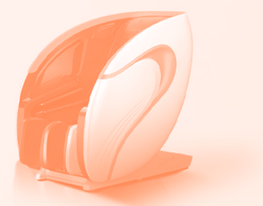
Lemo Services Co., Ltd
樂摩科技服務股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
Stock Code : 2539

2026
INTERIM REPORT

CONTENTS



DEFINITION

In this interim report, unless the context otherwise requires, the following expressions shall have the following meanings:

"2021 Share Incentive Scheme"	the share incentive scheme adopted by the Company on 1 December 2021
"2023 Share Incentive Scheme"	the share incentive scheme adopted by the Company on 8 September 2023
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Audit Committee"	the audit committee of the Company
"Board" or "Board of Directors"	the board of Directors of our Company
"Company"	Lemo Services Co., Ltd (樂摩科技服務股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (stock code: 2539)
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise required, refers to Mr. Xie Zhonghui, Zhangchuang Gongying Platform, Lemo Gongchuang Platform and Lemo Gongying Platform
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Deed of Non-competition"	a deed of non-competition dated 21 November 2025 entered into by our Controlling Shareholders in favor of our Company (for itself and as trustee for each of its subsidiaries), particulars of which are set out in "Relationship with Controlling Shareholders — Deed of Non-Competition" in the Prospectus

DEFINITION

"Direct Mode"	the operation mode for our mechanical massage service under which we are responsible for sourcing POS sites, as well as the design, decoration, operation, and ongoing maintenance of the POS locations
"Director(s)"	the director(s) of the Company
"Global Offering"	the global offering of the H Shares in connection with the Listing
"Group", "our Group", "our", "we" or "us"	the Company and all of its subsidiaries, or any one of them as the context may require
"H Share(s)"	overseas listed foreign share(s) in our ordinary share capital with a nominal value of RMB1 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"HK$" or "HK dollar(s)"	HK dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	IFRS Accounting Standards issued by the International Accounting Standards Board
"Independent Third Party(ies)"	person(s) or company(ies), who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not our connected persons
"IoT"	the Internet of Things, a network of physical objects or things embedded with electronics, software, sensors, and network connectivity, which enables these objects to collect and exchange data
"Latest Practicable Date"	14 September 2026, being the latest practicable date prior to the publication of this interim report for ascertaining certain information contained herein
"Lemo Gongchuang Platform"	Pingtan Lemo Gongchuang Investment Partnership Enterprise (LLP)* (平潭樂摩共創投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 19 November 2021

DEFINITION

"Lemo Gongying Platform"	Pingtan Lemo Gongying Investment Partnership Enterprise (LLP)* (平潭樂摩共贏投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 23 August 2023
"Listing"	listing of the Shares on the Main Board of the Stock Exchange
"Listing Date"	3 December 2025, on which the H Shares were listed on the Stock Exchange and from which dealings in the Shares were permitted to commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"LMB Links"	the IT platform self-developed by the Group, namely Lemobar Links, which is based on cloud architecture and big data and consists of a consumer operation system, an equipment operation and maintenance system and a business management system
"Local Partner(s)"	entity(ies) who are responsible for sourcing and establishing POS in local regions under our Partner Mode
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"massage equipment"	inclusive of massage chairs and massage cushions
"mechanical massage service"	massage services by utilization of massage equipment tailored based on the market demand, digitalized systems, IoT and automation with technology integrated to enhance the massage experience tailored to different consumption scenarios
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules

"Nomination Committee"	the nomination committee of the Company
"Partner Mode"	the operation mode for our mechanical massage service under which the Local Partners are responsible for sourcing POS sites, operating the POS, and maintaining the massage equipment, while we provide a comprehensive mechanical massage service solution, including provision of guidance on POS selection, design, and decoration, as well as marketing and promotional strategies, massage equipment, and software and hardware support through our LMB Links
"POS"	point(s) of service for our mechanical massage service
"PRC" or "China"	the People's Republic of China, excluding for the purposes of this interim report only, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"PRC Company Law"	the Company Law of the People's Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
"PRC Laws"	the laws and regulations of the PRC, without reference to the laws and regulations of Hong Kong and Macao Special Administrative Region of the PRC and the relevant regulations of Taiwan region
"Prospectus"	the prospectus of the Company dated 25 November 2025
"Remuneration Committee"	the remuneration committee of the Company
"Reporting Period"	the six months ended 30 June 2026
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC

DEFINITION

"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
"Share(s)"	ordinary share(s) in the capital of our Company, comprising our Unlisted Shares and our H Shares
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategy Committee"	the strategy committee of the Company
"subsidiary(ies)"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Supervisor(s)"	the supervisor(s) of our Company
"Supervisory Committee"	the supervisory committee of the Company
"treasury shares"	has the meaning ascribed to it under the Listing Rules
"Unlisted Shares"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1 each, which is/are not listed on any stock exchange
"Zhangchuang Gongying Platform"	Pingtan Zhangchuang Gongying Future Investment Partnership Enterprise (LLP)* (平潭掌創共贏未來投資合夥企業(有限合夥)), formerly known as Fuzhou City Gulou District Zhangchuang Gongying Future Investment Partnership Enterprise (LLP) (福州市鼓樓區掌創共贏未來投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 21 April 2017
"%"	per cent

* *For identification purpose only in this interim report*

If there is any inconsistency between the Chinese names of the laws and regulations, governmental authorities, institutions, natural persons, entities or enterprises established in the PRC mentioned in this interim report and their English translations, the Chinese names shall prevail. The English translations of such Chinese names are provided for identification purposes only.

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Xie Zhonghui
Mr. Feng Baocai
Mr. Chen Xing

Non-executive Directors

Mr. Han Daohu *(Chairman)*
Mr. Wu Jinghua

Independent Non-executive Directors

Mr. Lei Zhigang
Ms. Dong Hui
Mr. SUEK Ka Lun Ernie

Employee Representative Director

Ms. Yu Xiaohong
(appointed on 18 May 2026)

AUDIT COMMITTEE

Ms. Dong Hui *(Chairwoman)*
Mr. Lei Zhigang
Mr. Wu Jinghua

REMUNERATION COMMITTEE

Mr. SUEK Ka Lun Ernie *(Chairman)*
Mr. Xie Zhonghui
Ms. Dong Hui

NOMINATION COMMITTEE

Mr. Han Daohu *(Chairman)*
Mr. Lei Zhigang
Mr. SUEK Ka Lun Ernie
Ms. Dong Hui
(appointed on 18 May 2026)

STRATEGY COMMITTEE

Mr. Han Daohu *(Chairman)*
Mr. Xie Zhonghui
Mr. SUEK Ka Lun Ernie

JOINT COMPANY SECRETARIES

Ms. Zheng Huiyu
Ms. Ng Wai Kam

AUTHORIZED REPRESENTATIVES

Mr. Han Daohu
Ms. Zheng Huiyu

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8/F, Prince's Building
10 Chater Road
Central
Hong Kong

LEGAL ADVISERS

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

CORPORATE INFORMATION

COMPLIANCE ADVISER

Red Solar Securities (International) Limited
Unit 2208C, 22/F
Wu Chung House
No. 213 Queen's Road East
Wan Chai
Hong Kong

HEADQUARTER

21/F, Building B, Wangxun Smart Center
11 Keji East Road
High-Tech Zone
Fuzhou, Fujian
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1912, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANK

Fujian Strait Bank Co., Ltd.
Pingtan Branch
1st Floor, Shops 24-33 and 2nd Floor
Room 01, Shopping Mall, Building 1
West Side of Cuiyuan South Road
Tancheng Town
Pingtan County
Fujian
PRC

COMPANY WEBSITE

www.lemobar.com

STOCK CODE

2539

FINANCIAL AND OPERATING HIGHLIGHTS

FINANCIAL RESULTS

	For the six months ended 30 June		
	2026	2025	Change
	(RMB'000)	(RMB'000)	(%)
	(Unaudited)	(Unaudited)	
Revenue	**443,063**	433,070	2.31%
Cost of sales	**(300,939)**	(289,164)	4.07%
Gross profit	**142,124**	143,906	-1.24%
Other net (loss)/income	**(2,339)**	785	-397.96%
Selling and distribution expenses	**(60,459)**	(62,429)	-3.16%
Administrative expenses	**(21,203)**	(24,134)	-12.14%
Research and development expenses	**(12,813)**	(10,739)	19.31%
Profit from operations	**45,310**	47,389	-4.39%
Finance costs	**(457)**	(1,053)	-56.60%
Share of losses of a joint venture	**(18)**	–	N/A
Profit before taxation	**44,835**	46,336	-3.24%
Income tax	**(8,278)**	(8,369)	-1.09%
Profit for the period	**36,557**	37,967	-3.71%
Adjusted net profit for the period (non-IFRS measures) [(1)]	**38,893**	47,174	-17.55%

Note:

(1) We define adjusted net profit (non-IFRS measures) as profit for the period adjusted for (i) equity-settled share-based payment expenses, which are the non-cash payment in nature; and (ii) listing expenses, which are the expenses relating to the Global Offering.

FINANCIAL AND OPERATING HIGHLIGHTS

ASSETS, LIABILITIES AND EQUITY

	As at 30 June 2026 (RMB'000) (Unaudited)	As at 31 December 2025 (RMB'000) (Audited)
Total assets	**689,167**	714,249
Total liabilities	**178,489**	214,196
Total equity	**510,678**	500,053

OPERATING METRICS

	As at 30 June 2026	As at 31 December 2025
Number of Massage Equipment	**548,738**	539,443
– Massage Chairs	**102,290**	100,302
– Massage Cushions	**446,448**	439,141
Number of POS	**52,511**	49,877

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 June 2026, the Group recorded total revenue of RMB443.06 million, representing an increase of 2.31% compared with the same period last year; gross profit of RMB142.12 million, representing a decrease of 1.24% compared with the same period last year; and adjusted net profit (non-IFRS measures) of RMB38.89 million, representing a decrease of 17.55% compared with the same period last year. The Group recorded positive operating cash inflow of RMB106.59 million, which was in a good cash flow condition.

As at 30 June 2026, the number of massage chairs was 102,290, representing an increase of 1.98% compared with 100,302 as at 31 December 2025; the number of massage cushions was 446,448, representing an increase of 1.66% compared with 439,141 as at 31 December 2025; and the number of POS was 52,511, representing an increase of 5.28% compared with 49,877 as at 31 December 2025.

Mechanical Massage Service

Our mechanical massage service mainly includes provision of massage service performed by the mechanical massage equipment at our POS. We strategically lay out our mechanical massage service into consumption scenarios with high consumer traffic such as commercial complexes, cinemas, traffic hubs (including airports and high-speed rail stations). For the six months ended 30 June 2026, we generated revenue from mechanical massage service of RMB432.69 million, representing an increase of 2.54% compared with the same period last year.

Direct Mode and Partner Mode

Under the Direct Mode, we are responsible for POS operation. Under the Partner Mode, Local Partners are responsible for POS operation, while we provide a comprehensive mechanical massage service solution. During the Reporting Period, the Direct Mode was our primary operation mode, with approximately 86.03% of revenue generated from mechanical massage service. While actively expanding our directly-operated POS network, we also maintained a robust Local Partner network, leveraging their advantages on local resources for sustained growth.

Our Mechanical Massage Equipment

We retained ownership of our mechanical massage equipment under both the Direct Mode and the Partner Mode in China. We have provided over 10 types of mechanical massage equipment for use at our POS during the Reporting Period. Our mechanical massage equipment during the Reporting Period comprised mechanical massage chairs and mechanical massage cushions. We have developed a multi-tiered product structure to cater to the diverse needs of different consumer segments. As at 30 June 2026, our product portfolio comprised four distinct series: the Leisure Chair Comfort and Relaxation Series, the Energy Egg Professional Massage Series, the First Class Intelligent Health Series, and the Back & Waist Relax Cinema Experience Series.

Our POS Network

As at 30 June 2026, we had a POS network of over 52,511 POS, covering 31 provincial-level administrative divisions, 344 cities, one special administrative region of the PRC and four overseas countries. In 2025, we commenced establishing our overseas POS presence. During the six months ended 30 June 2026, we have been continuously expanding the POS scale overseas.

As at 30 June 2026, our operations in Thailand had substantially completed the early exploratory stage with 384 POS in operation, while our operations in Hong Kong and Indonesia remained in the early exploratory stage with limited number of POS.

MANAGEMENT DISCUSSION AND ANALYSIS

In January 2026, for the purpose of preliminary trial operation, we entered into a cooperation arrangement with a company incorporated in the Philippines (the "**Philippine Partner**") for the establishment of POS in the Philippines. As at 30 June 2026, our operations in the Philippines remained in the early exploratory stage and the POS scale was limited.

In March 2026, for the purpose of preliminary trial operation, we invested in a company incorporated in the United States for the establishment of POS in the United States through such platform. As at 30 June 2026, our operations in the United States remained in the early exploratory stage and the POS scale was limited.

Other Business

During the Reporting Period, we also (i) generated revenue through the display of advertisements in the form of pop-up banners through our Wechat mini program and official account; (ii) sold a variety of massage equipment and massage accessories for household use, through e-commerce platforms including JD, Tmall, Douyin and Youzan to retail consumers; and (iii) sold massage equipment and spare parts to the Local Partners. These businesses, as a supplement to our mechanical massage service, helped us increase the brand awareness of our enterprise and diversify our business structure.

For the six months ended 30 June 2026, our revenue generated from other business was RMB10.37 million, accounting for 2.34% of our total revenue.

FINANCIAL REVIEW

Revenue

The following table sets forth the breakdown of our revenue by business segment for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	(RMB'000) (unaudited)	**% of total revenue**	(RMB'000) (unaudited)	% of total revenue
Mechanical massage services				
– Direct Mode	**372,266**	**84.02%**	359,876	83.10%
– Partner Mode	**60,427**	**13.64%**	62,115	14.34%
Subtotal	**432,693**	**97.66%**	421,991	97.44%
Others *(Note)*	**10,370**	**2.34%**	11,079	2.56%
Total	**443,063**	**100.00%**	433,070	100.00%

Note: Others mainly include income from (i) online sales of household massage equipment and massage accessories; (ii) provision of digital advertising services; and (iii) sales of massage equipment and spare parts to the Local Partners.

Revenue from mechanical massage services – Direct Mode
For the six months ended 30 June 2026, our revenue from mechanical massage services under the Direct Mode was RMB372.27 million, representing an increase of 3.44% from RMB359.88 million for the six months ended 30 June 2025. The increase was primarily due to the expansion in the number of POS networks and equipment deployed.

Revenue from mechanical massage services – Partner Mode
For the six months ended 30 June 2026, our revenue from mechanical massage services under the Partner Mode was RMB60.43 million, representing a decrease of 2.72% from RMB62.12 million for the six months ended 30 June 2025. The decrease was primarily due to the Company's enhanced reduction and support policies for Local Partners (such as reductions in minimum contractual values and sharing of preferential marketing placement costs) to support Local Partners in market expansion and enhance their competitiveness.

Revenue from others
For the six months ended 30 June 2026, our revenue from others was RMB10.37 million, representing a decrease of 6.41% from RMB11.08 million for the six months ended 30 June 2025. The decrease was primarily due to termination of the Group's offline massage centre operations in December 2025.

COST OF SALES

The following table sets out a breakdown of our cost of sales by nature in absolute amounts and as percentages of our cost of sales for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	(RMB'000) (unaudited)	**% of total cost of sales**	(RMB'000) (unaudited)	% of total cost of sales
POS and related expenses	**210,128**	**69.82%**	188,300	65.11%
Depreciation and amortization	**62,633**	**20.81%**	72,798	25.18%
Employee benefit expenses	**13,033**	**4.33%**	13,353	4.62%
Logistics fee and miscellaneous	**8,268**	**2.75%**	8,095	2.80%
Others *(Note)*	**6,877**	**2.29%**	6,618	2.29%
Total	**300,939**	**100.00%**	289,164	100.00%

Note: Others mainly include costs of (i) online sales of household massage equipment and massage accessories; and (ii) sales of massage equipment and spare parts to the Local Partners.

Our cost of sales primarily consisted of POS and related expenses, depreciation and amortization, employee benefit expenses, logistics fee and miscellaneous, and other costs. Our cost of sales increased to RMB300.94 million for the six months ended 30 June 2026 as compared with RMB289.16 million for the six months ended 30 June 2025, which was mainly attributable to increase in POS site occupancy costs.

MANAGEMENT DISCUSSION AND ANALYSIS

GROSS PROFIT AND GROSS PROFIT MARGIN

The following table sets forth our gross profit and gross profit margin by business segment for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	Gross profit (RMB'000) (unaudited)	Gross profit margin (%)	Gross profit (RMB'000) (unaudited)	Gross profit margin (%)
Mechanical massage services				
– Direct Mode	96,561	25.94	94,418	26.24
– Partner Mode	42,071	69.62	45,026	72.49
Subtotal	138,632	32.04	139,444	33.04
Others	3,492	33.67	4,462	40.27
Total	142,124	32.08	143,906	33.23

For the six months ended 30 June 2026, the gross profit of the Group decreased by 1.24% to RMB142.12 million as compared with RMB143.91 million for the six months ended 30 June 2025. The gross profit margin of the Group decreased to approximately 32.08% for the six months ended 30 June 2026 from 33.23% for the six months ended 30 June 2025, mainly attributable to the Group's continued expansion of business scale and deepening of market penetration leading to higher POS site occupancy costs.

SELLING AND DISTRIBUTION EXPENSES

Our selling and distribution expenses primarily consisted of employee benefit expenses, brand image development expenses, business development and travel expenses, marketing and advertisement expenses, office expenses, and depreciation and amortisation. For the six months ended 30 June 2026, our selling and distribution expenses decreased by 3.16% to RMB60.46 million as compared with RMB62.43 million for the six months ended 30 June 2025. The period-on-period decrease in selling and distribution expenses was mainly attributable to the Group's overall expense optimization and control.

ADMINISTRATIVE EXPENSES

Our administrative expenses primarily consisted of employee benefit expenses, office and rental expenses, corporate service fees, depreciation and amortization, and administrative and travel expenses. For the six months ended 30 June 2026, our administrative expenses decreased by 12.14% to RMB21.20 million as compared with RMB24.13 million for the six months ended 30 June 2025, mainly attributable to decreased listing expenses.

RESEARCH AND DEVELOPMENT EXPENSES

Our research and development ("**R&D**") expenses primarily consisted of employee benefit expenses, materials and office expenses, depreciation and amortization, travel expenses, and outsource research expenses. For the six months ended 30 June 2026, our research and development expenses increased by 19.31% to RMB12.81 million as compared with RMB10.74 million for the six months ended 30 June 2025, mainly attributable to the increase in the number and remuneration of R&D personnel due to the increase in R&D projects.

FINANCE COSTS

Our finance costs primarily consisted of interest expenses on bank loans and lease liabilities. For the six months ended 30 June 2026, our finance costs decreased by 56.60% to RMB0.46 million as compared with RMB1.05 million for the six months ended 30 June 2025, mainly attributable to the reduced scale of bank loans and lease liabilities of the Group.

INCOME TAX

Our income tax expenses comprised current tax expense and deferred tax expense. For the six months ended 30 June 2026, our income tax expenses decreased by 1.09% to RMB8.28 million as compared with RMB8.37 million for the six months ended 30 June 2025, mainly attributable to the decrease in profit before taxation of the Company.

ADJUSTED NET PROFIT (NON-IFRS MEASURES)

For the six months ended 30 June 2026, the adjusted net profit decreased by 17.55% to RMB38.89 million from RMB47.17 million for the six months ended 30 June 2025. Such decrease was primarily attributable to (i) the increase in the Company's POS site occupancy costs, which resulted in a decrease of RMB1.78 million in the Group's overall gross profit; (ii) an increase of RMB2.07 million in the Company's R&D expenses for the six months ended 30 June 2026 compared with the same period in 2025; and (iii) a period-on-period increase of RMB5.74 million in foreign exchange losses due to external exchange rate fluctuations.

We define adjusted net profit (non-IFRS measures) as profit for the period adjusted by adding (i) equity-settled share-based payment expenses, which are non-cash payment in nature; and (ii) listing expenses, which are the expenses relating to the Global Offering. We exclude these items because they were non-operating in nature, non-recurring or not indicative of our core operating results. We believe that the adjusted net profit for the six months ended 30 June 2026, as compared with the adjusted net profit for the six months ended 30 June 2025, can provide additional information to investors and others in understanding and evaluating the Group's consolidated results of operations as well as facilitate period-to-period comparison. However, the use of these non-IFRS measures has limitations as an analytical tool, and one should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under the IFRS Accounting Standards. In addition, these non-IFRS financial measures may be defined differently from similar terms used by other companies.

The following table sets out adjusted net profit (non-IFRS measures) and a reconciliation from profit for the period to adjusted net profit (non-IFRS measures) for the periods indicated:

	For the six months ended 30 June	
	2026	2025
	(RMB'000)	(RMB'000)
	(unaudited)	(unaudited)
Profit for the period	**36,557**	37,967
Add:		
Equity-settled share-based payment expenses	**2,336**	2,283
Listing expenses	**–**	6,924
Adjusted net profit for the period (non-IFRS measures)	**38,893**	47,174

LIQUIDITY AND CAPITAL RESOURCES

We have funded our working capital principally from cash generated from our business operations, as well as the net proceeds from the Global Offering.

We adopt a prudent treasury management policy to regularly monitor the Group's liquidity requirements and compliance with lending covenants, to ensure that the Group maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. Taking into account the financial resources available to the Group, including cash and cash equivalents on hand, cash generated from operations and available facilities of the Group, and the net proceeds from the Global Offering, and after diligent and careful investigation, the Directors are of the view that the Group has sufficient working capital required for the Group's operations.

The following table sets out our cash flows for the periods indicated:

	For the six months ended 30 June	
	2026	2025
	(RMB'000)	(RMB'000)
	(unaudited)	(unaudited)
Net cash generated from operating activities	**106,590**	102,091
Net cash used in investing activities	**(90,757)**	(73,659)
Net cash (used in)/generated from financing activities	**(82,415)**	9,879
Net (decrease)/increase in cash and cash equivalents	**(66,582)**	38,311
Cash and cash equivalents at the beginning of the period	**243,868**	19,684
Effect of foreign exchange rate changes	**(5,042)**	(10)
Cash and cash equivalents at the end of the period	**172,244**	57,985

Operating Activities

For the six months ended 30 June 2026, net cash generated from operating activities was RMB106.59 million, compared with RMB102.09 million generated from operating activities for the six months ended 30 June 2025, representing an increase of 4.41%. The increase was mainly attributable to operating cash inflow growth driven by revenue increase.

Investing Activities

For the six months ended 30 June 2026, net cash used in investing activities was RMB90.76 million, compared with RMB73.66 million used in investing activities for the six months ended 30 June 2025, representing an increase of 23.21%. The increase was mainly attributable to the use of daily idle cash of the Company for (i) purchase of R1-rated wealth management products classified as financial assets measured at fair value through profit or loss; and (ii) fixed deposits with banks with original maturity over three months.

Financing Activities

For the six months ended 30 June 2026, net cash used in financing activities was RMB82.42 million, compared with RMB9.88 million generated from financing activities for the six months ended 30 June 2025. The change was mainly attributable to (i) the full repayment of the Company's bank loans of RMB54.50 million; and (ii) the payment of share dividend for 2025 of RMB23.97 million (excluding the relevant tax charge which had been fully paid in July 2026).

Cash and Cash Equivalents

As a result of the foregoing, our cash and cash equivalents increased by 197.05% from approximately RMB57.99 million as at 30 June 2025 to approximately RMB172.24 million as at 30 June 2026. The increase was mainly attributable to the receipt of proceeds from the Company's initial public offering completed in December 2025. As at the end of the Reporting Period, the proceeds raised from the initial public offering had not been fully utilized for the purposes disclosed in the Prospectus, and the remaining unutilized amount was temporarily held in the form of cash and cash equivalents.

BANK LOANS

As at 30 June 2026, the Company did not have outstanding bank loans.

FOREIGN CURRENCY EXCHANGE RISKS

Our financial information are presented in RMB, which is the Company's functional currency. During the Reporting Period, we conducted business in Chinese Mainland and most of our transactions were settled in RMB, and the Group is exposed to foreign exchange risk with respect to transactions denominated in currencies other than RMB. As at 30 June 2026, the majority of our non-RMB assets were denominated in US Dollars, which accounted for approximately 73.71% of the aggregate of our cash and cash equivalents and fixed deposits with banks with original maturity over three months. The net proceeds from the Global Offering were fully converted into US Dollars. For the six months ended 30 June 2026, we recognised a foreign exchange loss of RMB5.74 million. We managed our foreign exchange risk by regularly reviewing our net foreign exchange exposures. During the Reporting Period, the Group did not enter into any derivative instruments to hedge its foreign exchange exposures. The management of the Group continued to pay attention to the market environment and the Group's own foreign exchange risk profile, and considered taking appropriate hedging measures when necessary.

CONTINGENT LIABILITIES

Generally, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to each liability.

A provision for warranties is recognised when the underlying products are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Save as disclosed above, we did not have any significant contingent liabilities as at 30 June 2026.

GEARING RATIO

As at 30 June 2026, our gearing ratio, which is calculated as total debt divided by total equity, was 1.50%, as compared with 12.90% as at 31 December 2025. Total debt equals the sum of bank loans and lease liabilities.

CAPITAL EXPENDITURE

Our capital expenditures comprised the payment for purchase of property, plant and equipment and intangible assets. For the six months ended 30 June 2026 and the six months ended 30 June 2025, total capital expenditure amounted to RMB47.66 million and RMB72.13 million, respectively, representing a decrease of 33.92%. The decrease was mainly attributable to the decrease in related capital expenditure affected by the evolving lifecycle stages of the Company's massage equipment. Going forward, the Group will reasonably plan the allocation of capital expenditures for the subsequent stages based on its needs for market expansion, product upgrades and R&D.

BUSINESS OUTLOOK

Looking ahead to 2026 and the future, the long-term positive fundamentals of China's economy remain unchanged. The enduring trend of rising national health consumption demand will not be reversed, and the smart health service sector is still in a prime period of development. Building on the new starting point as a company listed on the Stock Exchange, the Group will continue to advance high-quality development to deliver sustainable long-term value returns to all Shareholders.

(I) Domestic market: deepening core competencies and promoting full-dimensional upgrades

Over the next three years, the Group's domestic market will focus on continuous evolution on six core directions:

1. Comprehensively empower upgrades and enhance the integrated operational capabilities of partners and direct-operated entities;

2. Optimize the construction of R&D and manufacturing centers to consolidate the core supply chain advantages;

3. Drive the in-depth application of artificial intelligence technology throughout operational processes;

4. Deepen refined user operation and brand communication to enhance user lifetime value;

5. Continuously optimize the structure of networks and scenarios with a focus on high-value scenarios; and

6. Achieve cost reduction and efficiency enhancement across the entire process to comprehensively elevate the Group's operating efficiency and profitability quality.

(II) International market: launching the globalization strategy and achieving localization

Internationalization is the core strategy of the long-term development of the Group, and an inevitable path for an enterprise to build strength and scale. Leveraging on China's robust supply chain advantages and mature digital operation capabilities, the Group will officially launch a holistic internationalization strategy:

1. Promote the international localization adaptation of China's proven business models, and prioritize core business centers in Southeast Asia and other regions;

2. Establish an independent professional team dedicated to serving overseas markets service, and build a localized operation and supply chain system; and

3. Advance the global layout with a long-term mindset, and deliver China's health service models to consumers worldwide, leveraging our mature operational experience and product capabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR SIGNIFICANT INVESTMENTS OR CAPITAL ASSETS

As at 30 June 2026, the Group did not hold any significant investment in an investee company which accounted for 5% or more of the Group's total assets. The Group held wealth management products classified as financial assets measured at fair value through profit or loss of RMB74.3 million in aggregate, representing approximately 10.8% of the Group's total assets, none of which individually accounted for 5% or more of the Group's total assets. These products were short-term or low-risk instruments purchased with idle cash. Save as disclosed above, the Group had no significant investments and no concrete plan for significant investments or capital assets as at 30 June 2026, other than the intended use of the net proceeds from the Global Offering as disclosed in this interim report.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, there were no material acquisitions or disposals of subsidiaries, associates, or joint ventures.

CHARGE ON ASSETS

As at 30 June 2026, none of the Group's property, plant and equipment was pledged as security.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, we had a total of 626 full-time employees. All of our employees are based in the PRC. For the six months ended 30 June 2026, cost of employees' remuneration and benefit was approximately RMB68.11 million as compared with RMB61.95 million for the six months ended 30 June 2025.

We have entered into written employment contracts and confidentiality agreements with our employees and non-competition agreements with our management and key employees. We offer a remuneration package including basic salaries, performance assessment bonuses and other performance-related bonuses. The performance-based bonuses are mainly determined at the discretion of management based on the employees' work and sales performance. These performance bonuses are calculated on a quarterly, half-year and annual basis. To incentivize our Directors, senior management and employees of the Group for their contribution to the Group, the Company adopted the Pre-IPO Share Incentive Schemes, details of which are set out in the section headed "Pre-IPO Share Incentive Schemes" in this interim report.

Under the relevant PRC laws and regulations, we are required to make contributions to mandatory social insurance funds, including pension, work-related injury insurance, maternity insurance, medical insurance and unemployment insurance. Furthermore, we are required, under the relevant PRC laws and regulations, to register with the relevant authorities and maintain the required accounts with designated banks for making contributions to the housing provident funds for our employees.

We have striven to provide training and promotion opportunities to our employees to promote a sense of belonging and work dedication. Our new employees are required to attend orientation training and existing employees regularly attend different training programmes, covering (i) operational aspects regarding market trends, product introduction, sales techniques and case sharing; (ii) technological aspects regarding research and development of new technology, professional skillsets and problem-solving skills; (iii) management aspects regarding team management, strategic planning and case studies and experience sharing; and (iv) consumer service aspects regarding business etiquette, professional communication and analysis of common consumer complaints.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

There was no significant subsequent event undertaken by the Group subsequent to 30 June 2026 and up to the Latest Practicable Date.

INTERIM DIVIDEND

Taking into consideration various factors such as the new business development needs of the Group and its future capital expenditure plans, the Board did not recommend any dividend for the Reporting Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 June 2026, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director or chief executive	Position	Nature of interest	Number of Shares interested[1]	Description of Shares	Approximate percentage of the Unlisted Shares/ H Shares	Approximate percentage of the Company's total share capital[2]
Mr. Xie Zhonghui	Deputy chairman and executive Director	Beneficial interest	9,438,992	Unlisted Shares	29.2%	17.0%
			1,048,777	H Shares	4.5%	1.9%
		Interest in controlled corporations[3]	3,357,660	Unlisted Shares	10.4%	6.0%
			3,357,661	H Shares	14.5%	6.0%
Mr. Han Daohu	Chairman and non-executive Director	Beneficial interest	8,786,029	Unlisted Shares	27.2%	15.8%
			976,225	H Shares	4.2%	1.8%
Mr. Wu Jinghua	Non-executive Director	Beneficial interest	6,824,195	Unlisted Shares	21.1%	12.3%
			758,244	H Shares	3.3%	1.4%
Mr. Feng Baocai	Executive Director and general manager	Beneficial interest	1,532,398	Unlisted Shares	4.7%	2.8%
			170,267	H Shares	0.7%	0.3%

Notes:

(1) All interest stated are long positions.

(2) The calculation is based on the total number of 55,555,600 Shares (consisting of 32,329,580 Unlisted Shares and 23,226,020 H Shares) in issue as at 30 June 2026.

(3) As at 30 June 2026, Mr. Xie Zhonghui acts as the general partner of Zhangchuang Gongying Platform, Lemo Gongchuang Platform and Lemo Gongying Platform. Accordingly, Mr. Xie Zhonghui is deemed to be interested in such number of Shares held by Zhangchuang Gongying Platform, Lemo Gongchuang Platform and Lemo Gongying Platform under the SFO.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Following the abolition of the Supervisory Committee with effect from 18 May 2026, the Company had no supervisor as at 30 June 2026.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as our Directors are aware, as at 30 June 2026, the following persons (other than the Directors and chief executive of the Company) have interests or short positions in Shares or underlying Shares of our Company which were required to be disclosed to our Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be maintained by the Company under Section 336 of the SFO:

Name	Nature of interest	Number of Shares interested[(1)]	Description of Shares	Approximate percentage of the Unlisted Shares/ H Shares	Approximate percentage of the Company's total share capital[(2)]
Mr. Li Jianzheng	Beneficial owner	1,341,659	Unlisted Shares	4.1%	2.4%
		3,130,537	H Shares	13.5%	5.6%
Zhangchuang Gongying Platform	Beneficial owner	1,831,895	Unlisted Shares	5.7%	3.3%
		1,831,896	H Shares	7.9%	3.3%
Mr. Pan Jianzhong	Beneficial owner	541,885	Unlisted Shares	1.7%	1.0%
		2,167,539	H Shares	9.3%	3.9%
Mr. Li Bin	Beneficial owner	506,762	Unlisted Shares	1.6%	0.9%
		2,027,047	H Shares	8.7%	3.6%
Cornerstone Yixiang[(3)]	Beneficial owner	1,304,123	H Shares	5.6%	2.3%

Notes:

(1) All interest stated are long positions.

(2) The calculation is based on the total number of 55,555,600 Shares (consisting of 32,329,580 Unlisted Shares and 23,226,020 H Shares) in issue as at 30 June 2026.

(3) Ma'anshan Cornerstone Yixiang Equity Investment Partnership Enterprise (LLP)* (馬鞍山基石億享股權投資合夥企業(有限合夥)) ("**Cornerstone Yixiang**") is a limited partnership established under the laws of the PRC on 12 May 2016 and is our Pre-IPO investor.

Save as disclosed above, as at 30 June 2026, the Directors are not aware of any other person (other than the Directors and the chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

PRE-IPO SHARE INCENTIVE SCHEMES

We approved and adopted the 2021 Share Incentive Scheme and 2023 Share Incentive Scheme (together, the "**Pre-IPO Share Incentive Schemes**") on 1 December 2021 and 8 September 2023, respectively. The Pre-IPO Share Incentive Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Incentive Schemes do not involve the grant of new shares or awards by our Company after the Listing. Our Company has established three incentive platforms, namely Zhangchuang Gongying Platform, Lemo Gongchuang Platform and Lemo Gongying Platform (the "**Incentive Platforms**").

Prior to the Listing, all incentive Shares under the Pre-IPO Share Incentive Schemes had been fully granted, and the selected participants had become the limited partners of the Incentive Platforms. The capital contribution in relation to the awards granted had been fully settled by the relevant participants with their own funds. The Company did not and will not grant further incentive Shares under the Pre-IPO Share Incentive Schemes after the Listing.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted the code provisions set out in the Corporate Governance Code as its own code to govern its corporate governance practices.

The Company has complied with the relevant code provisions set out in Part 2 of the Corporate Governance Code during the Reporting Period, except that, prior to 18 May 2026, the Nomination Committee did not include a Director of a different gender as required under code provision B.3.5.

Pursuant to code provision B.3.5 of the Corporate Governance Code, the Company should appoint at least one director of a different gender to the Nomination Committee. Following the appointment of Ms. Dong Hui, an independent non-executive Director, as a member of the Nomination Committee with effect from 18 May 2026, the Company has complied with code provision B.3.5 of the Corporate Governance Code.

The Board will continue to review and monitor the practices of the Company with a view to maintaining a high standard of corporate governance.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE MODEL CODE

The Company has adopted a code of conduct regarding securities transactions by the Directors and Supervisors as required under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules. Having made specific enquiries, the Company confirms that all Directors and Supervisors who held such offices during the Reporting Period had complied with the required standards of the Model Code and the Company's code of conduct throughout the period during which they were in the respective capacities.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Audit Committee has been established in compliance with Rules 3.21 and 3.22 of the Listing Rules with written terms of reference in compliance with the Corporate Governance Code. The primary responsibilities of the Audit Committee are to review and monitor the financial reporting, risk management and internal control systems of the Company and to assist the Board to fulfill its responsibilities over the audit. The Audit Committee consists of three Directors, namely Ms. Dong Hui, Mr. Lei Zhigang and Mr. Wu Jinghua, with Ms. Dong Hui acting as the chairwoman. Ms. Dong Hui holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has reviewed and confirmed the accounting principles and policies adopted by the Group and discussed with management the auditing, internal control and financial reporting matters of the Group. The interim results and interim report of the Group for the six months ended 30 June 2026 have also been reviewed by the Audit Committee.

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

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). The Company does not hold any treasury shares as at the Latest Practicable Date.

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The H Shares of the Company were listed on the Stock Exchange on 3 December 2025. A total of 5,555,600 new H Shares were issued at HK$40.00 each with gross proceeds of approximately HK$222.22 million. The net proceeds (after deduction of underwriting fees and commissions and other expenses paid and payable by the Company in connection with the Global Offering) raised from the Global Offering amounted to approximately HK$182.16 million. The net proceeds from the Global Offering will continue to be utilized in accordance with the intended use of proceeds set out in the Prospectus. The following table sets forth the breakdown of the utilization and proposed utilization of the net proceeds from the Global Offering as at 30 June 2026:

Use of net proceeds	Percentage	Net proceeds from the Global Offering HK$ million	Equivalent to RMB million	Amount utilized during the six months ended 30 June 2026	As at 30 June 2026 Utilized amount	Unutilized amount	Expected timeline for utilizing the remaining net proceeds[(2)]
	%	*(HK$ million)*	*(RMB million)*	*(RMB million)*	*(RMB million)*	*(RMB million)*	
Expanding the coverage and penetration of our POS network	**60**	**109.29**	**99.34**	**37.11**	**37.11**	**62.23**	**By 31 December 2028**
Further increasing our penetration rate in consumption scenarios that we have established a developed presence including the commercial complexes, cinemas and airports	35	63.75	57.95	37.11	37.11	20.84	By 31 December 2028
Development of our presence in other consumption scenarios such as transportation service and rest areas, e-sports spaces and office buildings etc.	15	27.32	24.83	–	–	24.83	By 31 December 2028
Extension of our reach to overseas markets in Asia, especially Thailand and other Southeast Asian cities	10	18.22	16.56	–	–	16.56	By 31 December 2028
Ongoing enhancement and iteration of our technology	**20**	**36.43**	**33.11**	**1.25**	**1.25**	**31.87**	**By 31 December 2028**
Advancing research and development of the application of digital mechanical massage technology and systematic solutions by upgrading of our massage equipment and introduction of more customization features	12	21.86	19.87	1.25	1.25	18.63	By 31 December 2028
Upgrading the software and hardware such as IoT technologies of LMB Links particularly for application in the overseas market	8	14.57	13.24	–	–	13.24	By 31 December 2028
Enhancing our brand	**10**	**18.22**	**16.56**	**1.37**	**1.37**	**15.19**	**By 31 December 2028**
Strategic placement of targeted marketing on new media platforms to increase brand exposure and recognition	5	9.11	8.28	1.37	1.37	6.91	By 31 December 2028
Upgrade and improvement of the design and image of our POS	5	9.11	8.28	–	–	8.28	By 31 December 2028
Working capital and other general corporate purposes	**10**	**18.22**	**16.56**	**9.80**	**9.80**	**6.76**	**By 31 December 2028**
Total	**100.00**	**182.16**	**165.57**	**49.53**	**49.53**	**116.05**	**By 31 December 2028**

Notes:

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

(2) The expected timeline for utilizing the remaining proceeds is based on the best estimation of the future market conditions made by the Group. It will be subject to changes based on the current and future development of the market conditions.

We currently have no intention to change the use of the unutilized net proceeds and have been actively monitoring the market environment for appropriate timing to implement our plans. It is currently expected that the unutilized net proceeds will be fully utilized by 31 December 2028, subject to changes in market conditions and policies and the emergence of appropriate opportunities in the industry.

After careful consideration and thorough evaluation of the Group's operations and business strategy, the Company has delayed the expected timeline for utilizing the remaining net proceeds raised from the Global Offering, extending it from 31 December 2026 as disclosed in the Company's 2025 annual report to 31 December 2028. The reasons for such delay are set out below:

(i) **Expanding the coverage and penetration of our POS network:** The Company has shifted focus from pursuing rapid growth in outlet quantity to selecting high-return locations. Additional time is required for site screening, commercial negotiation and market due-diligence for domestic consumption scenarios as well as overseas expansion into Southeast Asia, lengthening the overall project implementation cycle.

(ii) **Ongoing enhancement and iteration of our technology:** Development of new-generation massage equipment, digital massage solutions and related hardware and software including IoT technologies of LMB Links is underway. In-depth research, multiple rounds of testing and product refinement to ensure product stability and overseas market compatibility have taken longer than originally expected.

(iii) **Enhancing our brand:** The effectiveness of brand-building is closely tied to the roll-out scale of our offline POS network. To avoid inefficient capital deployment, the Company is prudently phasing marketing activities and POS image upgrades in line with the actual pace of outlet deployment, rather than making large-scale upfront brand investments.

(iv) **Working capital and other general corporate purposes:** The Company maintains sufficient internal resources to fully meet its day-to-day working capital requirements and business development needs.

Based on the above, the expected timeline for fully utilizing the remaining net proceeds raised from the Global Offering has been extended to 31 December 2028 to ensure each investment delivers tangible growth for the Group. The Board is of the view that the delay in the utilization of the net proceeds from the Global Offering is in the long-term interests of the Company and the Shareholders as a whole.

To the extent that the net proceeds from the Global Offering are not immediately applied for the above purposes, and to the extent permitted by the relevant laws and regulations, we intend to place those net proceeds in short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions in Hong Kong and Chinese Mainland (as defined under the SFO, the Law of the People's Republic of China on Commercial Banks (中華人民共和國商業銀行法) and other relevant PRC Laws). We will make an appropriate announcement if there is any change to the above proposed use of proceeds or if any amount of the proceeds will be used for general corporate purposes.

CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

MATERIAL LEGAL PROCEEDINGS

The Group was not involved in any material legal proceedings during the Reporting Period.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Reporting Period was the Company, its holding company, or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debt securities including debentures of, the Company or any other body corporate.

CHANGES IN INFORMATION OF DIRECTORS AND SUPERVISORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors and Supervisors during the Reporting Period and up to the date of this interim report are set out below:

(i) Ms. Yu Xiaohong was elected as the employee representative Director at the employee representative meeting for a term of three years commencing from 18 May 2026 to 17 May 2029;

(ii) Ms. Dong Hui, an independent non-executive Director, was appointed as a member of the Nomination Committee with effect from 18 May 2026; and

(iii) the Supervisory Committee of the Company was abolished with effect from 18 May 2026.

Biographical details of Ms. Yu Xiaohong are set out as follows:

Ms. Yu Xiaohong (余曉洪) ("**Ms. Yu**"), aged 46, was elected as the employee representative Director at the employee representative meeting for a term of three years commencing from 18 May 2026 to 17 May 2029. Ms. Yu joined our Company in February 2017 and has been serving as our finance manager of our Company since then, primarily responsible for financial management. Ms. Yu also served as our Supervisor from October 2021 and the chairwoman of the Supervisory Committee from August 2024 until 18 May 2026, being the date of abolition of the Supervisory Committee.

Ms. Yu has over 10 years of experience in financial management. Prior to joining our Group, from April 2012 to January 2017, Ms. Yu worked as the finance manager at Xiamen Longlixin Environmental Protection Technology Co., Ltd.* (廈門隆立信環保科技有限公司), a company principally engaged in the research and development of energy saving refrigeration equipment and accessories, where she was primarily responsible for financial management.

Ms. Yu graduated from Tianjin University (天津大學) in the PRC majoring in financial management in January 2023 through a correspondence program.

Save as disclosed above, Ms. Yu has confirmed that (i) she does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company; (ii) she does not hold any other position in the Company or any of its subsidiaries; (iii) she does not hold any directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; and (iv) she does not have any interest in shares of the Company within the meaning of the SFO.

Ms. Yu receives remuneration for the position she holds in the Group in accordance with the remuneration standard set out in her employment contract with the Group and will not receive remuneration (including bonus payments, subsidies, allowances and social insurance) in her position as a Director.

Ms. Yu has confirmed that she had obtained the legal advice referred to under Rule 3.09D of the Listing Rules on 15 May 2026, and understood her obligations as a director of a listed issuer under the Listing Rules.

Save as disclosed above, the Company is not aware of any changes to information in respect of the Directors and Supervisors of the Company during the Reporting Period that are required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, Mr. Wu Jinghua was the founder, controlling shareholder (holding 59.7% equity interest), chairman of the board and general manager of Fujian Rovos Fitness Co., Ltd. (福建榮耀健康科技股份有限公司) ("**Fujian Rovos**"), a company listed on the NEEQ with stock code: 873733. Fujian Rovos primarily engages in the design, development, manufacturing and sales of massage equipments and related devices. Our Directors are of the view that there is no material competition between Fujian Rovos and our Group arising from Mr. Wu's directorship and equity interest in Fujian Rovos for the following reasons: (i) the business of Fujian Rovos is of a to-B mode which primarily focuses on the provision of original design manufacturer ("**ODM**"), original equipment manufacturer ("**OEM**") and original brand manufacturer ("**OBM**") service to massage equipment enterprises or massage equipment service providers like us; while our business is of a to-C mode which primarily focuses on providing mechanical massage service to end customers, therefore Fujian Rovos is the upstream supplier of us and would not directly compete with our business; and (ii) Mr. Wu serves as a non-executive Director of our Company and he does not participate in the day-to-day management of our Company and therefore cannot have significant influence on the day-to-day business decision of our Company.

Save as disclosed above, during the Reporting Period and up to the Latest Practicable Date, none of the Directors of the Company has any interests in any business, which competes or is likely to compete, either directly or indirectly, with our business which would require disclosure under Rule 8.10 of the Listing Rules.

DEED OF NON-COMPETITION

In order to avoid any potential competition between our Controlling Shareholders (the "**Non-Competing Shareholders**") on the one hand and us on the other hand, the Non-Competing Shareholders have entered into the Deed of Non-competition in favour of our Company. Pursuant to the Deed of Non-competition, subject to the exceptions set out below, each of the Non-Competing Shareholders has irrevocably and unconditionally undertaken to our Company (for ourselves and on behalf of each other member of our Group) that it would not, and would procure that its close associates (except any members of our Group) do not, during the Restricted Period (as defined below), directly or indirectly, through third parties or with the assistance of third parties (whether such third parties are natural persons, legal persons, partnerships or other organizations) in any form, either on its own account or in conjunction with or on behalf of any person, firm or company (except through any member of our Group), among other things, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, director, partner, agent, employee or otherwise and whether for profit, reward or otherwise) any Restricted Business (as defined below) in the PRC and any other countries/regions in which any member of the Group operates, engages in or invests from time to time.

The "**Restricted Business**" stated in the Deed of Non-competition refers to any activity or business which competes, or is likely to compete, either directly or indirectly, with:

(a) the existing principal business activities of any member of our Group as set out in the section headed "Business" in the prospectus; and

(b) any other business from time to time conducted, engaged in or invested in by any member of our Group or which our Company has otherwise published an announcement on the website of the Stock Exchange stating its intention to conduct, engage in or invest in, save as disclosed in the prospectus.

The obligations of the Non-Competing Shareholders under the Deed of Non-competition will remain binding on the Non-Competing Shareholders until the earlier of the following:

(a) the date on which the H Shares cease to be listed on the Stock Exchange (except for temporary suspension of trading of the H Shares on the Stock Exchange for any reason); or

(b) the date on which the Non-Competing Shareholders and its close associates, individually or collectively, cease to be entitled to exercise or control the exercise of not less than 30% in aggregate of the voting power at general meetings of our Company or otherwise cease to be a group of controlling shareholders of our Company.

"**Restricted Period**" shall mean the period commencing on the Listing Date until the earlier of the above events.

For further details, please refer to the section headed "Relationship with our Controlling Shareholders" in the Prospectus.

Based on the information provided by the Non-Competing Shareholders, our independent non-executive Directors have confirmed that the Non-Competing Shareholders have complied with the undertakings and the enforcement of the Deed of Non-competition and there is no conflict of interest between the Group and the Controlling Shareholders of the Company during the Reporting Period and up to the Latest Practicable Date.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CHANGE IN CONSTITUTIONAL DOCUMENTS

In light of the abolition of the Supervisory Committee and appointment of one employee representative Director, the Board resolved on 20 March 2026 to propose certain amendments to the Articles of Association. The Board also proposed to amend the Articles of Association to reflect the increase in registered capital of the Company resulting from the completion of the Company's initial public offering in December 2025 and amend the Articles of Association in accordance with the Guidelines for the Articles of Association of Listed Companies《上市公司章程指引》and the Company Law of China. The aforementioned amendments to the Articles of Association were approved by the Shareholders at the annual general meeting ("**AGM**") held on 18 May 2026. For details, please refer to the Company's announcements dated 20 March 2026 and 18 May 2026 and the Company's circular of the AGM dated 24 April 2026.

The latest version of the Articles of Association is also available on the Company's website and the Stock Exchange's website.

Save as disclosed above, there is no change in the Articles of Association during the Reporting Period.

REVIEW REPORT OF THE AUDITORS

KPMG

Review report to the board of directors of Lemo Services Co., Ltd
(Established in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 34 to 66, which comprise the consolidated statement of financial position of Lemo Services Co., Ltd ("the Company") as of 30 June 2026 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

18 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi)

		Six months ended 30 June	
	Note	**2026**	2025
		RMB'000	RMB'000
Revenue	3(a)	**443,063**	433,070
Cost of sales		**(300,939)**	(289,164)
Gross profit		**142,124**	143,906
Other net (loss)/income	4	**(2,339)**	785
Selling and distribution expenses		**(60,459)**	(62,429)
Administrative expenses		**(21,203)**	(24,134)
Research and development expenses		**(12,813)**	(10,739)
Profit from operations		**45,310**	47,389
Finance costs	5(a)	**(457)**	(1,053)
Share of losses of a joint venture		**(18)**	–
Profit before taxation	5	**44,835**	46,336
Income tax	6(a)	**(8,278)**	(8,369)
Profit for the period		**36,557**	37,967
Attributable to:			
Equity shareholders of the Company		**36,749**	37,967
Non-controlling interests		**(192)**	–
Profit for the period		**36,557**	37,967
Earnings per share	7		
Basic and diluted (RMB)		**0.66**	0.76

The notes on pages 41 to 66 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 14(a).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi)

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Profit for the period	**36,557**	37,967
Other comprehensive income for the period (after tax and reclassification adjustments)		
Item that are or may be reclassified subsequently to profit or loss:		
Exchange differences arising from net investment in an operation outside Chinese Mainland and translation of financial statements of operations outside Chinese Mainland	**(625)**	(213)
Other comprehensive income for the period	**(625)**	(213)
Total comprehensive income for the period	**35,932**	37,754
Attributable to:		
Equity shareholders of the Company	**36,122**	37,754
Non-controlling interests	**(190)**	–
Total comprehensive income for the period	**35,932**	37,754

The notes on pages 41 to 66 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 – unaudited

(Expressed in Renminbi)

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment	8	196,690	199,586
Intangible assets		122	204
Trade receivables	10(a)	7,940	7,643
Interest in a joint venture		98	–
Deferred tax assets		5,283	5,608
Other non-current assets		5,890	10,431
		216,023	223,472
Current assets			
Financial assets measured at fair value through profit or loss		74,258	48,291
Inventories	9	8,276	7,974
Trade and other receivables	10(a)	96,891	86,170
Prepayments	10(b)	100,748	104,474
Fixed deposits with banks with original maturity over three months		20,727	–
Cash and cash equivalents	11	172,244	243,868
		473,144	490,777
Current liabilities			
Trade and other payables	12	162,626	139,342
Contract liabilities		2,412	1,429
Bank loans		–	54,532
Lease liabilities		2,712	3,966
Other current liabilities		147	90
Current taxation		5,634	8,832
		173,531	208,191
Net current assets		299,613	282,586
Total assets less current liabilities		515,636	506,058

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 – unaudited

(Expressed in Renminbi)

	Note	**At 30 June 2026 RMB'000**	At 31 December 2025 RMB'000
Non-current liabilities			
Lease liabilities		**4,958**	6,005
		4,958	6,005
NET ASSETS		**510,678**	500,053
CAPITAL AND RESERVES			
Share capital		**55,556**	55,556
Reserves		**454,844**	444,497
Total equity attributable to equity shareholders of the Company		**510,400**	500,053
Non-controlling interests		**278**	–
TOTAL EQUITY		**510,678**	500,053

Approved and authorised for issue by the board of directors on 18 August 2026.

Han Daohu
Chairman and Non-Executive Director

Xie Zhonghui
Executive Director

The notes on pages 41 to 66 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi)

		Attributable to equity shareholders of the Company							
	Note	Share capital RMB'000	Share premium RMB'000 (Note 14(b)(i))	Shares held for employee incentive scheme RMB'000 (Note 13)	Share-based payment reserve RMB'000 (Note 14(b)(ii))	Statutory reserve RMB'000 (Note 14(b)(iii))	Exchange reserve RMB'000 (Note 14(b)(iv))	Retained profits RMB'000	Total equity RMB'000
Balance at 1 January 2025		50,000	161,165	(3,334)	4,623	8,460	–	19,109	240,023
Changes in equity for the six months ended 30 June 2025:									
Profit for the period		–	–	–	–	–	–	37,967	37,967
Other comprehensive income		–	–	–	–	–	(213)	–	(213)
Total comprehensive income		–	–	–	–	–	(213)	37,967	37,754
Equity-settled share-based transactions		–	–	–	2,283	–	–	–	2,283
Balance at 30 June 2025 and 1 July 2025		50,000	161,165	(3,334)	6,906	8,460	(213)	57,076	280,060
Changes in equity for the six months ended 31 December 2025:									
Profit for the period		–	–	–	–	–	–	55,764	55,764
Other comprehensive income		–	–	–	–	–	(125)	–	(125)
Total comprehensive income		–	–	–	–	–	(125)	55,764	55,639
Issuance of ordinary shares by initial public offering		5,556	181,519	–	–	–	–	–	187,075
Equity-settled share-based transactions		–	–	–	2,279	–	–	–	2,279
Appropriation to statutory reserve	14(b)(iii)	–	–	–	–	8,863	–	(8,863)	–
Dividends declared to the shareholders		–	–	–	–	–	–	(25,000)	(25,000)
Balance at 31 December 2025		55,556	342,684	(3,334)	9,185	17,323	(338)	78,977	500,053

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi)

		Attributable to equity shareholders of the Company									
	Note	Share capital RMB'000	Share premium RMB'000 (Note 14(b)(i))	Shares held for employee incentive scheme RMB'000 (Note 13)	Share-based payment reserve RMB'000 (Note 14(b)(ii))	Statutory reserve RMB'000 (Note 14(b)(iii))	Exchange reserve RMB'000 (Note 14(b)(iv))	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2026		55,556	342,684	(3,334)	9,185	17,323	(338)	78,977	500,053	–	500,053
Changes in equity for the six months ended 30 June 2026:											
Profit for the period		–	–	–	–	–	–	36,749	36,749	(192)	36,557
Other comprehensive income		–	–	–	–	–	(627)	–	(627)	2	(625)
Total comprehensive income		–	–	–	–	–	(627)	36,749	36,122	(190)	35,932
Capital injection from non-controlling interests		–	–	–	–	–	–	–	–	468	468
Equity-settled share-based transactions		–	–	–	2,336	–	–	–	2,336	–	2,336
Dividends approved to the shareholders in respect of the previous year	14(a)(ii)	–	–	–	–	–	–	(28,111)	(28,111)	–	(28,111)
Balance at 30 June 2026		55,556	342,684	(3,334)	11,521	17,323	(965)	87,615	510,400	278	510,678

The notes on pages 41 to 66 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi)

	Note	Six months ended 30 June 2026 RMB'000	Six months ended 30 June 2025 RMB'000
Operating activities			
Cash generated from operations		**117,744**	110,155
Income tax paid		**(11,154)**	(8,064)
Net cash generated from operating activities		**106,590**	102,091
Investing activities			
Payment for purchase of property, plant and equipment and intangible assets		**(47,661)**	(72,128)
Proceeds from disposal of property, plant and equipment		**1,291**	159
Investment in financial assets measured at fair value through profit or loss		**(184,083)**	(27,000)
Proceeds from disposal of financial assets measured at fair value through other comprehensive income		**–**	10,178
Proceeds from disposal of financial assets measured at fair value through profit or loss		**158,531**	15,017
Placement of fixed deposits with banks with original maturity over three months		**(62,636)**	–
Withdrawal of fixed deposits with banks with original maturity over three months		**41,474**	–
Payment for investment in a joint venture		**(116)**	–
Interest received		**2,443**	115
Net cash used in investing activities		**(90,757)**	(73,659)
Financing activities			
Capital element of lease rentals paid		**(2,116)**	(4,276)
Interest element of lease rentals paid		**(109)**	(168)
Proceeds from new bank loans		**–**	54,500
Repayment of bank loans		**(54,500)**	(36,955)
Interest paid		**(380)**	(904)
Capital injection from non-controlling interests		**468**	–
Dividends paid to the shareholders		**(23,967)**	(12)
Payment of listing expenses		**(1,811)**	(2,306)
Net cash (used in)/generated from financing activities		**(82,415)**	9,879
Net (decrease)/increase in cash and cash equivalents		**(66,582)**	38,311
Cash and cash equivalents at 1 January		**243,868**	19,684
Effect of foreign exchange rate changes		**(5,042)**	(10)
Cash and cash equivalents at 30 June	11	**172,244**	57,985

The notes on pages 41 to 66 form part of this interim financial report.

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issue on 18 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

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

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

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). KPMG's independent review report to the Board of Directors is included on page 33.

2 CHANGES IN ACCOUNTING POLICIES

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

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are providing mechanical massage services. Further details regarding the Group's principal activities are disclosed in note 3(b).

(i) *Disaggregation of revenue*

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
Revenue from mechanical massage services		
– Direct Mode	**372,266**	359,876
– Partner Mode	**60,427**	62,115
Revenue from sales of household massage equipment and massage accessories	**2,323**	3,262
Revenue from digital advertising service	**1,493**	1,122
Revenue from sales of mechanical massage equipment to Local Partners	**4,904**	3,614
Others#	**1,650**	3,081
	443,063	433,070

\# Others mainly include revenue of sales of massage equipment spare parts to Local Partners and revenue of massage service generated from offline massage centre operated by the Group.

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in notes 3(b)(i) and 3(b)(iii), respectively.

The Group's customer base is diversified and decentralised and the Group does not have any single customer with whom transactions have exceeded 10% of the Group's revenue during the six months ended 30 June 2026 and 2025.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Mechanical massage service under Direct Mode: this segment engaged in providing mechanical massage service to customers through its massage equipment located at the points of service (the "POS") operated by the Group itself.

- Mechanical massage POS operation support services under Partner Mode: this segment engaged in providing mechanical massage POS operation support services to Local Partners.

- Others: this segment mainly engaged in sales of household massage equipment and massage accessories, providing digital advertising service and sales of mechanical massage equipment to Local Partners.

(i) Segment results

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following basis:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and direct expenses incurred by those segments respectively. The measure used for reporting segment results is gross profit which is calculated based on revenue less cost of sales for the relevant segment. No intersegment sales have occurred during six months ended 30 June 2026 and 2025. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The Group's other operating income and expenses, such as other net (loss)/income, selling and distribution expenses, administrative expenses, research and development expenses, finance costs, share of losses of a joint venture and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, other operating income and expenses is presented.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results (continued)

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2026 and 2025 are set out below.

	Six months ended June 2026			
	Mechanical massage service under Direct Mode RMB'000	**Mechanical massage POS operation support services under Partner Mode RMB'000**	**Others RMB'000**	**Total RMB'000**
Disaggregated by timing of revenue recognition				
– Over time	**372,266**	**60,427**	**1,584**	**434,277**
– Point in time	**–**	**–**	**8,786**	**8,786**
Reportable segment revenue	**372,266**	**60,427**	**10,370**	**443,063**
Reportable segment profit	**96,561**	**42,071**	**3,492**	**142,124**

	Six months ended June 2025			
	Mechanical massage service under Direct Mode RMB'000	Mechanical massage POS operation support services under Partner Mode RMB'000	Others RMB'000	Total RMB'000
Disaggregated by timing of revenue recognition				
– Over time	359,876	62,115	2,646	424,637
– Point in time	–	–	8,433	8,433
Reportable segment revenue	359,876	62,115	11,079	433,070
Reportable segment profit	94,418	45,026	4,462	143,906

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(ii) Reconciliation of reportable segment profit or loss

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Total reportable segment gross profit	**142,124**	143,906
Other net (loss)/income	**(2,339)**	785
Selling and distribution expenses	**(60,459)**	(62,429)
Administrative expenses	**(21,203)**	(24,134)
Research and development expenses	**(12,813)**	(10,739)
Finance costs	**(457)**	(1,053)
Share of losses of a joint venture	**(18)**	–
Consolidated profit before taxation	**44,835**	46,336

(iii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets and interest in a joint venture ("specified non-current assets"). The geographical location of customers is based on the location of which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, and the location of the operation to which they are allocated, in the case of intangible assets, and the location of operations, in the case of interest in a joint venture.

	Revenues from external customers		Specified non-current assets	
	Six months ended 30 June		**At 30 June**	At 31 December
	2026	2025	**2026**	2025
	RMB'000	RMB'000	**RMB'000**	RMB'000
Chinese Mainland	**437,793**	429,607	**195,635**	199,599
Thailand	**5,091**	3,463	**–**	–
Others	**179**	–	**1,275**	191
Total	**443,063**	433,070	**196,910**	199,790

4 OTHER NET (LOSS)/INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Net fair value changes on financial assets measured at fair value through profit or loss	**415**	17
Interest income	**2,738**	115
Government grants	**133**	450
Net foreign exchange loss	**(5,743)**	–
Net gain/(loss) on disposal of property, plant and equipment	**94**	(414)
Others	**24**	617
	(2,339)	785

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Interest on bank loans	**348**	885
Interest on lease liabilities	**109**	168
	457	1,053

(b) Staff costs

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Salaries, wages allowances and other benefits in kind	**61,155**	55,696
Retirement scheme contributions	**4,621**	3,971
Equity-settled share-based payment expenses	**2,336**	2,283
	68,112	61,950

5 PROFIT BEFORE TAXATION (CONTINUED)

(c) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Amortisation of intangible assets	**82**	75
Depreciation charge		
– owned property, plant and equipment	**69,125**	76,753
– right-of-use assets	**2,287**	4,559
Impairment loss on trade and other receivables	**816**	1,242
Listing expenses	**–**	6,924
Cost of inventories (note 9)	**13,596**	11,669

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Current tax – PRC Corporate Income Tax ("PRC CIT") and income taxes of other tax jurisdictions		
Provision for the period	**7,796**	8,998
Under-provision in respect of prior years	**160**	–
	7,956	8,998
Deferred tax		
Origination and reversal of temporary differences	**322**	(629)
	8,278	8,369

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(a) Taxation in the consolidated statement of profit or loss represents: (continued)

(i) In accordance with relevant rules and regulations of Corporate Income Tax ("CIT") in Chinese Mainland, the Company is subject to PRC CIT at a preferential tax rate of 15% during the six months ended 30 June 2026 and 2025.

(ii) Pingtan Lemo Gongying Investment Partnership Enterprise (LLP) ("Lemo Gongying"), the special purpose vehicle to hold the ordinary shares for the Company's employees under the employee incentive scheme as disclosed in note 13, are not subject to CIT of Chinese Mainland.

(iii) According to the PRC Corporate Income Tax Law and its implementation regulations, certain subsidiaries of the Company were qualified as "Small Low-profit Enterprise" and enjoyed a reduced corporate income tax rate of 20% and a 75% deduction of annual assessable profits for the six months ended 30 June 2026 and 2025. All of the other subsidiaries of the Company are subject to CIT at a statutory rate of 25% during the six months ended 30 June 2026 and 2025.

(iv) According to the relevant tax rules in the Chinese Mainland, qualified research and development expenses are allowed for bonus deduction for income tax purpose, as a result, an additional 100% of the qualified research and development expenses of the Company could be deemed as deductible expenses during the six months ended 30 June 2026 and 2025.

(v) According to the two-tiered profits tax rate regime introduced under the Inland Revenue (Amendment) (No.3) Ordinance 2018 (the "Ordinance"), the first HK$2 million of assessable profits earned by a company will be taxed at 8.25% whilst the remaining assessable profits will continue to be taxed at 16.5%. There is an anti-fragmentation measure where each group will have to nominate only one company in the group to benefit from the progressive rates. The Ordinance was first effective from the year of assessment 2018/2019.

Accordingly, the provision for Hong Kong Profits Tax for one subsidiary of the Company is calculated in accordance with the two-tiered profits tax rate regime, under which Profits Tax for the first HK$2 million of assessable profits is calculated at 8.25% while the remaining is calculated at 16.5%.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue during the interim period. The profit attributable to unvested ordinary shares held for employee incentive scheme with employees (see note 13) and the number of such shares have been excluded from the calculation of basic earnings per share.

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Profit attributable to all equity shareholders of the Company	**36,749**	37,967
Allocation of profit attributable to unvested shares held for employee incentive scheme	**(762)**	(875)
Profit for the period attributable to ordinary equity shareholders of the Company	**35,987**	37,092

(ii) Weighted average number of ordinary shares

	Six months ended 30 June	
	2026	2025
	'000	'000
Ordinary shares in issue at 1 January	**55,556**	50,000
Effect of unvested shares held for employee incentive scheme	**(1,152)**	(1,152)
Weighted average number of ordinary shares at 30 June	**54,404**	48,848

(b) Diluted earnings per share

For the six months ended 30 June 2026 and 2025, the unvested ordinary shares held for employee incentive scheme with employees were not included in the calculation of diluted earnings per share because their inclusion would have been anti-dilutive. The Company does not have other potential ordinary shares and therefore the amounts of diluted earnings per share are the same as basic earnings per share.

8 PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 June 2026, the Group entered into a number of lease agreements for use of administrative offices, and therefore recognised the additions to right-of-use assets of RMB313,000 (six months ended 30 June 2025: RMB1,158,000).

The Group leased a number of POS which contain variable lease payment terms that are based on revenue generated from the POS and minimum annual lease payment terms that are fixed. These payment terms are common in POS in Chinese Mainland where the Group operates. The amount of fixed and variable lease payments for the six months ended 30 June 2026 and 2025 is summarised below:

	Six months ended 30 June 2026		
	Fixed payments RMB'000	**Variable payments RMB'000**	**Total payments RMB'000**
POS	**178**	**55**	**233**
Manufacturing facilities and administrative offices	**2,048**	**–**	**2,048**
	2,226	**55**	**2,281**

	Six months ended 30 June 2025		
	Fixed payments RMB'000	Variable payments RMB'000	Total payments RMB'000
POS	2,600	309	2,909
Manufacturing facilities and administrative offices	1,844	–	1,844
	4,444	309	4,753

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment with a cost of RMB69,855,000 (six months ended 30 June 2025: RMB66,144,000). Items of property, plant and equipment with a net book value of RMB1,203,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB579,000), resulting in a gain on disposal of RMB88,000 (six months ended 30 June 2025: a loss on disposal of RMB420,000).

9 INVENTORIES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Raw materials	7,599	7,109
Finished goods	638	832
Goods in transit	39	33
	8,276	7,974

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

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Carrying amount of inventories sold	6,878	5,684
Carrying amount of inventories recognised as research and development expenses	617	615
Carrying amount of inventories recognised as selling and distribution expenses	4,774	4,182
Carrying amount of inventories consumed as cost of sales	1,288	1,188
Write-down of inventories	39	–*
	13,596	11,669

* This amount is less than RMB500.

10 TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

(a) Trade and other receivables

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current		
Trade receivables, net of loss allowance		
– third parties	7,940	7,643
Current		
Trade receivables, net of loss allowance		
– third parties	10,160	6,819
– related parties (note 17(c))	394	173
	10,554	6,992
Deposits (note (i))	68,430	60,184
VAT recoverable	14,015	16,297
Other receivables	3,892	2,697
	96,891	86,170
	104,831	93,813

(i) Deposits mainly include the deposits paid to the site owners of POS which is refundable upon termination of the occupancy agreement.

10 TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

(a) Trade and other receivables (continued)

As at 30 June 2026, deposits of RMB37,674,000 (31 December 2025: RMB30,087,000) of the Group were expected to be recovered or recognised as expense after more than one year. All of the other current trade and other receivables are expected to be recovered or recognised as expense within one year.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivable (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current (not past due)	**15,609**	14,493
Less than 3 months past due	**1,559**	121
More than 3 months but less than 1 year past due	**1,305**	19
Past due over 1 year	**21**	2
	18,494	14,635

Trade receivables are due within 30 to 90 days from the date of billing. Debtors with balances that are more than 3 months past due are requested to settle all outstanding balances before any further credit is granted.

(b) Prepayment

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Prepayments for:		
– occupancy fee of POS	**94,966**	99,213
– others	**5,782**	5,261
	100,748	104,474

11 CASH AND CASH EQUIVALENTS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at bank and on hand	166,888	238,936
Cash balances with payment platforms	5,356	4,932
Cash and cash equivalents	172,244	243,868

Cash balances with payment platforms represent cash balances kept with third party payment platforms, which can be withdrawn on demand.

As at 30 June 2026, cash and cash equivalents situated in Chinese Mainland amounted to RMB167,810,000 (31 December 2025: RMB43,726,000). Remittance of funds out of Chinese Mainland is subject to relevant rules and regulations of foreign exchange control.

12 TRADE AND OTHER PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade payables	71,188	45,595
Receipts in advance	32,824	32,301
Deposits (note (i))	3,096	5,189
Salary and welfare payables	30,737	34,692
Other payables and accruals	16,995	18,531
Financial liabilities measured at amortised cost	154,840	136,308
Other tax payables	7,786	3,034
	162,626	139,342

(i) Deposits mainly represent deposits paid by Local Partners, which is refundable upon termination of the cooperation agreement.

All trade and other payables are expected to be settled or recognised as income within one year or are payable on demand.

12 TRADE AND OTHER PAYABLES (CONTINUED)

As of the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 3 months	**53,156**	29,674
Over 3 months but within 6 months	**5,149**	3,241
Over 6 months but within 9 months	**1,549**	1,885
Over 9 months but within 1 year	**1,347**	1,647
Over 1 year	**9,987**	9,148
	71,188	45,595

13 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

The Group has adopted employee incentive schemes on 1 December 2021 (the "Employee Incentive Scheme 2021") and 8 September 2023 (the "Employee Incentive Scheme 2023"), respectively. The purpose of the employee incentive schemes is to provide incentives and rewards to eligible participants for their past and future contributions to the Group. In connection with the Employee Incentive Scheme 2021 and Employee Incentive Scheme 2023, Pingtan Lemo Gongchuang Investment Partnership Enterprise (LLP) ("Lemo Gongchuang") and Lemo Gongying were established in Chinese Mainland respectively as the employee incentive vehicles to respectively subscribe RMB415,804 and RMB252,741 registered capital of the Company. Eligible participants as approved by the Company were granted the equity interests in the form of registered capital of the Company through holding the limited partnership interests in Lemo Gongchuang or Lemo Gongying (referred to as "Restricted Equity Interests"). The employee incentive vehicles are treated as the subsidiaries of the Company because their relevant activities are directed by the Company so as to suit the Group's obligations in relation to the employee incentive schemes. The Company lost such power on Lemo Gongchuang on 1 December 2024 when all of the Restricted Equity Interests under the Employee Incentive Scheme 2021 were vested, and hence Lemo Gongchuang was no longer consolidated from that date.

On 29 August 2024, the Company was converted into a joint stock limited liability company, and therefore, the total registered capital of the Company, amounting to RMB668,545, indirectly granted to the eligible participants of the employee incentive schemes were converted into 3,051,530 restricted shares of the Company on the same terms and conditions without a change in the underlying economic interests.

13 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) Details of terms and conditions of the respective Restricted Equity Interests granted:

Employee Incentive Scheme 2021

On 1 December 2021, 29 July 2022 and 7 June 2024, certain directors of the Company were granted the Restricted Equity Interests in the form of the Company's registered capital of RMB226,139, RMB7,295 and RMB14,590, respectively, at a subscription price of RMB8.4 per each registered capital. These share awards were vested immediately at the corresponding dates of grant.

On 1 December 2021, 16 employees of the Company were granted the Restricted Equity Interests in the form of the Company's registered capital of RMB189,665 at a subscription price of RMB8.4 per each registered capital, which would be vested on the completion of the required service period of 36 months from the date of grant, subject to the employee's annual performance evaluation each year. On 1 December 2024, 765,821 unvested shares pursuant to the Employee Incentive Scheme 2021 were vested at the date of 36 months from the date of grant. The Company has the right to repurchase the Restricted Equity Interests at the original subscription price if the service requirement is not satisfied.

The directors and employees are only allowed to transfer their vested Restricted Equity Interests to the other eligible participants of the Employee Incentive Scheme 2021. If the employees' services are terminated before initial public offering ("IPO"), the employees are required to surrender the share award at a specified price or transfer it to other eligible participants. This transfer restriction will be released after three years upon completion of the IPO.

Employee Incentive Scheme 2023

On 8 September 2023, one director of the Company was granted the Restricted Equity Interests in the form of the Company's registered capital of RMB76,163 at a subscription price of RMB10.58 per each registered capital. Further, on 31 August 2024, the same director of the Company was granted the Restricted Equity Interests in the form of 29,308 Company's shares at a subscription price of RMB2.32 per share. The share awards granted to the director were vested immediately at the corresponding dates of grant.

On 8 September 2023, 12 employees of the Company were granted the Restricted Equity Interests in the form of the Company's registered capital of RMB176,578 at a subscription price of RMB10.58 per each registered capital, which would vest on the completion of the required service period of 36 months from the date of grant or the end of the A-share IPO lock-up period as mandated by stock exchanges in Chinese Mainland, whichever is later, and it is subject to the employee's annual performance evaluation each year. On 14 December 2023, the Group modified the share awards granted to the employees to remove the requirement of the occurrence of A-share IPO during the vesting period. From the date of the modification, the Group would take into account the revised vesting condition and recognises the grant-date fair value during the revised vesting period with adjusting the recognised share-based payment cost in the period of the modification to the amount that would have been recognised if the revised vesting conditions had always existed.

(Expressed in Renminbi unless otherwise indicated)

13 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(a) Details of terms and conditions of the respective Restricted Equity Interests granted: (continued)

Employee Incentive Scheme 2023 (continued)

On 26 September 2024, 1 director and 4 employees of the Company were granted the Restricted Equity Interests in the form of the Company's shares at a subscription price of RMB4.09 per share. These share awards would vest on the completion of the required service period of 36 months from the date of grant, subject to the employee's annual performance evaluation each year.

The Company has the right to repurchase the share awards at the original subscription price if the service requirement is not satisfied. As at 30 June 2026, the deposit liabilities recognised under Employee Incentive Scheme 2023 were RMB3,334,000 (31 December 2025: RMB3,334,000).

(b) Movements in numbers and weighted average fair value of the Restricted Equity Interests granted to directors and employees of the Company are as follows:

	2026		2025	
	Number of shares	Weighted average fair value per share RMB	Number of shares	Weighted average fair value per share RMB
As at 1 January and 30 June	**3,426,653**	**12.44**	3,426,653	12.22

As at 30 June 2026, the unvested shares under Employee Incentive Scheme 2023 were 1,151,795 shares (31 December 2025: 1,151,795 shares).

(c) Fair value of the share awards and assumptions

The fair value of services received in return for the Restricted Equity Interests granted is measured by reference to the fair value of Restricted Equity Interests granted at the corresponding dates of grant. No adjustment is required for expected dividends as the directors and employees are entitled to receive dividends paid during the vesting period. Except for those ordinary shares granted on 26 September 2024, whose fair value is measured with reference to the issuance price of a recent transaction of the Company's fundraising activity, discounted cash flow method was used to determine the underlying equity fair value of the Company with following key assumptions at the respective dates of share grant:

(Expressed in Renminbi unless otherwise indicated)

13 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(c) Fair value of the share awards and assumptions (continued)

	Employee Incentive Scheme 2021	**Employee Incentive Scheme 2023**
Annual growth rate of revenue during five-year forecast period		
• 1 December 2021 and 29 July 2022	-4.25% – 76.21%	
• 8 September 2023 and 31 August 2024		2.82% – 27.96%
• 7 June 2024	2.82% – 27.96%	
Estimated weighted average growth rate beyond the five-year period		
• 1 December 2021 and 29 July 2022	2.50%	
• 8 September 2023 and 31 August 2024		4.88%
• 7 June 2024	4.88%	
Gross profit margin during five-year forecast period		
• 1 December 2021 and 29 July 2022	28.99% – 46.04%	
• 8 September 2023 and 31 August 2024		34.90% – 38.78%
• 7 June 2024	34.90% – 38.78%	
Weighted average cost of capital ("WACC")		
• 1 December 2021 and 29 July 2022	11.50%	
• 8 September 2023 and 31 August 2024		10.30%
• 7 June 2024	10.30%	
Discount for lack of marketability ("DLOM")		
• 1 December 2021 and 29 July 2022	26.46%	
• 8 September 2023 and 31 August 2024		15.56%
• 7 June 2024	15.56%	

14 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

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

The directors of the Company did not recommend the payment of an interim dividend for the six months ended 30 June 2026 and 2025.

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Final dividend in respect of the previous financial year, approved and paid during following interim period, of RMB50.6 cents per ordinary share (six months ended 30 June 2025: nil)	**28,111**	–
Less: unpaid withholding tax	**(4,144)**	–
Final dividend in respect of the previous financial year paid	**23,967**	–

14 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Nature and purpose of reserves

(i) Share premium

The share premium of the Group represents the difference between the nominal value of the ordinary shares of the Company and its net assets value as of the conversion base date upon the conversion into a joint stock limited liability company in August 2024 and the difference between the par value of the shares of the Company and consideration for the shares issued in December 2025.

(ii) Share-based payment reserve

The share-based payment reserve comprises the portion of difference between the fair value of shares granted and the consideration paid by the directors and employees of the Group that has been recognised in accordance with the accounting policy adopted for equity-settled share-based payments.

(iii) Statutory reserve

Pursuant to the Articles of Association of the Group's Chinese Mainland companies and relevant statutory regulations, appropriations to the statutory reserve fund were made at 10% of profit after tax determined in accordance with accounting rules and regulations of the Chinese Mainland until the reserve balance reaches 50% of the registered capital. This reserve fund can be utilised in setting off accumulated losses or increasing capital of the Chinese Mainland companies provided that the balance after such conversion is not less than 25% of their registered capital, and is non-distributable other than in liquidation.

(iv) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from net investment in an operation outside Chinese Mainland and translation of financial statements of operations outside Chinese Mainland.

(c) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes bank loans and lease liabilities) and adjusted capital comprises all components of equity.

14 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Capital management (continued)

The Group's adjusted net debt-to-capital ratio at 30 June 2026 and 31 December 2025 was as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current liabilities:		
Bank loans	**–**	54,532
Lease liabilities	**2,712**	3,966
	2,712	58,498
Non-current liabilities:		
Lease liabilities	**4,958**	6,005
Adjusted net debt	**7,670**	64,503
Total equity	**510,678**	500,053
Adjusted capital	**510,678**	500,053
Adjusted net debt-to-capital ratio	**2%**	13%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

15 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

15 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

	Fair value at 30 June 2026 RMB'000	Fair value measurements as at 30 June 2026 categorised into		
		Level 1 RMB'000	**Level 2 RMB'000**	**Level 3 RMB'000**
Recurring fair value measurements				
Asset:				
Wealth management products	**74,258**	**–**	**74,258**	**–**

	Fair value at 31 December 2025 RMB'000	Fair value measurements as at 31 December 2025 categorised into		
		Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Recurring fair value measurements				
Asset:				
Wealth management products	48,291	–	48,291	–

During the six months ended 30 June 2026 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

15 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

Valuation techniques and inputs used in Level 2 fair value measurements

Valuation method used for wealth management products

The fair value of wealth management products in Level 2 is determined by using the DCF models. Future cash flows are estimated based on contractual terms of the wealth management products and discounted at a rate that reflects the credit risk of counterparties.

(b) Fair value of financial assets and liabilities carried at amortised cost

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 30 June 2026 and 31 December 2025.

16 COMMITMENTS

Commitments outstanding at 30 June 2026 not provided for in the interim financial report were as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Contracted for acquisition of property, plant and equipment	**17,818**	9,873
Contracted for short-term leases	**8,355**	7,346
	26,173	17,219

17 MATERIAL RELATED PARTY TRANSACTIONS

The Group entered into the following material related party transactions during the six months ended 30 June 2026 and 2025.

Name of related party	**Relationship**
Fujian Rovos Fitness Co., Ltd. (福建榮耀健康科技股份有限公司) *	Entity controlled by a director of the Group

* The English translation of the company's name is for reference only. The official name of this company is in Chinese.

17 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Key management personnel remuneration

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Salaries, wages, allowances and other benefits in kind	**2,773**	2,903
Retirement scheme contributions	**60**	35
Equity-settled share-based payment expenses	**1,471**	1,157
	4,304	4,095

Total remuneration is included in "staff costs" (see note 5(b)).

(b) Other transactions with related party

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Trade in nature:		
Purchase of equipment and spare parts		
– Entity controlled by a director of the Group	**24,232**	22,931
Purchase of research and development outsource service		
– Entity controlled by a director of the Group	**1,198**	1,509
Sales of spare parts of mechanical massage equipment		
– Entity controlled by a director of the Group	**608**	579

17 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Balances with related party

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade in nature		
Trade and other payables		
– Entity controlled by a director of the Group	**23,362**	7,053
Trade and other receivables		
– Entity controlled by a director of the Group	**394**	173
Prepayments		
– Entity controlled by a director of the Group	**369**	205

18 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual financial statements about the possible impacts of IFRS 18 which may have a significant impact on the Group's consolidated financial statements when adopted.

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1, *Presentation of financial statements*, and is first effective for annual reporting periods beginning on or after 1 January 2027.

IFRS 18 introduces new requirements for presentation and disclosure in financial statements, including new categories and defined subtotals in the statement of profit or loss, enhanced requirements for aggregation and disaggregation of information, and specific disclosures about management-defined performance measures ("MPM"). The Group is assessing the expected impact that the initial application of IFRS 18 will have on its consolidated financial statements.

The Group expects that the adoption of IFRS 18 will not change the Group's net assets or net profit. However, it is expected to affect the presentation of the Group's consolidated statement of profit or loss and related note disclosures.

IFRS 18 requires entities to classify income and expenses into specified categories in the statement of profit or loss, including operating, investing, and financing categories. It also requires entities to present two newly defined subtotals, which are "operating profit" and "profit or loss before financing and income taxes".

18 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (CONTINUED)

IFRS 18, *Presentation and disclosure in financial statements* (continued)

MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate management's view of an aspect of the financial performance of the entity as a whole to users. The Group is developing a process to identify its public communications and assess whether any measures reported in those communications meet the definition of an MPM.

The Group will be required to disclose specific information about MPMs in a single note in the financial statements. The MPMs disclosed by the Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the same reporting period.

IFRS 18 provides enhanced principles on how to group information in the financial statements, including the primary financial statements and the notes. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group has been consistently applied the principles of aggregating and disaggregating the items on the basis of similar and dissimilar characteristics. The Group is also assessing line items currently labelled as "other" across the primary financial statements and the notes and expects to use more informative labels where material information would otherwise be obscured.

IFRS 18 also introduces consequential amendments to IAS 7, *Statement of cash flows*. The Group is assessing the impact of those amendments, including the requirement to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method and the classification of interest and dividend cash flows.

The actual impact of applying IFRS 18 may change as the Group continues to assess the new requirements and finalises any changes to its reporting processes, controls and accounting policies before the date of initial application.