



JIANGSU HORIZON CHAIN SUPERMARKET COMPANY LIMITED

江蘇宏信超市連鎖股份有限公司

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

Stock Code: 2625

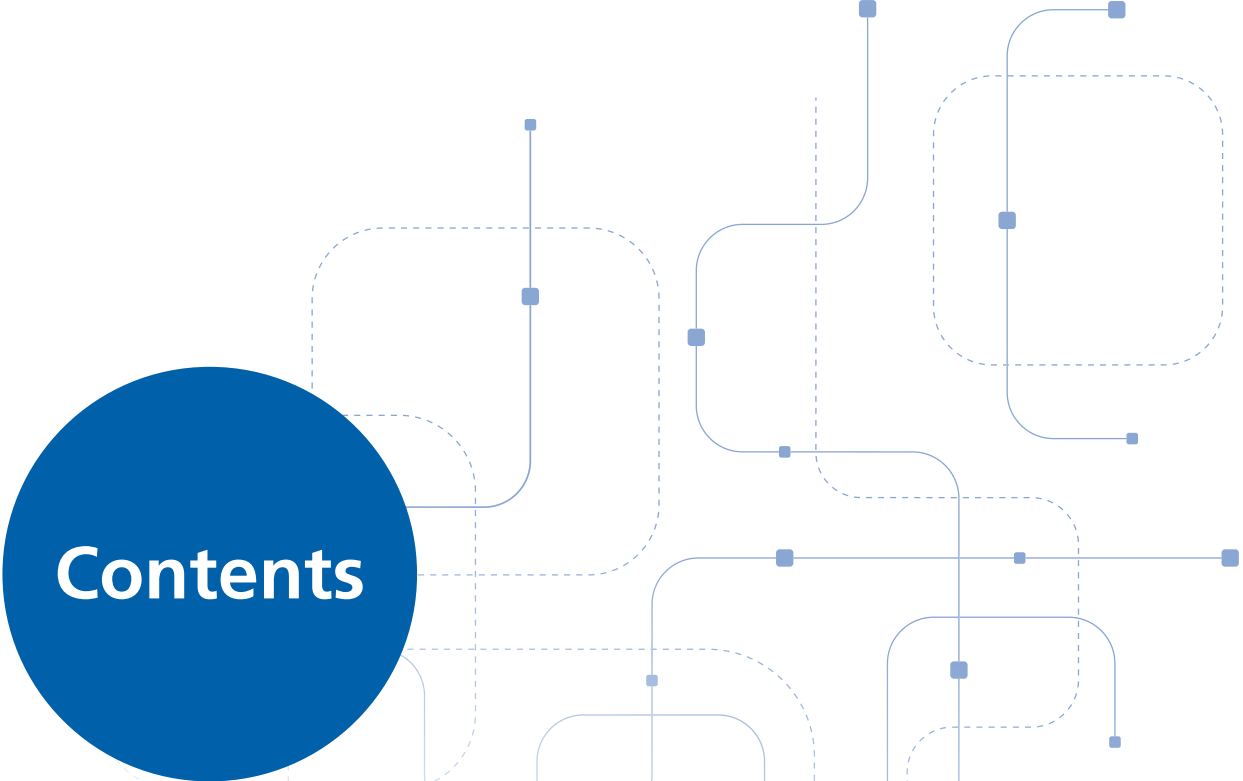
2026

Interim Report

Loong
宏信龍

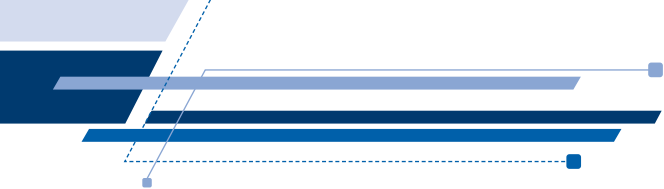
AI智慧便利





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Corporate Information

Directors

Executive Directors

Mr. Gao Feng (高峰) (*Chairman*)
Mr. Yuan Yuan (袁原)
Mr. Zhang Jiaan (張佳安) (*Chief Executive Officer*)
Mr. Yao Jun (姚駿)
Ms. Shen Zhigen (沈志艮)
Ms. Nai Jingjing (倪晶晶)
Mr. Wang Fei (王飛)

Non-executive Director

Ms. Wei Yan (韋燕)

Independent Non-executive Directors

Mr. Zheng Manjun (鄭滿軍)
Mr. Zheng Yu (鄭宇)
Ms. Jia Meng (賈夢) (appointed on 15 January 2026)
Ms. Zhang Yan (張燕) (appointed on 15 January 2026)
Mr. Lam Ka Tak (林嘉德) (resigned on 15 January 2026)
Mr. Zhu Bo (朱波) (resigned on 15 January 2026)

Audit Committee

Ms. Jia Meng (賈夢) (*Chairperson*) (appointed on 15 January 2026)
Mr. Zheng Manjun (鄭滿軍)
Mr. Zheng Yu (鄭宇)
Ms. Zhang Yan (張燕) (appointed on 15 January 2026)
Ms. Wei Yan (韋燕)
Mr. Lam Ka Tak (林嘉德) (resigned on 15 January 2026)
Mr. Zhu Bo (朱波) (resigned on 15 January 2026)

Nomination Committee

Mr. Zheng Manjun (鄭滿軍) (*Chairperson*)
Mr. Zheng Yu (鄭宇)
Ms. Jia Meng (賈夢) (appointed on 15 January 2026)
Ms. Zhang Yan (張燕) (appointed on 15 January 2026)
Ms. Wei Yan (韋燕)
Mr. Lam Ka Tak (林嘉德) (resigned on 15 January 2026)
Mr. Zhu Bo (朱波) (resigned on 15 January 2026)

Remuneration Committee

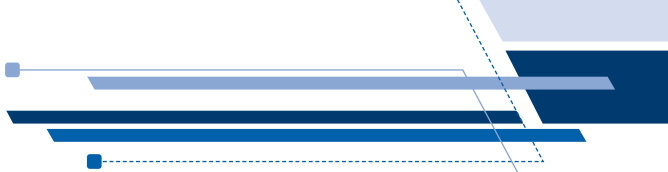
Mr. Zheng Yu (鄭宇) (*Chairperson*)
Mr. Zheng Manjun (鄭滿軍)
Ms. Jia Meng (賈夢) (appointed on 15 January 2026)
Ms. Zhang Yan (張燕) (appointed on 15 January 2026)
Ms. Wei Yan (韋燕)
Mr. Lam Ka Tak (林嘉德) (resigned on 15 January 2026)
Mr. Zhu Bo (朱波) (resigned on 15 January 2026)

Authorised Representatives

Mr. Gao Feng (高峰)
Mr. Hui Hung Kwan (許鴻群)

Joint Company Secretaries

Ms. Xu Chunling (徐春玲)
Mr. Hui Hung Kwan (許鴻群) (*an associate of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants*)



Corporate Information

Auditor

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

Compliance Adviser

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

Hong Kong Legal Adviser

DeHeng Law Offices (Hong Kong) LLP
28/F, Henley Building
5 Queen's Road Central
Central
Hong Kong

Rooms 2505–6, 25/F
New World Tower 1
No. 16–18 Queen's Road Central
Central, Hong Kong

Room 3507, 35/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Central
Hong Kong

PRC Legal Adviser

Beijing DHH Law Firm
12/F, Tower C
Beijing Yintai Centre
No. 2 Jianguomenwai Avenue
Chaoyang District
Beijing, PRC

Registered Office

Shao Bo Town Industrial Park Logistics Park
Jiangdu District, Yangzhou City
Jiangsu Province
PRC

Headquarters and Principal Place of Business in the PRC

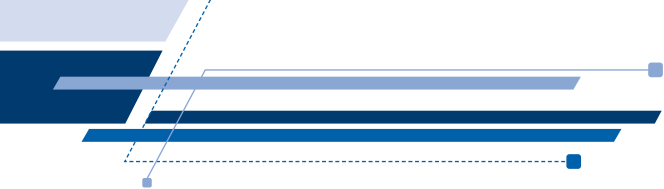
Shao Bo Town Industrial Park Logistics Park
Jiangdu District, Yangzhou City
Jiangsu Province
PRC

Principal Place of Business in Hong Kong

28/F, Henley Building
5 Queen's Road Central
Hong Kong

H Share Registrar

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



Corporate Information

Principal Banks

**Agricultural Bank of China Yangzhou
Jiangdu Branch**

No. 1289 Wenchang East Road
Jiangdu District, Yangzhou City
Jiangsu Province
PRC

Bank of China Jiangdu Branch

No. 19 Longcheng Road
Jiangdu District, Yangzhou City
Jiangsu Province
PRC

**China Construction Bank Corporation
Jiangdu Branch**

No. 1 Xiancheng Road
Jiangdu District, Yangzhou City
Jiangsu Province
PRC

**Agricultural Development Bank of China
Yangzhou Jiangdu Branch**

No. 10 Dong Fang Hong East Road
Jiangdu District, Yangzhou City
Jiangsu Province
PRC

Jiangsu Jiangdu Rural Commercial Bank Co., Ltd.

No. 21 Longcheng Road
Jiangdu District, Yangzhou City
Jiangsu Province
PRC

Company Website

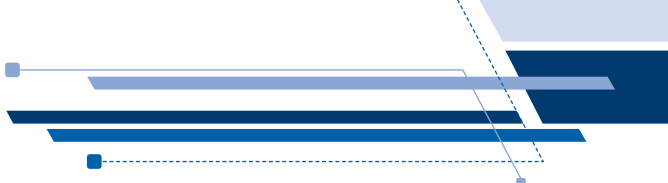
www.hxsupermarket.cn

Stock Code

2625

Listing Date

31 March 2025



Management Discussion and Analysis

Business Review and Outlook

We are a wholesaler of grains and oil headquartered in Yangzhou, with retail operations of supermarkets and convenience stores focusing on the central region of Jiangsu Province under our brand “宏信龍” (Hongxinlong*). Leveraging our ability to source and supply quality and fresh food ingredients, we also operate a central kitchen to produce meals and deliver them to local corporates, schools or government entities.

Our business entails the following operations:

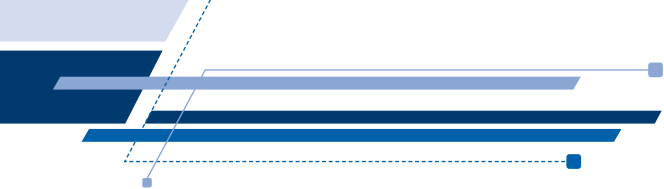
- **Wholesale operations:** We sell grains and oil, food products and other products to resellers and other retail operators, including other operators of supermarkets and convenience stores as well as catering business operators. We also sell garments and wooden products to overseas customers and household appliances to distributors and retailers.
- **Retail operations:** We operate our supermarkets and convenience stores under our brand “宏信龍” (Hongxinlong*), as well as two malls, with geographical focus in the central region of Jiangsu Province. We receive sales proceeds from (i) general sales to consumers at our retail stores and malls; and (ii) bulk sales to customers, including corporate and government entities. We also receive sales amounts for concessionaire sales at our retail stores and malls and charge the concessionaires a certain percentage of gross sale amounts or the agreed sales target, whichever is the higher, as commissions.

Our supermarkets provide a wide range of daily consumer products to cater for the daily needs of our customers, which could be broadly categorised as raw and fresh food, grains and oil, non-staple food and household products, while our convenience stores open for 16 or 24 hours a day to cater for quick purchases of everyday consumable products.

Apart from supermarkets and convenience stores, we also operate two malls located in Yangzhou, namely Jiangdu Mall* (江都商城) and Hongxinlong Mall* (宏信龍購物中心). We sell fashion and apparel, children’s wear, cosmetics and personal care, jewellery, accessories, footwear, household appliances, consumer electronics, liquor and miscellaneous products at our malls.

- **Rental operations:** Ancillary to our retail operations, we lease some shop floor area or shop premises in our retail stores and malls to other retail operators like restaurants, hotels and pharmacies, etc. and receive rental income.
- **Supply and sales of meals:** We operate a central kitchen to produce meals and deliver to local corporates, schools or government entities.

* For identification purpose only



Management Discussion and Analysis

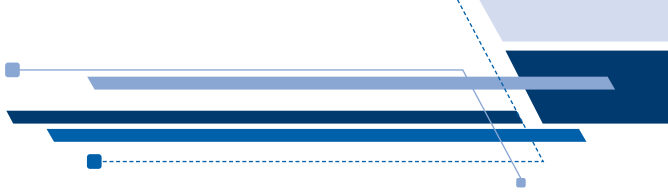
In the first half of 2026, the Company has adopted the following measures to actively explore its new retail business:

- Strengthening the omni-channel layout of “offline stores + online platforms” and launching multiple platform operating windows to meet the instant retail needs of consumers;
- Actively expanding our presence and number of unmanned smart stores to enhance operational efficiency;
- Introducing unmanned logistics vehicles to improve delivery efficiency;
- Enhancing the level of informatisation, integrating online and offline merchandise and inventory management, and achieving warehouse-store integration; and
- Conducting a preliminary technical and commercial assessment of third party solutions for robotic picking, stocking, and shelf organization to assess accuracy, reliability, compatibility with the Group’s inventory systems, labour savings, cost and expected payback period.

Going forward, we plan to implement the following strategies, which we believe will strengthen our market position, increase our market share and capture the growth in the PRC retail industry:

- expanding our presence and number of retail stores;
- expanding and upgrading our existing distribution centre while continuing to assess the implementation of a new distribution centre, subject to the relevant land and regulatory arrangements;
- subject to completion of the regularisation of the relevant land use rights and property titles, formulating an updated implementation plan for a new central kitchen;
- enhancing our Enterprise Resource Planning (ERP) system and infrastructure systems to improve our operational efficiency; and
- promoting the application of artificial intelligence in retail decision-making to overcome the pain of digital transformation in the physical retail industry.

The total revenue of the Company for the six months ended 30 June 2026 was RMB807.8 million, representing an increase of 4.7% from the same period of last year. The Group’s revenue was principally derived from sales of goods from retail operations and wholesale operations, commission income, and supply and sales of meals.



Management Discussion and Analysis

Market and Industry Overview

China's economy continued its recovery in 2025, with gross domestic product (GDP) growing 5.0% and per capita disposable income rising, supporting consumer spending, particularly on food and household goods. The retail landscape is increasingly shaped by omni-channel strategies, with online retail's share growing (2.9% in 2025) while offline channels adapt.

China's chain supermarket market experienced a decline due to competition from e-commerce and evolving formats, but a modest recovery is projected. Notably, large supermarkets face contraction, whereas small and medium-sized supermarkets demonstrate resilience and growth potential, driven by convenience and focus on fresh products. This trend is pronounced in Jiangsu, where retail sales of small and medium-sized chain supermarkets saw strong growth with positive forecasts.

The convenience store market exhibits strong growth nationally and in Yangzhou, fuelled by demand for convenience and digital integration, with continued expansion forecast. Conversely, the department store sector faces ongoing decline nationally and regionally.

Key opportunities lie in China's large consumer base, urbanisation, rising demand for quality and fresh goods, and technological integration (omni-channel). Challenges include intense market competition, particularly from e-commerce, shifting consumer preferences, and managing operational costs like labour and rent, despite some easing in commercial property rents. The outlook for regional small and medium-sized supermarkets and convenience stores remains positive, leveraging local presence and convenience.

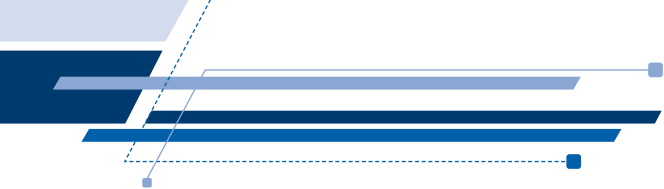
Financial Review

Revenue

Our revenue increased by 4.7% from RMB771.3 million for the six months ended 30 June 2025 to RMB807.8 million for the six months ended 30 June 2026, primarily attributable to the increase in our revenue generated from wholesale operations.

For the six months ended 30 June 2026, our revenue generated from wholesale operations increased by 24.5% to approximately RMB548.9 million from approximately RMB441.1 million for the six months ended 30 June 2025. Such increase was mainly driven by the Group's proactive expansion of wholesale channels and customer base, resulting in the introduction of several new distributors and an increase in order volumes.

For the six months ended 30 June 2026, our revenue generated from general sales from retail operations decreased by 19.5% to approximately RMB210.7 million from approximately RMB261.6 million for the six months ended 30 June 2025 mainly driven by the tightening macro-consumption environment, which put pressure on both offline customer traffic and average transaction value, leading to a drop in retail stores sales.



Management Discussion and Analysis

For the six months ended 30 June 2026, our revenue generated from bulk sales from retail operations decreased by 27.6% to approximately RMB24.6 million from approximately RMB33.9 million for the six months ended 30 June 2025. Such decrease was mainly driven by fluctuations in the purchasing demand of specific enterprises. There were several large group purchase orders and corporate welfare procurement projects during the six months ended 30 June 2025, while such large orders decreased during the Reporting Period.

For the six months ended 30 June 2026, our revenue generated from supply and sales of meals decreased by 48.0% to approximately RMB7.2 million from approximately RMB13.9 million for the six months ended 30 June 2025. Such decrease was mainly driven by non-renewal of certain meals supply contracts upon expiry.

For the six months ended 30 June 2026, our revenue generated from commission income from concessionaire sales and supply of goods decreased by 21.1% to approximately RMB10.9 million from approximately RMB13.8 million for the six months ended 30 June 2025. Such decrease was mainly driven by the decline in concessionaire sales due to fluctuations in the end-consumer market.

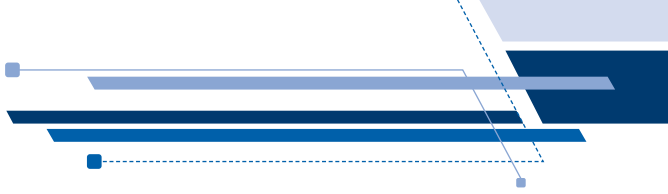
For the six months ended 30 June 2026, our revenue generated from rental income from operating lease decreased by 21.4% to approximately RMB5.5 million from approximately RMB7.0 million for the six months ended 30 June 2025. Such decrease was mainly driven by the negative impact of the overall economic environment, which led to the Group's provision of rent concessions to certain tenants.

Cost of sales

Our cost of sales mainly comprised the cost of inventories sold. Our cost of sales for the six months ended 30 June 2026 was RMB679.4 million, representing an increase of RMB46.9 million or 7.4% compared with the same period last year; primarily attributable to the increase in wholesale sales volume and the related costs of inventories sold.

Gross profit and gross profit margin

As a result of the above, our gross profit for the six months ended 30 June 2026 was RMB128.4 million, representing a decrease of 7.5% compared with the same period last year; the gross profit margin was 15.9%, decreased by 2.1 percentage points compared with the same period last year, primarily attributable to (i) the increased promotional discounts to cope with fierce market competition and to reduce inventories; and (ii) a higher proportion of revenue generated from wholesale operations, which had a relatively lower gross profit margin.



Management Discussion and Analysis

Other revenue

Our other revenue mainly comprised service income for processing meals for two catering business operators in Yangzhou and government grants. Our other revenue decreased from RMB3.4 million for the six months ended 30 June 2025 to RMB0.5 million for the six months ended 30 June 2026, primarily as a result of (i) a decrease in our service income to approximately RMB0.1 million during the Reporting Period from approximately RMB2.7 million during the six months ended 30 June 2025 mainly due to non-renewal of service contracts upon expiry, and (ii) a decrease in government grants to RMB0.2 million in the Reporting Period from RMB0.5 million in the same period last year.

Other net (loss)/gain

Our other net loss amounted to approximately RMB3.6 million for the six months ended 30 June 2026 mainly due to net foreign exchange loss of approximately RMB3.4 million, while our other net gain was approximately RMB0.4 million for the six months ended 30 June 2025.

Selling and distribution costs

Our selling and distribution costs mainly comprised staff costs and depreciation and amortisation expenses. Our selling and distribution costs for the six months ended 30 June 2026 were RMB70.4 million, representing a decrease of 6.2% compared with the same period last year, mainly due to the decrease in staff costs and depreciation and amortisation expenses.

Administrative and other operating expenses

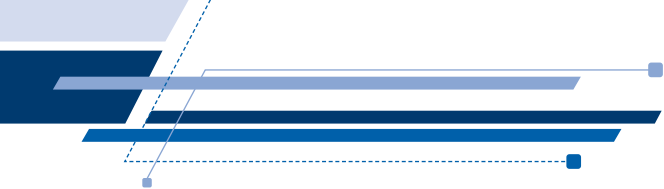
Our administrative and other operating expenses mainly comprised staff costs, and depreciation and amortisation expenses. Our administrative and other operating expenses decreased by 38.3% from RMB32.7 million for the six months ended 30 June 2025 to RMB20.1 million for the six months ended 30 June 2026, primarily because of the absence of Listing expenses of approximately RMB12.6 million.

Reversal/(provision) of impairment loss on trade and other receivables

Our impairment on financial assets refers to the credit loss assessment and movement in allowance for the impairment of trade receivables and other receivables. The reversal of impairment loss of financial assets for the six months ended 30 June 2026 was RMB6.4 million, while the provision of RMB2.9 million for the six months ended 30 June 2025. Such change was mainly driven by the decrease in trade receivables compared with the balance as at 31 December 2025, mainly due to a decrease in trade receivables aged 3 to 12 months.

Net finance costs

Our finance costs – net for the six months ended 30 June 2026 was RMB12.7 million, representing an increase of RMB3.5 million compared with the same period last year, mainly due to the increase in the average balance of bank loans and other borrowings compared to the same period last year.



Management Discussion and Analysis

Income tax

The income tax expenses decreased from RMB9.3 million for the six months ended 30 June 2025 to RMB6.2 million for the six months ended 30 June 2026, mainly due to the decrease in taxable profits.

Profit for the period

For the foregoing reasons, we recorded a profit of RMB22.3 million for the six months ended 30 June 2026 representing an increase of 64.6%, compared to a profit of RMB13.5 million for the six months ended 30 June 2025. The increase was mainly attributable to (i) the absence of Listing expenses of approximately RMB12.6 million incurred for the six months ended 30 June 2025 in the comparative period; and (ii) the change from a provision for impairment loss on trade and other receivables of RMB2.9 million to a reversal of RMB6.4 million, partially offset by the decrease in gross profit, the net foreign exchange loss and the increase in net finance costs. Excluding Listing expenses, adjusted net profit (a non-IFRS measure) decreased by approximately 14.6% from RMB26.1 million to RMB22.3 million, and adjusted net profit margin decreased from 3.4% to 2.8%.

Non-IFRS measures

To supplement our consolidated financial statements which are presented in accordance with IFRSs, we also presented the adjusted net profit (Non-IFRS measure) and adjusted net profit margin (Non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRSs. We believe that the presentation of non-IFRS financial measures when shown in conjunction with the corresponding IFRS financial measures provides useful information to potential investors and management in facilitating a comparison of our operating performance from period to period. Such non-IFRS financial measures allow investors to consider metrics used by our management in evaluating our performance.

The use of non-IFRS financial measures has limitations as an analytical tool, and investors should not consider these in isolation from, or as a substitute for, or superior to, analysis of our results of operations or financial conditions as reported in accordance with IFRSs. In addition, the non-IFRS financial measures may be defined differently from similar terms used by other companies.

We adjusted for certain items as our non-IFRS financial measures, in order to provide potential investors with an overall and fair understanding of our operating results and financial performance, especially in making period-to-period comparisons of, and assessing the profile of, our operating and financial performance. Listing expenses are mainly expenses related to the Listing and are added back because they were incurred only for the purposes of the Listing.

Management Discussion and Analysis

Adjusted net profit (Non-IFRS measure)

Adjusted net profit (a non-IFRS measure) is defined as profit for the relevant period adjusted by adding back Listing expenses. Adjusted net profit margin (a non-IFRS measure) is calculated by dividing adjusted net profit by revenue for the relevant period. The table below sets forth the adjusted net profit and the adjusted net profit margin for the six months ended 30 June 2025 and 30 June 2026, respectively:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Profit for the period	22,251	13,516
Adjusted: Listing expenses	—	12,552
Adjusted net profit (Non-IFRS measure) for the period	22,251	26,068
Adjusted net profit margin (Non-IFRS measure)	2.8%	3.4%

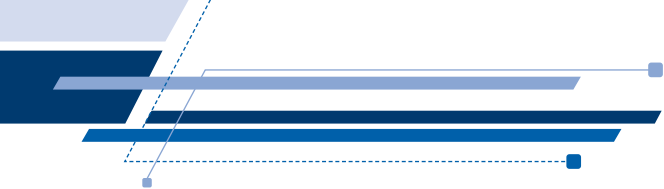
Financial condition

Shareholders' equity increased from RMB739.5 million as at 31 December 2025 to RMB758.0 million as at 30 June 2026, mainly due to the profit for the Reporting Period.

Liquidity and financial resources, treasury policies and capital structure

The Group has maintained a sound financial position during the Reporting Period. As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB128.8 million (31 December 2025: RMB238.4 million).

The Group recorded total current assets of approximately RMB1,348.1 million as at 30 June 2026 (31 December 2025: approximately RMB1,404.0 million) and total current liabilities of approximately RMB904.3 million as at 30 June 2026 (31 December 2025: approximately RMB954.3 million). The current ratio (calculated by dividing the current assets by the current liabilities) of the Group was approximately 1.49 as at 30 June 2026 (31 December 2025: approximately 1.47).



Management Discussion and Analysis

As at 30 June 2026, the sum of long-term bank loans and other borrowings amounted to RMB30.8 million and were repayable after one year and within five years, comprising RMB25.3 million repayable after one year but within two years and RMB5.5 million repayable after two years but within five years. While the sum of short-term bank loans and other borrowings amounted to RMB555.5 million, with the maturity of one year or less. Bank borrowings are denominated in RMB. The Group has complied with the loan financial contract during the Reporting Period. The Company does not use any financial instruments for hedging. The Group maintains sufficient liquidity to meet its daily administrative and capital expenditure requirements and can control its internal operating cash flow.

As at 30 June 2026, the Group has not provided guarantees and pledges to related parties.

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers debtors. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that sufficient financial resources are available in order to meet its funding requirements and commitment in a timely manner.

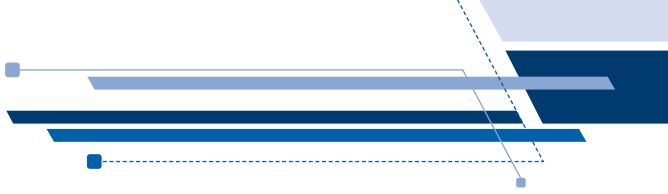
Following completion of the Global Offering on 31 March 2025, the Company completed the placing of 21,392,655 new H Shares on 2 December 2025. There was no change in the Company's capital structure during the Reporting Period and up to the date of this report. As at the date of this report, the issued share capital of the Company comprised 235,639,565 H Shares of RMB1.00 each, and the Company did not hold any treasury shares.

Capital expenditure

During the Reporting Period, the capital expenditure of the Group was RMB31.5 million, which mainly includes the purchase of property, plant and equipment. The Company mainly uses cash from operating activities to fund capital expenditures. The Company intends to use the Company's existing cash balances, bank and other borrowings and proceeds from the Global Offering to finance the Company's future capital expenditures and long-term investments. The Company may reallocate funds for capital expenditure and long-term investment based on continuing business needs.

Pledge of assets

As of 30 June 2026, the Group pledged (i) land use rights with a net book value of RMB26.6 million, (ii) plants and buildings with a net book value of RMB25.9 million, and (iii) bank deposits of RMB8.6 million for the Group's bank loans and other borrowings of RMB415.8 million. These borrowings are for general business operation purposes.



Management Discussion and Analysis

Contingent liabilities

Save for the exposure in respect of endorsed bank acceptance bills disclosed in note 10, as at 30 June 2026, the Group did not have any material contingent liabilities.

Gearing ratio

The Group has bank loans and other borrowings of approximately RMB586.3 million as at 30 June 2026. As such, our gearing ratio, calculated as total borrowings divided by the total equity as at the end of the period, was approximately 77.4% (31 December 2025: 81.1%). Our asset-liability ratio, calculated as total liabilities divided by the total assets as at the end of the period, was approximately 57.2%.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

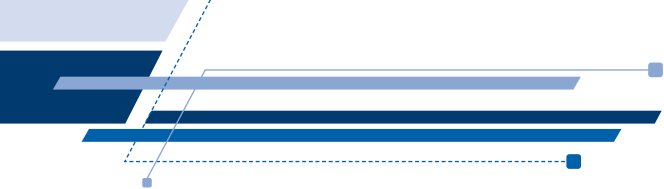
As of 30 June 2026, the Group did not have material acquisitions or disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus, as of 30 June 2026, we did not have plans for material investments and capital assets.

EXPOSURE TO FLUCTUATIONS IN FOREIGN EXCHANGE RATES

Our Group primarily generates all of its revenue in the PRC. Majorities of our Group’s assets, liabilities and cash flows were denominated in RMB and part of the Group’s assets were denominated in HK\$. During the six months ended 30 June 2026, the depreciation amounting to approximately RMB3.4 million of HK\$ against RMB was recorded. During the six months ended 30 June 2026, the appreciation of RMB against HK\$ had no significant impact from translation as the reporting currency of our Group was RMB. Apart from that, the management of our Company is of the view that the change in exchange rate for RMB against foreign currencies did not have a significant impact on our Group’s financial position nor performance given that the functional currency of the Group was RMB. During the six months ended 30 June 2026, our Group did not engage in any hedging activities and our Group had no intention to carry out any hedging activities in the near future. The management of our Group will continue to closely monitor the foreign currency market and consider carrying out hedging activities when necessary.



Management Discussion and Analysis

SIGNIFICANT INVESTMENT AND MATERIAL EVENT DURING THE REPORTING PERIOD

As of 30 June 2026, the Group did not make any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of 30 June 2026).

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 17 July 2026, the Company disposed of the approximately 18% of equity interest in Haike Hongxin Digital Technology (Shenzhen) Co. Ltd.* (海科宏信數字科技(深圳)有限公司) ("Haike Hongxin") to Haike Chuangzhan Medical Technology (Shanghai) Co., Ltd.* (海科創展醫療科技(上海)有限公司) ("Haike Chuangzhan") at a consideration of RMB25 million.

Save as the above-mentioned and otherwise disclosed in this report, there were no other significant events affecting the Group which occurred after 30 June 2026 and up to the date of this report.

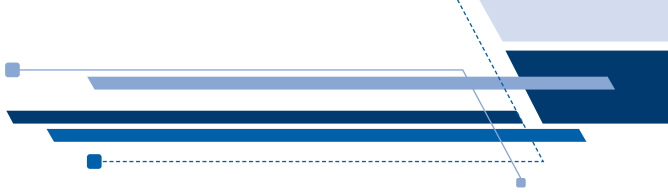
EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, we had a total of 1,128 employees, all of them are based in Jiangsu Province. For the six months ended 30 June 2026, the total employee benefits (including directors' remuneration) amounted to RMB37.1 million (six months ended 30 June 2025: RMB43.7 million).

The following table sets forth a breakdown of our employees categorised by function as of 30 June 2026.

	<u>No. of employees</u>
Management	14
Administrative	85
Financial and Information Technology	43
Marketing	19
Procurement	23
Logistics	67
Operational	877
Total	<u>1,128</u>

* For identification purpose only



Management Discussion and Analysis

We make contributions for our employees towards five categories of social insurance, including pension, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance in accordance with the PRC social insurance system, as well as housing provident fund in compliance with the relevant PRC laws and regulations.

We enter into separate employment contracts with each of our employees, the terms and conditions of which are in full compliance with the relevant PRC labour laws and employment decrees. The remuneration of our employees consists of basic salary and quarterly and annual discretionary bonuses. The bonus amount is based on the employee's performance. In addition, we provide our employees with various insurance policies and housing pensions as required by relevant PRC labour laws.

Recruitment policies

We generally recruit our employees from the open market through placing recruitment advertisements. We endeavour to attract and retain appropriate and suitable personnel to serve our Group. We assess the available human resources on a continuous basis and will determine whether additional personnel are required to cope with the business development of our Group.

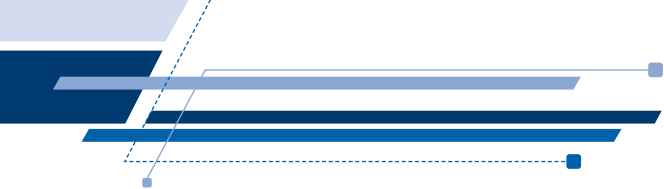
During the Reporting Period, the Company did not operate any share scheme to which Chapter 17 of the Listing Rules applies.

Training

Our human resources department will introduce our standards and culture to our new staff and prepare a series of compulsory trainings for them focusing on hard skills such as company introduction and working procedures. Our store managers will also train up our newly recruited staff to cater for the needs of our retail stores and malls.

We also offer regular and tailor-made training to our management and front-line personnel and identify suitable and promising candidates for future promotion to store managers. We believe our internal training programmes not only improve our staff retention rates as a result of the upward mobility prospect, but also cultivate the right kind of candidates as our management personnel as required for our business expansion.

We have labour unions. Our Directors confirmed that we have not experienced any labour strikes or material labour disputes during the Reporting Period and up to the Latest Practicable Date, and have not experienced any significant difficulties in recruiting or retaining qualified staff.



Corporate Governance and Other Information

Corporate Governance

Our Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. Our Company has adopted the code provisions of the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance with effect from the Listing Date.

During the Reporting Period, the Company has complied with all the principles and applicable code provisions contained in Part 2 of the CG Code.

The Directors will continue to review the corporate governance policies and compliance with the CG Code and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company each financial year.

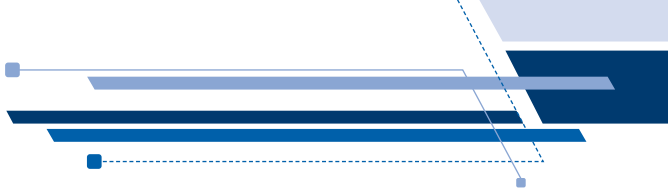
Material Legal Proceedings

During the Reporting Period, no member of the Group was involved in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

Audit Committee

The Board has established an Audit Committee, which comprises four independent non-executive Directors, namely, Ms. Jia Meng (賈夢) (chairperson of the Audit Committee), Mr. Zheng Manjun (鄭滿軍), Mr. Zheng Yu (鄭宇) and Ms. Zhang Yan (張燕), and one non-executive Director, namely, Ms. Wei Yan (韋燕). The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has reviewed this interim report, including the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026, with the management. The Audit Committee did not disagree with any accounting treatment adopted by the Company and confirmed that the applicable accounting principles, standards and requirements have been complied with and that adequate disclosures have been made.



Corporate Governance and Other Information

Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

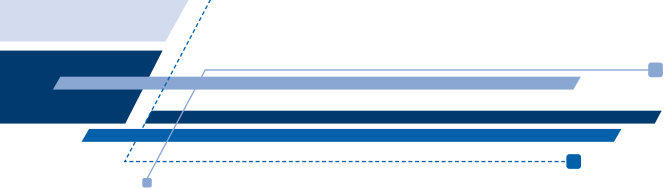
Compliance with Laws and Regulations

To the best of the Directors' knowledge, information and belief, save as disclosed in the section headed "Business – Non-compliance" in the Prospectus, our Group has, in all material aspects, complied with the relevant laws and regulations that have a significant impact on the Group during the Reporting Period.

The Central Kitchen Relocation Plan

As disclosed in the Prospectus, our Group identified non-compliance incidents arising from our inability to obtain land use right certificates for certain defective land of approximately 68 mu and consequently, property ownership certificates for properties situated thereon (the "Defective Properties"). This was primarily due to changes in government land quota policies after the initial land acquisition agreement in 2010. Our Muyuan Central Kitchen (as defined in the Prospectus), a processing and distribution centre for meal supply, is located within these properties. Although competent authorities provided confirmations allowing continued use and stating no penalties would be imposed, our Group formulated a relocation plan (the "Central Kitchen Relocation Plan") in respect of our Muyuan Central Kitchen.

Pursuant to the timeline for the Central Kitchen Relocation Plan as set out in the Prospectus, key activities, including finalising equipment procurement, site finishing, equipment installation, testing, and inspections, were scheduled for completion in the first quarter of 2025, whereas the physical relocation of the Muyuan Central Kitchen was planned for the second quarter of 2025. The entire process, from commencement to full operation of the new facility, was estimated to take nine to twelve months, with the actual operational downtime during relocation expected to be around one month. The estimated cost was projected to be between RMB2 million and RMB3 million. For further details, please refer to the section headed "Business – Non-compliance – (1) Failure to obtain certain land use right certificates and property ownership certificates" in the Prospectus.



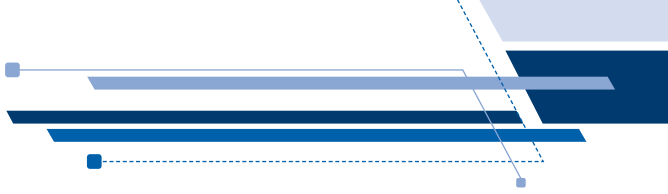
Corporate Governance and Other Information

In or around June 2025, the Group has obtained a formal confirmation letter (the “Confirmation Letter”) from the People’s Government of Shaobo Town, Jiangdu* (江都市邵伯鎮人民政府) (the “Shaobo Town People’s Government”), a competent government authority as advised by our PRC legal advisers, confirming that the Defective Land complies with village land planning requirements and is primarily utilised for vegetable processing and central kitchen purposes. In alignment with the policy guidelines of Yangzhou City’s Land Use Project for the Integrated Development of Primary, Secondary, and Tertiary Industries* (一二三產業融合發展用地項目), preparations were underway to apply for inclusion in the aforementioned integrated industries development project and to process the conversion of agricultural land in accordance with applicable laws and regulations. Preliminary approval procedures were initiated in May 2025 and the Company has been cooperating closely with Shaobo Town People’s Government and other relevant government authorities to facilitate the approval process. This position was further confirmed by the Jiangdu Branch of the Yangzhou Municipal Bureau of Natural Resources and Planning* (揚州市自然資源和規劃局江都分局), which also formally endorsed the Confirmation Letter by having affixed its official seal thereon. The bureau affirmed its commitment to actively cooperate with the Shaobo Town People’s Government to advance the necessary planning adjustments and land conversion procedures for the project in accordance with all applicable laws and regulations.

According to the Confirmation Letter, the land use conversion procedure was initially expected to be fully completed by the end of December 2026, following which the land will be supplied to the Company in accordance with applicable laws and regulations. Shaobo Town People’s Government shall assist the Company in the relevant procedures to confirm that the Company will be able to obtain the relevant land use rights and property ownership without foreseeable obstacles in accordance with applicable laws and regulations. It was also confirmed that as of the date of the Confirmation Letter, the Company does not occupy any basic farmland, and the Shaobo Town People’s Government acknowledges and consents to the continued long-term use of the Defective Land and properties in their current state. The Shaobo Town People’s Government also confirmed that the Company has not been subject to any penalties from them in relation to land, properties, building construction, fire safety, or other related matters. Furthermore, there are no potential, ongoing, or existing disputes or conflicts between the Shaobo Town People’s Government and the Company concerning these lands, properties, or buildings, and no reports or complaints from third parties regarding the same were received.

The Company has continued to communicate with the Shaobo Town People’s Government in relation to the regularisation of the relevant land and property titles. However, the progress of the relevant approval and land use conversion procedures has been slower than originally expected. In April 2026, the Shaobo Town People’s Government indicated to the Company that the planning adjustment in respect of the relevant land parcel had been submitted to higher authorities, with a view to advancing the work relating to the relevant certificates.

* For identification purpose only



Corporate Governance and Other Information

In light of the issuance of the Confirmation Letter and the continuing efforts pathway towards legalising the titles of the Defective Properties and the relevant land, the Company has decided to temporarily suspend the Central Kitchen Relocation Plan. The Company is cooperating closely with the Shaobo Town People's Government and other relevant authorities to facilitate the approval process with a view to obtaining the relevant land use right and property ownership for the Defective Properties and the relevant land.

Continuing Disclosure Obligations Pursuant to the Listing Rules

Save as disclosed in this report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

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

During the Reporting Period and up to the date of this report, there was no purchase, sale or redemption of any listed securities (including sale of treasury shares (as Defined under the Listing Rules)) of the Company by the Company or any of its subsidiaries. As at 30 June 2026, the Company did not hold any treasury shares.

Model Code for Securities Transactions by Directors

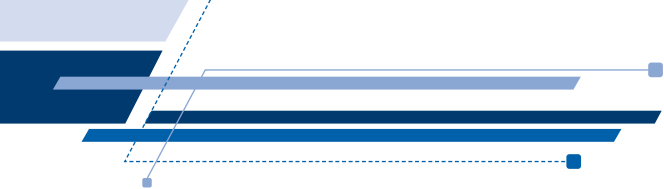
The Company has adopted the Model Code to regulate all dealings by the Directors and relevant employees of securities in the Company and other matters covered by the Model Code during the Reporting Period. Having made specific enquiry with all the Directors of the Company, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period and up to the Latest Practicable Date.

No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the Reporting Period.

Global Offering

On 31 March 2025, the H Shares of the Company were listed on the Main Board of the Stock Exchange in a global offering of 53,562,000 H Shares, comprising a final Hong Kong public offering of 8,892,000 H Shares and a final international public offering of 44,670,000 H Shares (as adjusted in the Company's allotment results announcement dated 28 March 2025). The H Shares were issued and subscribed by Hong Kong and overseas investors at an Offer Price of HK\$2.50 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, the Stock Exchange transaction fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) by way of an initial public offering. The over-allotment option as described in the Prospectus was not exercised by the overall coordinators (for themselves and on behalf of the international underwriters).

For details of the Global Offering, please refer to the Prospectus and the allotment results announcement of the Company dated 28 March 2025.



Corporate Governance and Other Information

Use of Proceeds from the Global Offering

According to the announcement of the Company dated 28 March 2025 relating to the offer price and allotment results (the “Allotment Results Announcement”), the net proceeds from the Global Offering (after deducting the underwriting fees and commissions and estimated expenses payable by us in connection with the Listing) amounted to approximately HK\$92.55 million (the “Net Proceeds”).

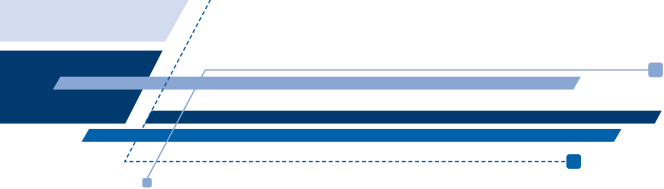
As disclosed in the Prospectus, the estimated amount of the Listing expenses is approximately RMB38.9 million (based on the mid-point of the then indicative offer price range of HK\$2.50 to HK\$3.00 per H share of the Company). The actual Listing expenses incurred are approximately RMB41.4 million (equivalent to approximately HK\$44.9 million) (the “Actual Listing Expenses”), which was higher than the estimated amount of the Listing expenses.

In light of the difference between the Actual Listing Expenses and the estimated amount of the Listing expenses as disclosed in the Prospectus and the Allotment Results Announcement, resulting in the actual Net Proceeds amounting to approximately HK\$89.04 million, the Group has adjusted the intended use of the actual amount of the Net Proceeds on a pro-rata basis as disclosed in the Prospectus. Having considered the Group’s business needs and efficiency in utilization of the Net Proceeds, the Board resolved on 27 April 2026 to change partial amounts of the use of the unutilized Net Proceeds designated for “To establish a new distribution centre” amounting to approximately HK\$23.5 million, to “To expand the existing distribution centre” amounting to approximately HK\$17.2 million and “To open new retail stores” amounting to approximately HK\$6.3 million. The change in use of the unutilized Net Proceeds was approved at the general meeting of the Company held on 2 June 2026. Save for the aforesaid reallocation and the revision of the expected timeline for full utilisation from 31 March 2026, as disclosed in the Prospectus, to 31 March 2027, there is no other change to the intended use of Net Proceeds.

Corporate Governance and Other Information

As at the Latest Practicable Date, the Company had utilised approximately HK\$29.8 million of Net Proceeds from the Global Offering. The following table sets out a breakdown of the use of Net Proceeds from the Global Offering.

Use of Net Proceeds	Net Proceeds utilised since the Listing and up to the Latest Practicable Date						Remaining amount as at the Latest Practicable Date	
	Revised allocated Net Proceeds from the Global Offering based on the Actual Listing Expenses (approximate HK\$ million) (approximate percentage)		Unutilised at 1 January 2026 (approximate HK\$ million)	Utilised during the Reporting Period (approximate HK\$ million)	Unutilised at 30 June 2026 (approximate HK\$ million)	Post-period use to the Latest Practicable Date (approximate HK\$ million)		Expected timeline of full utilisation of Net Proceeds
To open new retail stores	33.8	38.0%	11.9	5.0	6.9	– By 31 March 2027	6.9	
(i) Store renovation	14.5	16.3%	6.3	5.0	1.3	– By 31 March 2027	1.3	
(ii) Purchase of shelves	7.9	8.9%	2.7	–	2.7	– By 31 March 2027	2.7	
(iii) Purchase of cold storage facilities, lightings, air-conditioning, CCTV surveillance system and POS system	7.5	8.4%	2.9	–	2.9	– By 31 March 2027	2.9	
(iv) Installation of fire safety system	3.9	4.4%	–	–	–	– Not applicable	–	
To establish a new distribution centre	13.2	14.8%	13.2	–	13.2	– By 31 March 2027	13.2	
(i) Acquisition of a parcel of land located in Jiangdu District, Jiangsu Province, the PRC	13.2	14.8%	13.2	–	13.2	– By 31 March 2027	13.2	
To establish a new central kitchen	23.9	26.8%	23.9	0.9	23.0	– By 31 March 2027	23.0	
(i) Construction of the new central kitchen	4.5	5.0%	4.5	–	4.5	– By 31 March 2027	4.5	
(ii) Acquisition of machines and equipment	8.9	10.0%	8.9	–	8.9	– By 31 March 2027	8.9	
(iii) Acquisition and installation of fire safety system, ventilation system, cold storage facilities, utilities, air-conditioning, CCTV surveillance system and ancillary facilities	9.2	10.3%	9.2	0.9	8.3	– By 31 March 2027	8.3	
(iv) Acquisition of additional vehicles for the delivery of meals	1.3	1.5%	1.3	–	1.3	– By 31 March 2027	1.3	
To enhance our ERP system and infrastructure systems	1.0	1.1%	–	–	–	– Not applicable	–	
To expand the existing distribution centre	17.2	19.3%	17.2	1.0	16.2	– By 31 March 2027	16.2	
(i) Expanding construction of the existing distribution centre	10.0	11.2%	10.0	–	10.0	– By 31 March 2027	10.0	
(ii) Acquisition of shelves, lightings and ancillary facilities and installing fire safety system	7.2	8.1%	7.2	1.0	6.2	– By 31 March 2027	6.2	



Corporate Governance and Other Information

For further details, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus and the announcements of the Company dated 27 April 2026 and 2 June 2026.

Fund Raising and Use of Proceeds

The Company completed the placing of 21,392,655 new H Shares of nominal value RMB1.00 each (with an aggregate nominal value of RMB21,392,655) under the general mandate on 2 December 2025 (the “Placing”). The Placing Shares were placed to not less than six placees, who and whose respective ultimate beneficial owners are independent third parties not connected with the Company and its connected persons. The placing price was HK\$2.90 per H Share. The market price of the H Shares as quoted on the Stock Exchange on 11 November 2025, being the date on which the terms of the Placing were fixed, was HK\$3.37 per H Share. The net price to the Company per Placing Share was approximately HK\$2.737. The gross proceeds and net proceeds from the Placing amounted to approximately HK\$62.04 million and HK\$58.55 million, respectively. The net proceeds from the Placing were originally intended to be applied towards the capital injection into Haikē Hongxin (the “Capital Increase”). No net proceeds from the Placing were utilised during the Reporting Period.

On 17 July 2026, the Company, Haikē Chuangzhan and Haikē Hongxin entered into a termination agreement, pursuant to which the parties agreed to terminate the Capital Increase of RMB53,208,483.50 in Haikē Hongxin. On the same date, the Board resolved to reallocate the entire amount of the unutilized net proceeds of HK\$58.55 million designated for “To pay for the Capital Increase” to “To fund the general working capital” as to: approximately 25% for staff costs, approximately 5% for audit fees, approximately 10% for professional fees, and approximately 60% for other operating expenses. The change in use of the unutilized net proceeds was approved at the extraordinary general meeting of the Company held on 25 August 2026. For further details, please refer to the announcements of the Company dated 17 July 2026, 4 August 2026 and 25 August 2026. As at the date of this report, none of the net proceeds had been utilized, and the unutilized net proceeds were expected to be utilised by December 2027.

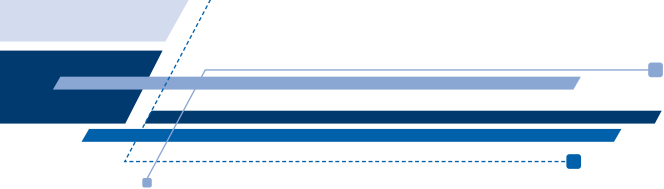
Corporate Governance and Other Information

Interests and Short Position of each of our Directors and Chief Executives in Shares, Underlying Shares and Debentures

As of 30 June 2026, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was 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 was required pursuant to Section 352 of the SFO to be entered in the register referred to therein or which was otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interest in our Company

Name of Director, or chief executive	Nature of interest ⁽¹⁾	Number of Shares	Approximate percentage of shareholding interest (%)
Mr. Gao Feng (高峰先生) ("Mr. Gao") ⁽²⁾	Beneficial owner, interest in controlled corporation, interest of concert parties	66,674,976	28.30
Mr. Yuan Yuan (袁原先生) ("Mr. Yuan") ⁽³⁾	Beneficial owner, interest of concert parties	66,674,976	28.30
Mr. Zhang Jiaan (張佳安先生) ("Mr. Zhang") ⁽⁴⁾	Beneficial owner, interest of concert parties	66,674,976	28.30
Mr. Yao Jun (姚駿先生) ⁽⁵⁾	Beneficial owner	500,000	0.21
Ms. Shen Zhigen (沈志艮女士) ⁽⁶⁾	Beneficial owner	600,000	0.25



Corporate Governance and Other Information

Notes:

1. All interests stated are long positions.
2. As at 30 June 2026, Mr. Gao directly holds 26,292,302 Shares in our Company. Ruichuanda Investment, a company directly wholly-owned by Mr. Gao, directly holds 21,410,776 Shares in our Company. Under the SFO, the deemed interest of Mr. Gao consists of (i) 47,703,078 Shares in our Company held directly and beneficially, and through Ruichuanda Investment, and (ii) Shares held by other Concert Parties as they are parties acting in concert.
3. As at 30 June 2026, Mr. Yuan directly holds 11,171,898 Shares in our Company. Under the SFO, the deemed interest of Mr. Yuan consists of (i) 11,171,898 Shares in our Company held directly and beneficially, and (ii) Shares held by other Concert Parties as they are parties acting in concert.
4. As at 30 June 2026, Mr. Zhang directly holds 7,800,000 Shares in our Company. Under the SFO, the deemed interest of Mr. Zhang consists of (i) 7,800,000 Shares in our Company held directly and beneficially, and (ii) Shares held by other Concert Parties as they are parties acting in concert.
5. Mr. Yao Jun (姚駿先生) is an executive Director and a deputy general manager of our Company.
6. Ms. Shen Zhigen (沈志艮女士) is an executive Director, a deputy general manager and financial controller of our Company.

Save as disclosed above, as at 30 June 2026, none of our Directors or the chief executives of our Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to our 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 taken under such provisions of the SFO), or required to be recorded in the register required to be kept by our Company under Section 352 of the SFO, or as otherwise notified to our Company and the Stock Exchange pursuant to the Model Code.

As at 30 June 2026, except Mr. Gao, the chairman of our Board and an executive Director who is a director of Ruichuanda Investment, none of the Directors was a director or an employee of a company which had an interest or a 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.

Corporate Governance and Other Information

Interests and Short Position of each of Substantial Shareholders and Other Persons in Shares, Underlying Shares and Debentures

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

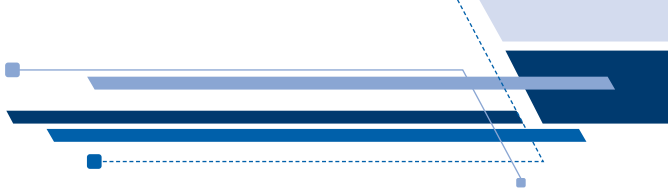
Name of Shareholder	Nature of Interest	Number of Shares ^{(1),(2)}	Approximate percentage of interest in our Company (%)
Mr. Gao ⁽³⁾	Beneficial owner, interest in controlled corporation, interest of concert parties	66,674,976	28.30
Ruichuanda Investment ⁽³⁾	Beneficial owner, interest of concert parties	66,674,976	28.30
Ms. Leng Yuemei (冷月梅女士) ("Ms. Leng") ⁽⁴⁾	Interest of spouse	66,674,976	28.30
Mr. Yuan ⁽⁵⁾	Beneficial owner, interest of concert parties	66,674,976	28.30
Ms. Gu Xia (古霞女士) ("Ms. Gu") ⁽⁶⁾	Interest of spouse	66,674,976	28.30
Mr. Zhang ⁽⁷⁾	Beneficial owner, interest of concert parties	66,674,976	28.30
Ms. Wang Xia (王霞女士) ("Ms. Wang") ⁽⁸⁾	Interest of spouse	66,674,976	28.30
Jiequan Fund ⁽⁹⁾	Beneficial owner	21,558,441	9.15
NSM Fund ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15

Corporate Governance and Other Information

Name of Shareholder	Nature of Interest	Number of Shares ^{(1),(2)}	Approximate percentage of interest in our Company (%)
NSM Industry Development ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
China S&M ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Suhe Digital ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Houji PE ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Houji Investment ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Wang Xiaoming ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Jiangsu Equity Investment ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
NSM Enterprise Management ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Suhe Investment ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Beijing Zhonghe ⁽⁹⁾	Interest in controlled corporation	21,558,441	9.15
Jiangdu Fund ⁽¹⁰⁾	Beneficial owner	16,393,442	6.96
Cinda Capital ⁽¹⁰⁾	Interest in controlled corporation	16,393,442	6.96

Notes:

1. All interests stated are long positions.
2. All Shares in issue as at 30 June 2026 were H Shares.
3. As at 30 June 2026, Mr. Gao directly holds 26,292,302 Shares in our Company. Ruichuanda Investment, a company directly wholly-owned by Mr. Gao, directly holds 21,410,776 Shares in our Company. Under the SFO, the deemed interest of Mr. Gao consists of (i) 47,703,078 Shares in our Company held directly and beneficially, and through Ruichuanda Investment, and (ii) Shares held by other Concert Parties as they are parties acting in concert.



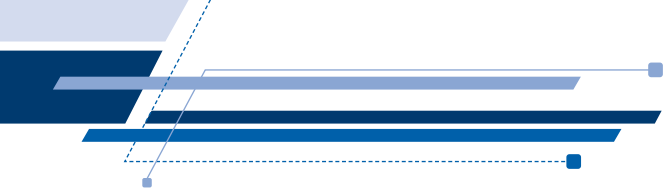
Corporate Governance and Other Information

4. Ms. Leng is the spouse of Mr. Gao. By virtue of the SFO, Ms. Leng is deemed to be interested in the equity interests held by Mr. Gao.
5. As at 30 June 2026, Mr. Yuan directly holds 11,171,898 Shares in our Company. Under the SFO, the deemed interest of Mr. Yuan consists of (i) 11,171,898 Shares in our Company held directly and beneficially, and (ii) Shares held by other Concert Parties as they are parties acting in concert.
6. Ms. Gu is the spouse of Mr. Yuan. By virtue of the SFO, Ms. Gu is deemed to be interested in the equity interests held by Mr. Yuan.
7. As at 30 June 2026, Mr. Zhang directly holds 7,800,000 Shares in our Company. Under the SFO, the deemed interest of Mr. Zhang consists of (i) 7,800,000 Shares in our Company held directly and beneficially, and (ii) Shares held by other Concert Parties as they are parties acting in concert.
8. Ms. Wang is the spouse of Mr. Zhang. By virtue of the SFO, Ms. Wang is deemed to be interested in the equity interests held by Mr. Zhang.
9. Jiangsu Jiequan Supply and Marketing Cooperative Industrial Development Fund (Limited Partnership)* (江蘇省連泉供銷合作產業發展基金(有限合夥)) (“Jiequan Fund”) is a limited partnership established in the PRC. The general partners of Jiequan Fund are Jiangsu New Supply and Marketing Fund Management Co., Ltd.* (江蘇新供銷基金管理有限公司) (“NSM Fund”), which held 0.74% partnership interest in Jiequan Fund, and Jiangsu Houji Private Equity Fund Management Co., Ltd.* (江蘇厚積私募基金管理有限公司) (“Houji PE”), which held 0.26% partnership interest in Jiequan Fund and is also the fund manager of Jiequan Fund. The limited partner of Jiequan Fund who contributed more than one third of the capital to the limited partnership is Nanjing New Supply and Marketing Enterprise Management Co., Ltd.* (南京新供銷企業管理有限公司) (“NSM Enterprise Management”), holding approximately 49.60% of the partnership interest in Jiequan Fund.

NSM Fund is owned as to 51% by New Supply and Marketing Industry Development Fund Management Co., Ltd.* (新供銷產業發展基金管理有限責任公司) (“NSM Industry Development”), 34% by Jiangsu Suhe Digital Economy Integrated Management Co., Ltd.* (江蘇蘇合數字經濟綜合管理有限公司) (“Suhe Digital”) and another shareholder holding less than one-third of shareholding in NSM Fund. NSM Industry Development is owned as to approximately 80.2% by China Supply and Marketing Group Co., Ltd.* (中國供銷集團有限公司) (“China S&M”), and other 13 shareholders each holding less than one-third of shareholding in NSM Industry Development. China S&M is wholly-owned by All China Federation of Supply and Marketing Cooperatives* (中華全國供銷合作總社). Suhe Digital is indirectly wholly-owned by Jiangsu Federation of Supply and Marketing Cooperatives* (江蘇省供銷合作總社) (“Jiangsu S&M”).

Houji PE is owned as to 65% by Jiangsu Houji Investment Management Co., Ltd.* (江蘇厚積投資管理有限公司) (“Houji Investment”) and 35% by Jiangsu Province Equity Investment Centre Co., Ltd. (江蘇省股權投資中心有限公司) (“Jiangsu Equity Investment”). Houji Investment is in turn owned by Wang Xiaoming (王曉明) as to 40% and two other shareholders each holding less than one-third of its equity interest. Jiangsu Equity Investment is ultimately wholly-owned by the Department of Finance of Jiangsu Province (江蘇省財政廳).

* For identification purpose only



Corporate Governance and Other Information

NSM Enterprise Management is owned as to approximately 40.2% by Jiangsu Suhe Investment and Operation Group Co., Ltd.* (江蘇省蘇合投資運營集團有限公司) (“Suhe Investment”), 39.8% by Beijing Zhonghe Guoneng Investment Management Partnership (Limited Partnership)* (北京中合國能投資管理合夥企業(有限合夥)) (“Beijing Zhonghe”), and two other shareholders holding less than one-third of shareholding in NSM Enterprise Management. Suhe Investment is directly wholly-owned by Jiangsu S&M. Beijing Zhonghe is a limited partnership established in the PRC, with NSM Industry Development as its general partner, holding approximately 99.3% of partnership interest in Beijing Zhonghe.

As such, under the SFO, NSM Fund, NSM Industry Development, China S&M, Suhe Digital, Houji PE, Houji Investment, Wang Xiaoming, Jiangsu Equity Investment, NSM Enterprise Management, Suhe Investment and Beijing Zhonghe are deemed to be interested in the equity interests held by Jiequan Fund.

10. Yangzhou Jiangdu District Major Projects Special Investment Fund Co., Ltd.* (揚州市江都區重大項目專項投資基金有限公司) (“Jiangdu Fund”) is owned as to approximately 99.9% by Wuhu Xinning Investment Partnership Enterprise (Limited Partnership)* (蕪湖信寧投資合夥企業(有限合夥)) (“Wuhu Xinning”) and another shareholder holding less than one-third of shareholding in Jiangdu Fund. Wuhu Xinning is a limited partnership established in the PRC, whose general partner is Cinda Capital Management Co., Ltd.* (信達資本管理有限公司) (“Cinda Capital”), holding approximately 0.17% of the partnership interest in Wuhu Xinning. The limited partner of Wuhu Xinning who contributed more than one third of the capital to the limited partnership is China Cinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司) (whose shares are listed on the Stock Exchange (stock code: 1359)) (“China Cinda”), holding approximately 69.75% of the partnership interest in Wuhu Xinning. Cinda Capital is indirectly wholly-owned by China Cinda.

As such, under the SFO, Cinda Capital is deemed to be interested in the equity interests held by Jiangdu Fund.

Changes In Information of the Directors and Chief Executive of the Company

There has been no change in the information of the Directors or chief executive during the Reporting Period which is required to be disclosed pursuant to Rules 13.51B(1) and 13.51B(2) of the Listing Rules.

Change in Constitutional Documents

The Company has adopted the Articles of Association on 12 March 2025, which has been effective since the Listing Date. Save for the amendments to the Articles of Association effective on 15 January 2026, there was no change in the constitutional documents of the Company up to the date of this report.

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

* For identification purpose only

Consolidated Statement of Profit or Loss

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan)

		Six months ended 30 June	
Notes		2026 RMB'000	2025 RMB'000
Revenue	4	807,755	771,288
Cost of sales		(679,353)	(632,409)
Gross profit		128,402	138,879
Other revenue	5(a)	514	3,380
Other net (loss)/gain	5(b)	(3,593)	416
Selling and distribution costs		(70,435)	(75,103)
Administrative and other operating expenses		(20,142)	(32,650)
Reversal/(provision) of impairment loss on trade and other receivables		6,419	(2,873)
Profit from operations		41,165	32,049
Finance income	6(a)	1,709	1,728
Finance costs	6(a)	(14,450)	(10,933)
Net finance costs		(12,741)	(9,205)
Share of gain of an associate		59	–
Profit before taxation		28,483	22,844
Income tax	7	(6,232)	(9,328)
Profit for the period		22,251	13,516
Attributable to:			
Equity shareholders of the Company		21,709	12,499
Non-controlling interests		542	1,017
Profit for the period		22,251	13,516
Earnings per share			
Basic and diluted (RMB cents)	8	9.21	6.67

The notes on pages 37 to 50 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 16(b).

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan)

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Profit for the period	22,251	13,516
Other comprehensive income for the period (after tax and reclassification adjustments)		
Item that will not be reclassified to profit or loss:		
Financial assets at fair value through other comprehensive income (FVOCI) – movement in fair value reserves (non-recycling)	(5,075)	1,120
Related tax	1,269	(280)
Other comprehensive income for the period	(3,806)	840
Total comprehensive income for the period	18,445	14,356
Attributable to:		
Equity shareholders of the Company	18,056	13,303
Non-controlling interests	389	1,053
Total comprehensive income for the period	18,445	14,356

The notes on pages 37 to 50 form part of this interim financial report.

Consolidated Statement of Financial Position

at 30 June 2026

(Expressed in Renminbi Yuan)

	Notes	At 30 June 2026 RMB'000 (unaudited)	At 31 December 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment		345,075	322,737
Interest in associates		16,242	16,877
Financial assets at FVOCI		51,584	56,659
Deferred tax assets		10,795	10,830
		423,696	407,103
Current assets			
Inventories	9	371,231	413,403
Trade and bills receivables	10	384,533	397,415
Prepayments, deposits and other receivables	11	454,997	350,182
Financial assets measured at fair value through profit or loss ("FVPL")		–	20
Restricted deposits	12(a)	8,550	4,550
Cash and cash equivalents	12(b)	128,798	238,430
		1,348,109	1,404,000
Current liabilities			
Bank loans and other borrowings	13	555,541	543,237
Lease liabilities		24,192	22,446
Trade and bills payables	14	115,947	120,440
Other payables and accruals	15	101,544	72,594
Contract liabilities		91,567	171,882
Taxation payable		15,462	23,745
		904,253	954,344
Net current assets		443,856	449,656
Total assets less current liabilities		867,552	856,759

Consolidated Statement of Financial Position

at 30 June 2026

(Expressed in Renminbi Yuan)

	Notes	At 30 June 2026 RMB'000 (unaudited)	At 31 December 2025 RMB'000 (audited)
Non-current liabilities			
Bank loans and other borrowings	13	30,781	56,140
Lease liabilities		75,034	55,768
Deferred tax liabilities		3,781	5,340
		109,596	117,248
Net assets		757,956	739,511
Capital and reserves			
Share capital	16(a)	235,640	235,640
Reserves		503,205	485,149
Total equity attributable to equity shareholders of the Company		738,845	720,789
Non-controlling interests		19,111	18,722
Total equity		757,956	739,511

The notes on pages 37 to 50 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 Yuan)

	Attributable to equity shareholders of the Company							Total equity RMB'000
	Share capital RMB'000	Capital reserve RMB'000	PRC statutory reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	
Balance at 1 January 2025	160,685	147,996	28,891	20,072	166,145	523,789	17,121	540,910
Changes in equity for the six months ended 30 June 2025:								
Profit for the period	–	–	–	–	12,499	12,499	1,017	13,516
Other comprehensive income	–	–	–	804	–	804	36	840
Total comprehensive income	–	–	–	804	12,499	13,303	1,053	14,356
Shares issued upon the completion of initial public offering	53,562	53,628	–	–	–	107,190	–	107,190
Balance at 30 June 2025 and 1 July 2025	214,247	201,624	28,891	20,876	178,644	644,282	18,174	662,456
Changes in equity for the six months ended 31 December 2025:								
Profit for the period	–	–	–	–	24,129	24,129	593	24,722
Other comprehensive income	–	–	–	(833)	–	(833)	(45)	(878)
Total comprehensive income	–	–	–	(833)	24,129	23,296	548	23,844
Appropriation of reserve	–	–	2,121	–	(2,121)	–	–	–
Issue of ordinary shares by placing	21,393	31,818	–	–	–	53,211	–	53,211
Balance at 31 December 2025	235,640	233,442	31,012	20,043	200,652	720,789	18,722	739,511

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan)

	Attributable to equity shareholders of the Company							Total equity RMB'000
	Share capital RMB'000	Capital reserve RMB'000	PRC statutory reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	
Balance at 1 January 2026	235,640	233,442	31,012	20,043	200,652	720,789	18,722	739,511
Changes in equity for the six months ended 30 June 2026:								
Profit for the period	–	–	–	–	21,709	21,709	542	22,251
Other comprehensive income	–	–	–	(3,653)	–	(3,653)	(153)	(3,806)
Total comprehensive income	–	–	–	(3,653)	21,709	18,056	389	18,445
Balance at 30 June 2026	235,640	233,442	31,012	16,390	222,361	738,845	19,111	757,956

The notes on pages 37 to 50 form part of this interim financial report.

Condensed Consolidated Cash Flow Statement

for the six months ended 30 June 2026 – unaudited

(Expressed in Renminbi Yuan)

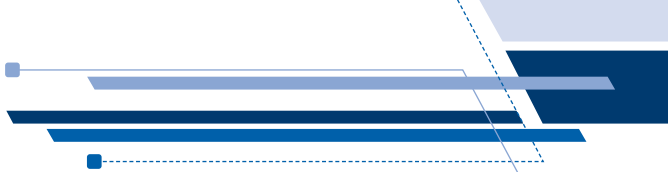
Note	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Operating activities		
Cash generated from/(used in) operations	2,974	(128,080)
Income tax paid	(14,770)	(13,703)
Net cash used in operating activities	(11,796)	(141,783)
Investing activities		
Payment for the acquisition of property, plant and equipment	(31,526)	(28,000)
Proceeds from disposal of property, plant and equipment	311	24
Payment for purchases of structured deposits and wealth management products	(129,000)	(141,000)
Proceeds from disposal of structured deposits and wealth management products	129,057	141,034
Payment for purchases of financial assets measured at fair value through other comprehensive income	–	(25,000)
Payment for the acquisition of interests in associates	–	(18,323)
Dividends received	183	165
Interest received	1,709	1,728
Net cash used in investing activities	(29,266)	(69,372)
Financing activities		
Capital element of lease rental paid	(4,353)	(10,656)
Interest element of lease rental paid	(2,553)	(1,850)
Proceeds from bank loans and other borrowings	111,940	363,071
Repayment of bank loans and other borrowings	(159,970)	(286,042)
Interest paid	(11,222)	(9,123)
Proceeds from issue of ordinary shares by initial public offering, net of issuance costs	–	107,190
Net cash (used in)/generated from financing activities	(66,158)	162,590

Condensed Consolidated Cash Flow Statement

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi Yuan)

	Note	Six months ended 30 June	
		2026 RMB'000	2025 RMB'000
Net decrease in cash and cash equivalents		(107,220)	(48,565)
Cash and cash equivalents at the beginning of the period		238,430	216,858
Effect of foreign exchange rate changes		(2,412)	(391)
Cash and cash equivalents at the end of the period	12(b)	128,798	167,902

The notes on pages 37 to 50 form part of this interim financial report.



Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

1 General information

Jiangsu Horizon Chain Supermarket Company Limited (the “Company”) was established in the People’s Republic of China (the “PRC”) on 19 October 2005 as a limited liability company. Upon approval by the Company’s board meeting held on 30 September 2007, the Company was converted from a limited liability company into a joint stock company.

The Company’s shares were listed on the Main Board of the Stock Exchange of Hong Kong (the “Listing”) on 31 March 2025. The Company and its subsidiaries (together, “the Group”) are principally engaged in wholesale of grains and oil with retail operations of supermarket and convenience stores on the central region of Jiangsu Province under the brand “宏信龍” (Hongxinlong*).

2 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 Standards (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue on 28 August 2026.

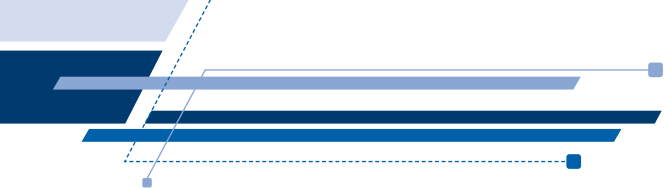
The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 3.

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon 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.

* For identification only



Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

2 Basis of preparation (Continued)

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year, but is derived from those financial statements.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

3 Changes in accounting policies

The IASB has issued a number of amendments to IFRSs 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.

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 Revenue and segment reporting

The Group is a wholesaler of grains and oil headquartered in Yangzhou, with retail operations of supermarket and convenience stores focusing on the central region of Jiangsu Province under the brand “宏信龍” (Hongxinlong*).

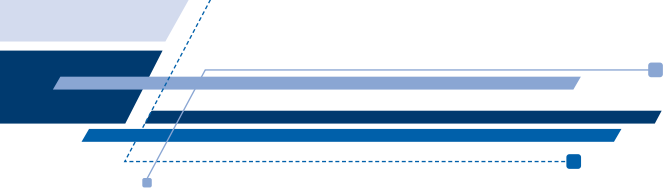
(a) Disaggregation of revenue

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

Six months ended 30 June	
	2025
	RMB'000
2026	
RMB'000	
Revenue from contracts with customers within the scope of IFRS 15	
Sales of goods	
– retail operations	
• general sales	210,659
• bulk sales	24,587
– wholesales	548,942
Subtotal	784,188
Commission income	
– concessionaire sales	9,481
– supply of goods	1,375
Subtotal	10,856
Supply and sales of meals	7,222
	802,266
Revenue from other sources	
Rental income from operating lease	5,489
	807,755
	771,288

The Group's revenue from contracts with customers were recognised at point in time for the six months ended 30 June 2026 and 2025.

* For identification only



Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

4 Revenue and segment reporting (Continued)

(b) Segment reporting

Operating segments are identified on the basis of internal reports that the Group's most senior executive management reviews regularly in allocating resources to segments and in assessing their performances.

The Group's most senior executive management makes resources allocation decisions based on internal management functions and assess the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

IFRS 8, *Operating Segments*, requires identification and disclosure of information about an entity's geographical areas, regardless of the entity's organization (i.e. even if the entity has a single reportable segment). The Group operates within one geographical location because primarily all of its revenue was generated in the PRC and primarily all of its non-current operating assets and capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

5 Other revenue and other net (loss)/gain

(a) Other revenue

Six months ended 30 June	
2026 RMB'000	2025 RMB'000
Service income	2,707
Government grants	508
Dividends income	165
514	3,380

(b) Other net (loss)/gain

Six months ended 30 June	
2026 RMB'000	2025 RMB'000
Net realised gain on structured deposits and wealth management products	34
Net foreign exchange (loss)/gain	210
Net loss on disposal of property, plant and equipment	(2)
Others	174
(3,593)	416

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

6 Profit before taxation

Profit before taxation is arrived at after charging:

(a) Net finance costs

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Interest income from bank deposit	(1,709)	(1,728)
Finance income	(1,709)	(1,728)
Interest expenses on bank loans and other borrowings	11,897	9,083
Interest expenses on lease liabilities	2,553	1,850
Finance costs	14,450	10,933
Net finance costs	12,741	9,205

(b) Other items

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Cost of inventories recognised as expenses	671,015	624,338
Depreciation charge		
– owned property, plant and equipment	19,973	26,552
– right-of-use assets	14,021	15,266
(Reversal)/provision of impairment loss on trade and other receivables	(6,419)	2,873
Listing expense	–	12,552
Auditors' remuneration		
– other services (Note)	700	1,855

Note: Other services include RMB700,000 (six months ended 30 June 2025: RMB1,155,000) which is also included in the listing expenses disclosed separately above.

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

7 Income tax

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Current tax		
– Provision for the period	6,487	10,662
Deferred tax		
– Origination and reversal of temporary differences	(255)	(1,334)
	6,232	9,328

The provision for PRC income tax is based on the respective corporate income tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC. The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (six months ended 30 June 2025: 16.5%) to the six months ended 30 June 2026.

8 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB21,709,000 (six months ended 30 June 2025: RMB12,499,000) respectively, and the weighted average number of 235,640,000 ordinary shares (six months ended 30 June 2025: 187,466,000 shares) in issue during the interim period.

(b) Diluted earnings per share

The Company had no dilutive potential ordinary shares outstanding during the six months ended 30 June 2026 and 2025, therefore diluted earnings per share were the same as the basic earnings per share.

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

9 Inventories

During the six months ended 30 June 2026, RMB1,281,000 (six months ended 30 June 2025: RMB1,590,000) was recognised as a reduction in the amount of inventories recognised as an expense in profit or loss, being the reversal of a previous write-down of inventories to the estimated net realisable value.

10 Trade and bills receivables

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade receivables – third parties	232,763	247,415
Bills receivables	151,770	150,000
	384,533	397,415

All of the trade and bills receivables are expected to be recovered within one year.

As of the end of the reporting period, the ageing analysis of trade 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
Within 3 months	154,120	122,321
Over 3 months but within 6 months	15,648	70,618
Over 6 months but within 9 months	43,821	38,336
Over 9 months but within 12 months	18,969	15,990
Over 12 months	205	150
	232,763	247,415

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

10 Trade and bills receivables (Continued)

The Group endorsed certain bank acceptance bills to suppliers for settling trade and other payables of the same amount on a full recourse basis. The Group has derecognised these bills receivable and payables to suppliers in their entirety. These derecognised bank acceptance bills had a maturity date of less than six months from the end of the reporting period. In the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards of ownership of these bills and has discharged its obligation of the payables to its suppliers, and the Group has limited exposure in respect of the settlement obligation of these bills receivable under the relevant PRC rules and regulations, should the issuing banks fail to settle the bills on maturity date. The Group considered the issuing banks of these bills are of good credit quality and non-settlement of these bills by the issuing banks on maturity is not probable. As at 30 June 2026, the Group's maximum exposure to loss and undiscounted cash outflow, which is same as the amount payable by the Group to suppliers in respect of the endorsed bills, should the issuing banks fail to settle the bills on maturity date, amounted to RMB170,000 (31 December 2025: nil).

11 Prepayments, deposits and other receivables

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Prepayments	428,910	319,783
Value added tax recoverable	374	504
Other deposits and receivables	27,881	32,063
	457,165	352,350
Less: loss allowance	(2,168)	(2,168)
	454,997	350,182

All prepayments, deposits and other receivables are expected to be recovered or recognised as expense within one year.

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

12 Restricted deposits and cash and cash equivalents

(a) Restricted deposits comprise:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Restricted deposits – pledged for bills payables and letter of credit	8,550	4,550

(b) Cash and cash equivalents comprise:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at bank	128,038	237,582
Cash in hand	760	848
	128,798	238,430

As at 30 June 2026, the Group's cash included cash at bank and on hand of RMB83,920,000 (2025: RMB185,722,000) held in the PRC. Remittance of funds out of Mainland China is subject to relevant rules and regulations of foreign exchange control.

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

13 Bank loans and other borrowings

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Short-term bank loans and other borrowings	555,157	542,568
Accrued interest	384	669
Bank loans and other borrowing – current	555,541	543,237
Long-term bank loans and other borrowings	30,423	56,128
Accrued interest	358	12
Bank loans and other borrowing – non-current	30,781	56,140
Total	586,322	599,377

The maturity profile for the interest-bearing bank loans and other borrowing of the Group at the end of each reporting period is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 year or on demand	555,541	543,237
After 1 year but within 2 years	25,292	51,884
After 2 years but within 5 years	5,489	4,256
Total	586,322	599,377

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

14 Trade and bills payables

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade payables	115,897	111,190
Bills payable	50	9,250
	115,947	120,440

All of the trade and bills payables are expected to be settled within one year or repayable on demand.

As of the end of each reporting period, the ageing analysis of the Group's trade payables and bills payable (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	62,667	90,069
3 to 12 months	42,008	21,478
Over 12 months	11,272	8,893
	115,947	120,440

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

15 Other payables and accruals

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Payable for staff related costs	5,609	13,396
Deposits received	29,821	14,691
Other taxes payable	58,571	36,445
Others	7,543	8,062
	101,544	72,594

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

16 Capital, reserves and dividends

(a) Share capital and capital reserves

	Numbers of ordinary shares	Share capital RMB'000	Capital reserve RMB'000	Total RMB'000
Issued and fully paid				
At 31 December 2025 and 30 June 2026	235,639,565	235,640	233,442	469,082

(b) Dividends

No dividend was paid or declared by the Company for the six months ended 30 June 2026 and 2025.

Notes to the Unaudited Interim Financial Report

(Expressed in Renminbi Yuan unless otherwise indicated)

17 Commitments

Commitments outstanding at 30 June 2026 not provided for in the interim financial report.

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Authorised and contracted for	–	11,261

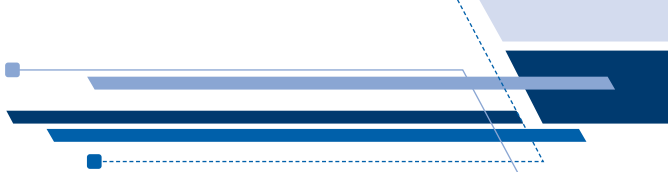
18 Material related party transactions

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Guarantees for granting bank loans and other borrowings	392,690	365,406

As at 30 June 2026 and 31 December 2025, certain facilities granted to the Group in Note 13 were guaranteed by Mr. Gao Feng, the controlling shareholder, and his spouse Ms. Leng Yuemei, Mr. Zhang Jiaan, the controlling shareholder, and Ms. Yin Qin, the key management personnel.

19 Events after the reporting period

On 17 July 2026, the Company disposed of its approximately 18% equity interest in Haikē Hongxin Digital Technology (Shenzhen) Co., Ltd. to Haikē Chuangzhan Medical Technology (Shanghai) Co., Ltd. for a consideration of RMB25 million. On the same date, the parties terminated the contemplated capital increase of RMB53,208,483.50 in Haikē Hongxin. The Board resolved to reallocate the unutilised net proceeds from the Placing of approximately HK\$58.55 million to general working capital, which was approved by the Shareholders on 25 August 2026.



Definitions

In this interim report, the following expressions have the meanings set out below unless the context otherwise requires:

"AGM"	the annual general meeting of the Company held on 2 June 2026
"Articles" or "Articles of Association"	the articles of association of our Company adopted on 15 January 2026, as amended from time to time
"Audit Committee"	the audit committee of the Board
"Auditor"	KPMG, the external auditor of the Company
"Board" or "Board of Directors"	board of directors of the Company
"CG Code"	the Corporate Governance Code as set out in of Appendix C1 to the Listing Rules
"Chairman"	chairman of the Board
"China" or "PRC"	the People's Republic of China, unless otherwise stated, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan of China herein
"Company", "our Company" or "the Company"	Jiangsu Horizon Chain Supermarket Company Limited (江蘇宏信超市連鎖股份有限公司) (formerly known as Jiangdu Mall Hongxin Supermarket Chain Co., Ltd.* (江都商城宏信超市連鎖有限公司)), a limited liability company established in the PRC on 19 October 2005 and subsequently converted into a joint stock company with limited liability on 30 September 2007, whose H Shares are listed on the Stock Exchange on 31 March 2025 (stock code: 2625)
"Director(s)"	director(s) of the Company
"Global Offering"	an offering of 53,562,000 H Shares, comprising a final Hong Kong public offering of 8,892,000 H Shares and a final international public offering of 44,670,000 H Shares
"Group", "our Group", "the Group", "we", "us", or "our"	our Company and our subsidiaries
"H Share(s)"	the ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which is/are subscribed for and traded in Hong Kong dollars and listed and traded on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars", "HK dollars", "HK\$" or "HK cents"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong

* For identification purpose only

Definitions

"IFRS"	International Financial Reporting Standards
"Latest Practicable Date"	16 September 2026, being the latest practicable date prior to the publication of this interim report for ascertaining certain information contained herein
"Listing"	listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	31 March 2025, the date on which the H Shares of the Company were listed on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Nomination Committee"	the nomination committee of the Board
"Prospectus"	the prospectus of the Company dated 21 March 2025
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the six months ended 30 June 2026
"RMB"	Renminbi, the lawful currency of the PRC
"Ruichuanda Investment"	Jiangsu Ruichuanda Investment Co., Ltd.* (江蘇瑞川達投資有限公司), a limited liability company established in the PRC on 23 November 2009, which is owned as to 100% by Mr. Gao Feng (高峰), and is one of the Shareholders of the Single Largest Shareholders' Group
"SFO"	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of the Company with nominal value of RMB1.00 each, including our domestic unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Shares
"Single Largest Shareholders' Group"	in the context of this report, refers to the shareholders of the Company, namely, Mr. Gao Feng (高峰), Ruichuanda Investment, Mr. Yuan Yuan (袁原) and Mr. Zhang Jiaan (張佳安)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

* For identification purpose only