each of the above subscription and redemption transactions (the "**Transactions**") calculated on an individual basis, exceeds 5% but is less than 25%, therefore, the Transactions constitute discloseable transactions for the Company under Chapter 14 of the Listing Rules and are subject to reporting and announcement requirements, but are exempted from the circular and shareholders' approval requirements. For the Structured Deposits, the subscription transactions of the Structured Deposits are required to be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules as both products were subscribed from the same bank, are similar in nature and were carried out within a 12-month period. As the highest applicable percentage ratio in respect of the subscription transactions of the Structured Deposits calculated on an aggregated basis exceeds 5% but is less than 25%, such subscription transactions constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules and are subject to reporting and announcement requirements, but are exempted from the circular and shareholders' approval requirements. For more details, please refer to the announcement of the Company dated August 24, 2026 in relation to the discloseable transactions in respect of the wealth management products.

Save as disclosed above, the Group did not make any significant investments during the Reporting Period. In addition, as of June 30, 2026, save as disclosed in this announcement and in the section headed "Future Plans and Use of Proceeds" in the Prospectus, the Group had no specific plans for significant investments or acquisition of capital assets.

## EMPLOYEES, REMUNERATION POLICY AND TRAINING

As at June 30, 2026, the Group had a total of 1,810 full-time employees, all of whom were based in the PRC. During the Reporting Period, employee remuneration costs amounted to RMB25.8 million.

Employees' remuneration packages include salaries and bonuses, which are usually determined with reference to market salary and benefit levels, personal qualifications and abilities, and performance evaluations. The Group also provides equity incentives (i.e. the 2026 H share award scheme, which is subject to shareholders' approval at the forthcoming general meeting) and promotion opportunities to motivate its employees.

The Group organizes induction training and regular professional training for employees to develop their skills. In accordance with our employee training policy, we provide employees with opportunities to participate in training courses and seminars on production safety, fire safety and emergency rescue, as well as team building activities, to cultivate our corporate culture.

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

*FOR THE SIX MONTHS ENDED JUNE 30, 2026*

| | | Six months ended June 30, | |
|---|---|---|---|
| | *NOTES* | **2026** | 2025 |
| | | ***RMB'000*** | *RMB'000* |
| | | **(Unaudited)** | (Unaudited) |
| Revenue | 4 | **341,506** | 308,238 |
| Cost of sales | | **(225,068)** | (200,075) |
| Gross profit | | **116,438** | 108,163 |
| Other income | 5 | **7,879** | 5,131 |
| Other gains and losses | 6 | **(5,925)** | 771 |
| Reversal of impairment losses on financial assets | | **163** | 4 |
| Selling and marketing expenses | | **(68,379)** | (39,935) |
| Administrative expenses | | **(19,040)** | (12,686) |
| Other operating expenses | | **(3,407)** | (803) |
| Listing expenses | | **(8,914)** | (12,627) |
| Research and development expenses | | **(20,405)** | (15,498) |
| Finance costs | 7 | **(349)** | (47) |
| **(Loss) profit before tax** | 8 | **(1,939)** | 32,473 |
| Income tax credit (expenses) | 9 | **3,220** | (2,229) |
| **Profit and total comprehensive income for the period** | | **1,281** | 30,244 |
| **Earnings per share** | | | |
| Basic *(RMB)* | 11 | **0.02** | 0.53 |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*AS AT JUNE 30, 2026*

| | *NOTES* | **June 30, 2026** **RMB'000** **(Unaudited)** | December 31, 2025 *RMB'000* (Audited) |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | 12 | **273,363** | 194,500 |
| Prepayments for property, plant and equipment | | **19,351** | – |
| Right-of-use assets | 12 | **36,512** | 19,740 |
| Intangible assets | 12 | **6,410** | 6,066 |
| Interest in an associate | | **300** | 300 |
| Deferred tax assets | | **3,979** | 622 |
| Time deposits | | **20,034** | 15,668 |
| | | **359,949** | 236,896 |
| **Current assets** | | | |
| Inventories | 13 | **225,398** | 170,102 |
| Trade and other receivables | 14 | **46,954** | 43,973 |
| Right to returned goods asset | | **450** | 648 |
| Tax recoverable | | **7,161** | 3,001 |
| Financial assets at fair value through profit or loss ("**FVTPL**") | | **150,263** | 45,073 |
| Time deposits | | **15,865** | 17,013 |
| Restricted bank deposit | | **–** | 35,000 |
| Bank balances and cash | 15 | **138,187** | 6,411 |
| | | **584,278** | 321,221 |

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**
*AS AT JUNE 30, 2026*

| | *NOTES* | **June 30, 2026** ***RMB'000*** **(Unaudited)** | December 31, 2025 *RMB'000* (Audited) |
|---|---|---|---|
| **Current liabilities** | | | |
| Trade and other payables | 16 | **116,630** | 82,001 |
| Income tax payable | | **318** | 448 |
| Lease liabilities | | **17,704** | 6,996 |
| Contract liabilities | 17 | **5,745** | 5,083 |
| Refund liabilities | | **687** | 1,021 |
| | | **141,084** | 95,549 |
| **Net current assets** | | **443,194** | 225,672 |
| **Total assets less current liabilities** | | **803,143** | 462,568 |
| **Non-current liabilities** | | | |
| Lease liabilities | | **10,378** | 5,078 |
| Deferred income | | **433** | 511 |
| | | **10,811** | 5,589 |
| **Net assets** | | **792,332** | 456,979 |
| **Capital and reserves** | | | |
| Share capital | 18 | **64,407** | 57,000 |
| Reserves | | **727,925** | 399,979 |
| **Total equity** | | **792,332** | 456,979 |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*AS AT JUNE 30, 2026*

## 1. GENERAL INFORMATION

Hangzhou Tongshifu Cultural and Creative (Group) Co., Ltd. (the "**Company**") was incorporated in The People's Republic of China (the "**PRC**") on March 26, 2013 as a limited liability company. The Company was converted into a joint-stock company with limited liability and renamed as Hangzhou Xijiang Cultural Arts Co., Ltd. (杭州璽匠文化藝術品股份有限公司) on October 28, 2014. On December 16, 2024, the Company was further renamed as Hangzhou Tongshifu Cultural and Creative (Group) Co., Ltd. (杭州銅師傅文創(集團)股份有限公司). The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since March 31, 2026.

The Company and its subsidiaries (the "**Group**") are principally involved in research and development, production and sale of cultural and creative products made of copper, plastics, silver, gold and wooden.

The condensed consolidated financial statements are presented in the currency of Renminbi ("**RMB**"), which is the functional currency of the Company.

## 2. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

The directors of the Company had, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continued to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

## 3. PRINCIPAL ACCOUNTING POLICIES

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

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

**Application of amendments to IFRS Accounting Standards**

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

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

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

## 4. REVENUE

### (i) Disaggregation of revenue from contracts with customers

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| **Type of goods** | | |
| Copper-based cultural and creative products | **328,457** | 292,452 |
| – Copper ornaments | **305,106** | 267,756 |
| – Copper engraved artworks | **23,351** | 24,696 |
| Plastic collectibles and trendy toys | **3,410** | 5,213 |
| Silver cultural and creative products | **3,747** | 4,692 |
| Gold cultural and creative products | **5,892** | 5,878 |
| Wooden cultural and creative products | **–** | 3 |
| **Total** | **341,506** | 308,238 |
| **Timing of revenue recognition** | | |
| A point in time | **341,506** | 308,238 |
| **Sales channel** | | |
| Direct sales | **270,880** | 238,463 |
| – Online direct sales | **211,149** | 215,118 |
| – Retail stores sales | **50,506** | 14,570 |
| – Other direct sales | **9,225** | 8,775 |
| Distribution partnerships | **48,201** | 55,381 |
| – Online distributors | **17,112** | 19,576 |
| – Offline distributors | **31,089** | 35,805 |
| Consignment arrangement | **22,425** | 14,394 |
| – Online | **16,379** | 13,176 |
| – Offline | **6,046** | 1,218 |
| **Total** | **341,506** | 308,238 |

**(ii) Segment information**

Information reported to the chairman, Mr. Yu Guang, being the chief operating decision maker, uses revenue analysis by type of goods and by sales channel for the purposes of resource allocation and assessment. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures, including major customers and geographic information, are presented.

***Geographical information***

Information about the Group's revenue from external customers is presented on the location of the operations.

| | **Six months ended June 30,** | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Chinese Mainland | **338,178** | 304,603 |
| Taiwan | **3,328** | 3,360 |
| United States | **–** | 275 |
| | **341,506** | 308,238 |

The Group's non-current assets are all located in the Chinese Mainland.

## 5. OTHER INCOME

| | **Six months ended June 30,** | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Sales of scrap and others | **5,024** | 1,726 |
| Sales of accessories | **–** | 17 |
| Rental income *(note i)* | **–** | 1,828 |
| Government grants related to: | | |
| – Income *(note ii)* | **1,034** | 205 |
| – Asset *(note iii)* | **72** | 73 |
| Super deduction of value added tax | **1,078** | 630 |
| Interest income on bank deposits | **564** | 451 |
| Compensation from third parties | **107** | 201 |
| | **7,879** | 5,131 |

*Notes:*

(i) For the six months ended June 30, 2025, in respect of rental income, direct operating expenses incurred for properties that generated rental income amounted to RMB1,828,000.

(ii) The Group's income from government grants comprises financial incentives provided by related local government authorities in the PRC. These incentives were awarded in recognition of the Group's support and contribution to local economic development. No specific conditions were attached to the grants received from these local government authorities.

(iii) The Group has received certain government grants as incentive for investing in plant and machineries. The grants have been recognized in profit or loss over the useful lives of the relevant assets. Details of the grants are set out in Note 20.

## 6. OTHER GAINS AND LOSSES

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Gain (loss) on disposal of property, plant and equipment | **2** | (80) |
| Net foreign exchange losses | **(6,514)** | (19) |
| Fair value gain of financial assets at FVTPL | **587** | 870 |
| | **(5,925)** | 771 |

## 7. FINANCE COSTS

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Interest on lease liabilities | **349** | 47 |

## 8. (LOSS) PROFIT BEFORE TAX

(Loss) profit before tax has been arrived at after charging (crediting):

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Depreciation of property, plant and equipment | **12,453** | 8,366 |
| Depreciation of right-of-use assets | **6,514** | 1,218 |
| Amortization of intangible assets | **3,794** | 1,936 |
| Total depreciation and amortization | **22,761** | 11,520 |
| Less: Capitalized in inventories | **(7,055)** | (5,144) |
| | **15,706** | 6,376 |
| Directors' remuneration | **1,125** | 1,046 |
| Salaries, allowances and benefits | **115,496** | 80,820 |
| Retirement benefits scheme contributions | **8,730** | 5,811 |
| Total staff costs (including directors) | **125,351** | 87,677 |
| Less: Capitalized in inventories | **(83,622)** | (59,299) |
| | **41,729** | 28,378 |
| Impairment losses reversed on trade receivables | **(163)** | (4) |
| Auditors' remuneration | **1,500** | 472 |
| Write-down of inventories (included in cost of sales) | **4,683** | 1,250 |
| Reversal of inventories write-down (included in cost of sales) | **(2,012)** | (728) |
| Cost of inventories recognized as cost of sales (excluding write-down and reversal of write-down of inventories) | **214,740** | 190,923 |

## 9. INCOME TAX (CREDIT) EXPENSES

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Current tax: | | |
| PRC Enterprise Income Tax ("**EIT**") | **1** | 2,684 |
| Under (over) provision in prior years | **136** | (411) |
| Deferred tax: | | |
| Current period | **(3,357)** | (44) |
| | **(3,220)** | 2,229 |

Under the Enterprise Income Tax Law of the PRC (the "**EIT Law**") and its Implementation Regulation of the EIT Law, the EIT rate of the subsidiaries operating in the PRC is 25%.

However, the Company has been accredited as "High and New Technology Enterprise" and is therefore eligible for a preferential EIT rate of 15% up to the year ending December 5, 2027. In addition, certain subsidiaries of the Group operating in the PRC have been accredited as "Micro and Small Enterprise" and are therefore eligible for a preferential EIT rate of 20%.

## 10. DIVIDENDS

No dividends were paid, declared or proposed during the current interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

## 11. EARNINGS PER SHARE

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

| | Six months ended June 30, | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| **Earnings:** | | |
| Earnings for the period for the purpose of calculating basic earnings per shares | **1,281** | 30,244 |
| **Number of shares:** | | |
| Weighted average number of ordinary shares for the purpose of calculating basic earnings per share | **62,555,100** | 57,000,000 |

## 12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the six months ended June 30, 2026, the Group had the following significant movements in property, plant and equipment, right-of-use assets and intangible assets:

i. The Group acquired RMB92,889,000 (six months ended June 30, 2025: RMB3,012,000) of property, plant and equipment mainly for the expansion of production facilities.

ii. The Group renewed and entered into several new lease agreements for lease properties ranging from 2 to 3 years (six months ended June 30, 2025: 2 to 3 years). On lease commencement, the Group recognized right-of-use assets of RMB29,249,000 and lease liabilities of RMB28,082,000 (six months ended June 30, 2025: RMB3,024,000 and RMB2,895,000), respectively.

iii. The Group acquired RMB4,138,000 (six months ended June 30, 2025: RMB5,585,000) of intangible assets mainly for acquisition of intellectual property rights used in new products development.

## 13. INVENTORIES

| | **As at** | |
|---|---|---|
| | **June 30, 2026** | December 31, 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| Raw materials and consumables | **69,721** | 49,636 |
| Work in progress | **46,249** | 30,183 |
| Finished goods | **102,614** | 85,637 |
| Goods in transit | **6,814** | 4,646 |
| | **225,398** | 170,102 |

Inventories are stated at net of write-down of approximately RMB3,533,000 as at June 30, 2026 (December 31, 2025: RMB4,247,000).

## 14. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

| | As at | |
|---|---|---|
| | **June 30, 2026** | December 31, 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| Trade receivables | **19,785** | 25,455 |
| Less: allowance for credit losses | **(603)** | (766) |
| | **19,182** | 24,689 |
| Other receivables | **9,501** | 5,624 |
| Less: allowance for credit losses | **(28)** | (28) |
| | **9,473** | 5,596 |
| Advances to suppliers | **10,670** | 5,954 |
| Prepaid expenses | **1,487** | 2,133 |
| Value added tax recoverable | **6,142** | 3,120 |
| Deferred issue costs | **–** | 2,481 |
| | **18,299** | 13,688 |
| Total trade and other receivables | **46,954** | 43,973 |

As at January 1, 2025, trade receivables amounted to RMB9,062,000 (net of allowances for credit losses of RMB359,000).

The Group allows a credit period ranging from 30 to 60 days to its certain customers. An aged analysis of trade receivables (net of allowance for credit losses), based on invoice dates, is presented as follows:

| | As at | |
|---|---|---|
| | **June 30, 2026** | December 31, 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| 0 to 30 days | **18,319** | 23,871 |
| 31 to 60 days | **863** | 818 |
| | **19,182** | 24,689 |

## 15. BANK BALANCES AND CASH/RESTRICTED BANK DEPOSIT/TIME DEPOSITS

Bank balances and cash of the Group comprised of cash and short-term bank deposits with original maturities of three months or less. These short-term term deposits bear interests at market rates, ranging from 0.05% to 1.3% per annum as at June 30, 2026 (December 31, 2025: 0.05% to 1.3% per annum).

As at December 31, 2025, pursuant to a structured deposit agreement entered with a bank, a bank deposit in the amount of RMB35,000,000 is subject to a cooling-off period and classified under restricted bank deposit. Such restricted bank deposit has been lifted and reclassified as financial asset at FVTPL in January 2026.

As at June 30, 2026, time deposits with original maturity of over three months were carried at fixed interest rates ranging from 2.1% to 2.6% per annum (December 31, 2025: 1.6% to 2.6% per annum).

## 16. TRADE AND OTHER PAYABLES

| | As at June 30, 2026 RMB'000 (Unaudited) | December 31, 2025 RMB'000 (Audited) |
|---|---|---|
| Trade payables | **57,543** | 40,327 |
| Other payables and accruals | **7,773** | 9,059 |
| Payables for purchase of property, plant and equipment | **15,980** | 3,542 |
| Distributor guarantee deposits | **2,831** | 2,771 |
| Accrued listing expense | **1,928** | 3,067 |
| Accrued issue cost | **260** | 235 |
| Salary and bonus payables | **25,819** | 18,872 |
| Other taxes payables | **4,496** | 4,128 |
| Total trade and other payables | **116,630** | 82,001 |

Payment terms with suppliers are mainly on credit within 60 days from the time when the goods are received. An aged analysis of trade payables, based on invoice date at the end of Reporting Period, is presented as follows:

| | As at June 30, 2026 RMB'000 (Unaudited) | December 31, 2025 RMB'000 (Audited) |
|---|---|---|
| 0 to 30 days | **44,720** | 37,891 |
| 31 to 60 days | **12,823** | 2,436 |
| | **57,543** | 40,327 |

## 17. CONTRACT LIABILITIES

| | As at June 30, 2026 RMB'000 (Unaudited) | As at December 31, 2025 RMB'000 (Audited) |
|---|---|---|
| Current liabilities: | | |
| – Advance payments from distributors | **5,338** | 5,008 |
| – Points accumulation program | **407** | 75 |
| | **5,745** | 5,083 |

As at January 1, 2025, contract liabilities of the Group amounted to RMB5,284,000.

## 18. SHARE CAPITAL

Issued and fully paid:

| | Number of shares '000 | Par value RMB | Share capital RMB'000 |
|---|---|---|---|
| As at January 1, 2025 (audited) and December 31, 2025 (audited) | 57,000 | 1 | 57,000 |
| Shares issued pursuant to the IPO *(note)* | 7,407 | 1 | 7,407 |
| As at January 1, 2026 | 64,407 | 1 | 64,407 |

*Note:* Upon listing of the Company's shares on the Main Board of the Stock Exchange on March 31, 2026 (the "**Listing**"), 7,407,000 ordinary shares were issued at an offer price of HK$60 per share pursuant to its IPO. The gross proceeds from the issuance of these shares amounted to approximately HK$444 million, equivalent to approximately RMB392.4 million, of which approximately RMB7.4 million and RMB385.0 million were credited to the Company's share capital and share premium, respectively.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company issued H shares at HK$60 per share and offered 7,406,800 H shares in Hong Kong, which were listed on the Main Board of the Stock Exchange on March 31, 2026 (the "**Listing Date**"). The net proceeds received by the Company from the global offering, after deducting underwriting fees and commissions and other expenses payable by the Company in connection with the global offering, amounted to approximately HK$390.2 million, which incurred a one-off foreign exchange loss of approximately RMB6.5 million upon conversion as a result of the depreciation of Hong Kong dollars during the Period. After deducting the above losses, the net proceeds from the global offering actually received by the Company (the "**Actual Net Proceeds**") amounted to approximately RMB338.0 million (equivalent to approximately HK$382.8 million).

Since the Listing Date and up to June 30, 2026, the Group has gradually utilized the proceeds from the global offering for the intended use as set out in the Prospectus. As of June 30, 2026, the accumulated proceeds utilized by the Group amounted to approximately RMB220.4 million, representing approximately 65.2% of the Actual Net Proceeds from the global offering. The remaining unutilized proceeds of approximately RMB117.5 million will continue to be utilized by the Group in accordance with the purposes and proportions as disclosed in the Prospectus. For details, please see the table below:

| | Approximate percentage of the total net proceeds *(%)* | Actual Net Proceeds from the global offering *(RMB million)* | Net proceeds utilized during the Reporting Period *(RMB million)* | Unutilized net proceeds as of June 30, 2026 *(RMB million)* | Expected time to utilize the remaining net proceeds in full[Note 1] |
|---|---|---|---|---|---|
| **Invest in Product Development and Design Capabilities** | | | | | By the end of the year ending 2028 |
| Build and upgrade research and development infrastructure | 33.0 | 111.5 | 37.3 | 74.2 | |
| Diversify and enhance product portfolio | 5.0 | 16.9 | 15.8 | 1.1 | |
| **Enhance Production Capacity and Fulfillment Agility** | | | | | N/A (fully utilized) |
| Procure and install equipment to improve capacity throughput | 20.0 | 67.6 | 67.6 | 0.0 | |
| Expand and stabilize skilled production workforce | 4.0 | 13.5 | 13.5 | 0.0 | |
| **Strengthen Sales Channels and Marketing Capabilities** | | | | | By the end of the year ending 2028 |
| Expand our self-operated store network in the PRC | 20.0 | 67.6 | 42.4 | 25.2 | |
| Enhance digital marketing and online engagement | 2.5 | 8.4 | 7.7 | 0.7 | |
| Develop international presence and regional marketing channels | 1.5 | 5.1 | 0.9 | 4.2 | |
| **Upgrade Digital and Information Infrastructure** | | | | | By the end of the year ending 2028 |
| Deploy supporting IT infrastructure and smart devices | 2.5 | 8.4 | 0.7 | 7.7 | |
| Implement enterprise software systems | 1.5 | 5.1 | 0.7 | 4.4 | |
| **Working capital and other general corporate purposes** | 10.0 | 33.8 | 33.8 | 0.0 | N/A (fully utilized) |
| **Total**[Note 2] | **100.0** | **337.9** | **220.4** | **117.5** | |

*Notes:*

(1) The expected timeline for using the unutilized net proceeds is based on the best estimation of the present and future business market situations made by the Board, and it will be subject to changes based on the future development of market conditions.

(2) Any discrepancies in the above table between the total shown and the sum of the amounts listed are due to rounding.

Save as disclosed above, the Company did not conduct any other equity fund raising activities during the Reporting Period and up to the date of this announcement.

## PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

Since the Listing Date and up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities of the Company (including sales of treasury shares) since the Listing Date and up to June 30, 2026. As of June 30, 2026, there were no treasury shares (as defined under the Listing Rules) held by the Company.

## SUBSEQUENT EVENTS

On August 28, 2026, the Board has resolved to propose the adoption of the 2026 H share award scheme (the "**H Share Award Scheme**" or the "**Scheme**") for the purpose of improving and strengthening the long-term incentive mechanism of the Company, fully mobilizing the enthusiasm of eligible individuals and attracting and retaining outstanding talents. The Scheme constitutes a share scheme of the Company involving the issue of new shares and, accordingly, the adoption of the Scheme is subject to shareholders' approval. The terms of the Scheme shall comply with the relevant requirements under Chapter 17 of the Listing Rules. For details, please refer to the circular dated August 28, 2026 in relation to the proposed adoption of the 2026 H Share Award Scheme and related matters and the notice of the 2026 first extraordinary shareholders' meeting.

As at the date of this announcement, no grantee has been identified. Subject to the approval of the H Share Award Scheme at the extraordinary shareholders' meeting, the Company may convene a board meeting (if necessary) to determine the designated list of grantees. The Company will make a separate announcement as and when appropriate.

Save as disclosed in this announcement, no significant subsequent events that may affect the Group have occurred subsequent to the Reporting Period and up to the date of this announcement.

## DISTRIBUTABLE RESERVES

As of June 30, 2026, the Company's distributable reserves amounted to approximately RMB363.3 million.

## INTERIM DIVIDEND

In view of the fact that the Company is currently in a period of rapid expansion, there is a large demand for strategic funds in the expansion of offline self-operated stores, marketing and promotion, R&D investment, production capacity enhancement and implementation of H Share Award Scheme, which will result in numerous cash expenditure items in the next 12 months, and the implementation of cash dividend will render the Company unable to comply with its dividend policy (approved by the annual general meeting on June 26, 2026). Therefore, the Board has resolved not to declare an interim dividend for the six months ended June 30, 2026, so as to give priority to supporting the smooth progress of various expansion plans and to lay a solid foundation for the Group to attract talents, promote medium and long-term product innovation and pursue market expansion.

## CORPORATE GOVERNANCE

### *Compliance with the Corporate Governance Code*

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance its corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own code of corporate governance since the Listing Date. Since the Listing Date and up to June 30, 2026, the Company has complied with all the applicable code provisions of the CG Code, except for the deviation from code provision C.2.1 (the "**Code Provision C.2.1**") of Part 2 of the CG Code as disclosed below.

Code Provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual, to reinforce their respective independence and accountability. Since the Listing Date and up to the date of this announcement, Mr. Yu Guang ("**Mr. Yu**") is our chairman of the Board and the general manager of our Company. With extensive experience in the cultural and creative crafts industry and having served in our Company since its establishment, Mr. Yu is in charge of overall management, business, strategic development and scientific research and development of our Group. Despite the fact that the roles of our chairman of the Board and our general manager are both performed by Mr. Yu which constitutes a deviation from Code Provision C.2.1, our Board considers that, with the support of the management team, having the same individual serve as both the chairman and the chief executive officer helps to (i) ensure consistent leadership within the Company, (ii) enable more effective and efficient overall strategic planning and execution of strategic initiatives of the Board, and (iii) facilitate the flow of information between the management and the Board of the Company. In addition, our Board currently comprises five executive directors (including Mr. Yu), one non-executive Director and three independent non-executive directors, and therefore has a strong independence element in its composition. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. As such, the Board considers that the deviation from the Code Provision C.2.1 is appropriate in the current situation.

The Board will continue to review and consider splitting the roles of the chairman of the Board and the general manager at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

***Amendments to the Terms of Reference of the Board Committees and the Articles of Association***

Reference is made to the announcements of the Company dated June 1, 2026 in relation to the amendments to the terms of reference of the nomination committee and the audit committee of the Board and the proposed amendments to the articles of association.

To fully implement the latest regulatory requirements as set forth in the Corporate Governance Code revised by The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), and to optimize the operational efficiency and enhance the decision-making effectiveness of the audit committee in light of the Company's actual business circumstances, the Board has amended the terms of reference of the nomination committee and the audit committee with effect from June 1, 2026. The amended terms of reference have been published on the websites of the Hong Kong Stock Exchange and the Company.

In addition, the Board has considered and approved certain proposed amendments to the Company's articles of association (the "**Articles of Association**"). On the one hand, the Company has completed the issuance and listing of H shares on March 31, 2026, and the registered capital and shareholding structure have changed accordingly, necessitating corresponding amendments to the relevant provisions; on the other hand, to optimize the operational efficiency, the minimum frequency of the audit committee meetings has been adjusted from four times to twice per year. The above amendments were approved as a special resolution and became effective at the 2025 annual general meeting held on June 26, 2026, and the amended Articles of Association have also been published on the websites of the Hong Kong Stock Exchange and the Company.

***Change of Joint Company Secretary and Waiver from Strict Compliance with Rules 3.28 and 8.17 of the Listing Rules***

Reference is made to the announcement of the Company dated June 30, 2026. Due to personal work arrangement, Ms. Xu Jiaying (徐佳穎) ("**Ms. Xu**") has resigned from her positions as the manager of international department, the secretary to the Board and the company secretary of the Company (the "**Joint Company Secretary**"), with effect from June 30, 2026. On the same date, Mr. Luo Renxiang (羅仁祥) ("**Mr. Luo**") was appointed as the secretary to the Board and the Joint Company Secretary in replacement of Ms. Xu. Ms. Leung Hoi Yan (梁皚欣), the existing company secretary of the Company, will continue to serve as the other Joint Company Secretary, who will be responsible for assisting Mr. Luo in organizing board meetings and general meetings of the Company as well as other matters which are incidental to the duties of a company secretary. In addition, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules in relation to Mr. Luo's eligibility to act as the Joint Company Secretary for a period of three years from the date of the appointment of Mr. Luo as the Joint Company Secretary, subject to the fulfilment of specified conditions.

***Proposed Implementation of H Share Full Circulation***

On June 1, 2026, the Board of the Company has considered and approved the conversion of 2,179,599 domestic unlisted shares held by two shareholders into H shares (the "**H Share Full Circulation**"), details of which are set out in the announcement of the Company dated the same day. On June 10, 2026, the Company has submitted an application to the China Securities Regulatory Commission (the "**CSRC**") in respect of the H Share Full Circulation. As of the date of this announcement, the Company has not yet received the filing notice issued by the CSRC in relation to the proposed implementation of H Share Full Circulation. The Company will publish separate announcements as and when appropriate to keep shareholders and investors informed of the latest progress.

***Model Code for Securities Transactions***

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 code of conduct for directors and relevant employees of the Company who, may possess inside information of the Company when trading in the Company's securities since the Listing Date.

The Company has made specific enquiry to all Directors and they confirmed that they have strictly complied with the requirements and standards of dealing as set out in the Model Code since the Listing Date and up to June 30, 2026.

Since the Listing Date and up to June 30, 2026, the Company was not aware of any non-compliance with the Model Code by the relevant employees.

## REVIEW OF INTERIM RESULTS

The audit committee has reviewed the unaudited condensed consolidated interim results of the Group for the six months ended June 30, 2026. The audit committee considers that the unaudited consolidated interim results of the Group for the six months ended June 30, 2026 are in compliance with the applicable accounting standards, laws and regulations. The interim results for the six months ended June 30, 2026 are unaudited, but have been reviewed by the Company's independent auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

## PUBLICATION OF 2026 INTERIM RESULTS ANNOUNCEMENT AND 2026 INTERIM REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.tongshifu.com). The interim report of the Company for the six months ended June 30, 2026 will be published on the said websites and will be dispatched to shareholders who request a printed copy in due course.

By order of the Board
**Hangzhou Tongshifu Cultural and Creative (Group) Co., Ltd.**
**Yu Guang**
*Chairman, Executive Director and General Manager*

Hong Kong, August 28, 2026

*As of the date of this announcement, the Board of the Company comprises Mr. Yu Guang, Mr. Luo Renxiang, Mr. He Yun, Ms. Wang Xiaoxia and Mr. Chen Ruiguang as executive Directors; Mr. Xiao Feng as non-executive Director; Mr. Tu Bisheng, Dr. Huang Wenli and Mr. Fong Chun Fai as independent non-executive Directors.*