



Cosmo Lady (China) Holdings Company Limited

都市麗人(中國)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2298

2026

Interim Report



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Zheng Yaonan (*Chairman and Chief Executive Officer*)
Mr. Zhang Shengfeng (*Deputy Chairman and Vice President*)
Ms. Wu Xiaoli (*Vice President*)
Mr. Xian Shunxiang (*Vice President*)
Mr. Zhu Hongbo (*Vice President*)

Non-executive Director

Mr. Lin Zonghong

Independent Non-executive Directors

Mr. Yau Chi Ming
Dr. Dai Yiyi
Dr. Lu Hong Te

COMPANY SECRETARY

Mr. Choi Wai Hin

BOARD COMMITTEES

Audit Committee

Mr. Yau Chi Ming (*Chairman*)
Dr. Dai Yiyi
Dr. Lu Hong Te

Remuneration Committee

Dr. Dai Yiyi (*Chairman*)
Mr. Zhu Hongbo
Dr. Lu Hong Te

Nomination Committee

Dr. Lu Hong Te (*Chairman*)
Ms. Wu Xiaoli
Mr. Yau Chi Ming

Risk Management Committee

Mr. Yau Chi Ming (*Chairman*)
Dr. Dai Yiyi
Dr. Lu Hong Te

AUDITOR

Ernst & Young
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China Limited
Dongguan Rural Commercial Bank
China Construction Bank Corporation

STOCK CODE

2298

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Mr. Choi Wai Hin

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Financial Highlights

For the six months ended 30 June			
		2026	2025
Segment result:			
Intimate wear products	RMB'000	82,887	69,652
Industrial projects and logistic	RMB'000	10,829	10,945
Total	RMB'000	93,716	80,597
Profit attributable to owners of Cosmo Lady (China) Holdings Company Limited (the "Company")	RMB'000	61,214	57,796
Earnings per share			
– Basic	RMB cents	2.8	2.7
– Diluted	RMB cents	2.7	2.6



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Management Discussion and Analysis

BUSINESS REVIEW

In the first half of 2026, the global economic landscape underwent continuous adjustments accompanied by heightened external uncertainties. Meanwhile, China's consumer market further evolved toward rational and value-oriented spending amidst ongoing challenges. Navigating these macro headwinds, Cosmo Lady adhered to the spirit of “be pragmatic, strive hard, and build deep capabilities for future growth” and firmly executed its strategy of providing “high-quality and affordable national intimate wear.” The Group leveraged its internal growth momentum to resist external fluctuations and deepened consumer recognition with its brand influence to build a high-value bestseller matrix. During the reporting period, the Group made good progress in various dimensions, including brand building, product innovation, refined channel operations, rapid e-commerce expansion, and new business incubation, demonstrating strong operational resilience.



1. Strengthening Brand Equity and Deepening Mass-Market Mindshare of “High-quality and Affordable”

Brand Building and Marketing Promotion

During the reporting period, the Group firmly practiced its core brand strategy of providing “high-quality but affordable national intimate wear,” orderly advanced brand rejuvenation and nationalization, and continuously enhanced the recognition, preference, and trust of the core brand of Cosmo Lady among mainstream consumers, consolidating its leading position as a national intimate wear brand.

In terms of marketing promotion, the Group extended its Chinese New Year “Red Product” (紅品) campaign in collaboration with Hong Kong’s famous feng shui master Mak Ling Ling. By precise consumer insights with scenario-based engagement, the Group achieved a synergistic enhancement in brand influence and retail conversion. Meanwhile, centering on the communication theme of “Worn by Hundreds of Celebrities”, the Group continuously strengthened the brand recognition of national fashion items, driving a shift from functional product awareness to lifestyle brand affinity.

Spokesperson Matrix and Channel Innovation

The spokesperson matrix was continuously optimized to effectively cover diverse customer segments. The core Cosmo Lady brand partnered with actress Guli Nazha (古力娜扎) as its brand ambassador, leveraging her fashion-forward image to engage female consumer cohorts across all sales channels, continuously releasing growth momentum for brand rejuvenation and nationalization. The sub-brand Ordifen renewed its contract with Li Xiaoran (李小冉), continuing to convey a sophisticated and elegant national temperament, deepening emotional resonance among the public, and further consolidating the brand’s differentiated competitive edge in the mid-to-high-end intimate wear segment.

Regarding channel innovation, the Group launched its innovative “Cotton Life store” (棉品生活店) concept. Single-store productivity exceeded management expectations, establishing a new growth driver within shopping mall channels and providing a replicable model for integrated retail experiences.



Corporate Social Responsibility

The Group actively participated in charitable work, demonstrating its corporate responsibility as a national brand. During the reporting period, the Group partnered with the China Social Welfare Foundation to successively carry out charity donations in Shaanxi, Jiangxi, Gansu, Hainan, and other regions, supporting grassroots livelihood assistance causes. To date, the Group's charity assistance map has covered 22 provincial-level administrative regions across the country, with cumulative clothing donations exceeding 350,000 pieces. In the future, the Group will continue to convey brand warmth and practice its corporate citizen mission through charitable investments, shaping a responsible and accountable image of a national brand.



2. Building a Bestseller Matrix to Deliver Exceptional Value

Refining the Bestseller Matrix and Product Competitiveness

Product strength is always the vital cornerstone for the Group to navigate cycles and build long-term core competitiveness. In the first half of 2026, the Group adhered to a value-for-money proposition, continuously pushed forward bestseller products and differentiated technological innovation, and committed to providing consumers with “high-quality and affordable” premium products.

During the reporting period, the Group continuously refined a multi-tiered product matrix covering comprehensive price points and drove overall performance growth with single-item momentum. The Group launched core single items such as “Peach Cup”, “Lifting No-Constraint Bra”, and “Pilates Bra”, with product pricing covering different consumer segments. “Little Black Magnetic Foundation Master” won deep consumer favor with its comfortable, invisible, and self-contained SPA experience, achieving high growth momentum. Constructing a multi-tiered bestseller matrix can both accurately match diverse consumer needs and rely on leading bestsellers to drive exposure and revenue, injecting continuous and stable momentum into brand growth.

Continuously Driving Design and Technological Innovation, Strengthening the Product Moat

In terms of design, the Group joined hands with Cécile Vico, a designer who has collaborated with international luxury brands such as LV and Dior, to elevate brand aesthetics and product differentiation. In terms of functional technological innovation, Cosmo Lady successfully held the “Good Night Deep Sleepwear Techy Launch”, integrating functional nightwear into deep-sleep scenarios. Meanwhile, building on last year’s highly popular “Canadian Goose Down Thermal Wear” in the market, the Group plans to launch “Canadian Goose Down Thermal Wear 2.0” in the second half of the year to consolidate its leading position in the thermal wear category.

3. Refined Operations of the Core Brand Cosmo Lady Yield Results, Driving Same-Store Sales Growth

In terms of offline business, the core brand Cosmo Lady continued to pivot from scale expansion to refined operations, focusing on high-quality growth.

In channel layout, the Group pushed forward its “Key Province and Strong City” (大省強市) strategy, focusing on building strong-performing cities to drive overall performance. In store-opening strategies, the Group continued to execute the principle of “opening big stores, opening good stores, and opening shopping mall stores,” strictly controlling the quality of store openings, which achieved a significant performance boost in new stores. The strategic value of shopping mall channels and big store models became further evident.

In operational strategies, through measures such as “7-day no-reason returns,” instant retail, membership marketing, and key bestseller displays, the Group systematically enhanced single-store operational efficiency and consumer experience. Supported by these combined measures, the comparable performance of Cosmo Lady stores improved significantly, providing strong support for the steady recovery and quality enhancement of the offline business.

4. Sustained E-Commerce Expansion Targeting Full-Year GMV of RMB7.0 Billion

E-commerce business continued to serve as the core engine of the Group’s growth, maintaining a high growth trajectory in the first half of 2026.

During the period, the Group’s e-commerce gross merchandise value (“GMV”) achieved an overall growth of approximately 70%, among which the e-commerce GMV of the core brand Cosmo Lady increased by nearly double year-on-year, fully reflecting the brand’s execution capability in e-commerce operations, content seeds-sowing, and bestseller co-creation. Building on the RMB4.3 billion e-commerce GMV achieved in 2025, the Group is actively pursuing its full-year strategic target of RMB7.0 billion.

The rankings of core brands across mainstream e-commerce platforms achieved all-round climbs. The brand’s growth momentum continued to release, reflecting that the strategic layout of online channels has achieved staged results, with both brand market recognition and user mindshare penetration rate improved.

On the channel operational front, we continued to expand the Douyin affiliated live-broadcast store matrix, actively collaborated with key opinion leaders (KOLs), cultivated core growth points and drove public traffic to settle down into sustainable conversions.

In terms of bestseller creation, we focused on four core bestsellers including the “Canadian Goose Down Series” and “Little Black Magnetic Bra”, coordinating content operations, KOL matrices, and supply chain security to work together to continuously amplify the driving effect of bestseller products.

The Group completed the online spokesperson renewal for the sub-brand Ordifen, sustaining the brand’s original influence and further releasing online user growth potential. Relying on Ordifen’s brand heritage, the Group continuously advanced its bestseller strategy, with more new products matching consumer needs scheduled to be launched in the market.

5. Sub-brand Cotton Regions Sustains High Growth, Releasing Brand Momentum

As an important second growth curve of the Group, the business of the sub-brand Cotton Regions continued to maintain a good development momentum in the first half of 2026.

During the period, Cotton Regions' revenue increased by 43% year-on-year and 17 new stores were opened, validating the replicability and sustainable expansion capability of the business model.

Cotton Regions redesigned its store environments to move beyond traditional home wear layouts, creating immersive retail spaces tailored to modern lifestyle preferences.

In terms of products, six star series, such as "Grade A Cotton Gauze & Cloud Series" and "Cute Pet & Pet Master Series", continued to validate bestseller appeal, providing strong support for sales growth and brand recognition reinforcement.

In terms of membership operations, the repeat purchase rate reached 32.9%, and membership sales accounted for 83.8%, both achieving double-digit year-on-year growth, with member loyalty further enhanced. This indicates that Cotton Regions has entered a new stage of high-quality replication from validation.

Outlook

Looking forward to the second half of 2026, while macro uncertainties remain, consumer demand in China for functional value and emotional resonance remains clear. The Group maintains a cautiously optimistic outlook and will remain committed to prudent, quality-driven growth.

- **Core Brand Strategy:** The Group will advance its multi-channel expansion, focusing on key geographic markets, high-efficiency store formats, and shopping mall locations to drive same-store productivity and defend market share.
- **E-commerce Strategy:** The Group will strive toward its full-year GMV target of RMB7.0 billion by broadening its live-streaming and KOL network, driving campaigns for "Canadian Goose Down 2.0" and "Little Black Magnet," and enhancing agile supply chain responsiveness and content creation.
- **Sub-Brand Strategy:** The Group will maintain rapid expansion for sub-brand "Cotton Regions" through hero-product iterations, enhanced retail experiences, and member monetization to increase single-store yield and category market share.
- **Products and Brand Strategy:** The Group will uphold its core value proposition of delivering high-quality, accessible products, advancing design collaborations, functional launches, and national brand building to reinforce long-term market competitiveness.

Lastly, we extend our sincere gratitude to the consumers, partners, all employees, and shareholders for their trust and support. In the second half of 2026, Cosmo Lady will continue to work pragmatically and accumulate strength for future development, creating greater value for shareholders with a more vibrant brand image, a more competitive bestseller product matrix, and more efficient retail operations.

FINANCIAL REVIEW

Profit attributable to the owners of the Company and the segment results

Profit attributable to the owners of the Company for the six months ended 30 June 2026 (the “Relevant Period”) was RMB61,214,000 (the first half of 2025: RMB57,796,000), which increased by approximately 5.9% as compared with that of the corresponding period in 2025. Besides, the results from the intimate wear products and industrial projects and logistic segments of the Group for the Relevant Period were RMB82,887,000 (the first half of 2025: RMB69,652,000) and RMB10,829,000 (the first half of 2025: RMB10,945,000), respectively, representing an increase of approximately 19.0% and a decrease of approximately 1.1% as compared with that of the corresponding period in 2025, respectively.

It was mainly due to the Group’s successful cooperation with its partners to expand its e-commerce business since 2024, and effectively increased the market share of the Group’s brands, with the gross merchandise value (“GMV”) of approximately RMB2.60 billion (the first half of 2025: RMB1.52 billion) transacted on the relevant e-commerce platforms that the Group established corporations with during the Relevant Period, from which the Group received service income of approximately RMB73.3 million during the Relevant Period (the first half of 2025: RMB39.4 million), contributing to the continued improvement in performance of the intimate wear product segment.

Revenue

The Group’s revenue is mainly derived from sales of intimate wear products to the franchisees and to consumers through self-managed/cooperative stores and online sales platforms, development of industrial projects and provision of logistic services in the PRC. The breakdown of the revenue is as follows:

	Six months ended 30 June			
	2026		2025	
	RMB'000	%	RMB'000	%
Intimate wear products:				
Offline sales	1,045,340	82.6	1,063,611	74.1
E-commerce	158,198	12.5	224,929	15.6
	1,203,538	95.1	1,288,540	89.7
Industrial projects and logistic:				
Logistic income	49,491	3.9	64,445	4.5
Industrial projects sales	12,911	1.0	82,909	5.8
	62,402	4.9	147,354	10.3
	1,265,940	100.0	1,435,894	100.0

During the Relevant Period, the changes in revenue of the Group were mainly driven by the following factors:

- In respect of intimate wear products segment, the decrease in revenue during the Relevant Period was mainly attributable to the Group further enhancing of its collaboration with the e-commerce partners, as evidenced by the increase in the Group's total online GMV from RMB1.61 billion in the first half of 2025 to RMB2.73 billion during the Relevant Period. In addition, the Group continued to scale down its low-efficiency self-operated e-commerce platforms, which resulted in a decrease in the related e-commerce revenue; and
- The decrease in revenue from industrial projects and logistics was due to the decrease in industrial projects sales as compared with that of the corresponding period in 2025. Since 2022, the Group has transformed the former old warehouses in Fenggang town, Dongguan city, Guangdong province, the PRC (the "Yuquan Project"), into the modern industrial and intelligent logistic warehousing industrial projects, which has been completed and approved by the relevant government authorities during 2024. During the Relevant Period, the Group mainly delivered the remaining units of the Yuquan Project. The number of units delivered decreased as compared with that of the corresponding period last year, resulting in a corresponding decrease in related sales.

Gross profit margin

During the Relevant Period, the gross profit margin of the Group increased to around 51.4% as compared with that of the corresponding period in 2025 (the first half of 2025: 46.4%), in which the gross profit margin of intimate wear products also increased to around 52.9% as compared with that of the corresponding period in 2025 (the first half of 2025: 49.6%), mainly due to continued growth of the e-commerce co-operative business, which resulted in an increase in the related service income from RMB39.4 million in the first half of 2025 to RMB73.3 million during the Relevant Period.

Selling and marketing expenses

Selling and marketing expenses primarily consist of employee benefit expenses, lease expenses in respect of stores under cooperative arrangements, marketing and promotion expenses, e-commerce platforms related service expenses, depreciation and amortisation and others.

The decrease in selling and marketing expenses by about 2.2% for the six months ended 30 June 2026 to approximately RMB512,169,000 (the first half of 2025: RMB523,907,000) was primarily attributable to the combined effect of a reduction in selling expenses and commission costs incurred in connection with sales of industrial project, partially offset by an increase in brand-building and promotional expenses relating to the Group's e-commerce business during the Relevant Period.

General and administrative expenses

General and administrative expenses primarily consist of employee benefit expenses, consulting service expenses, travelling expenses, depreciation and amortisation and others.

The decrease in general and administrative expenses by approximately 5.6% for the six months ended 30 June 2026 to approximately RMB75,174,000 (the first half of 2025: RMB79,664,000) was mainly attributable to the continuous and effective cost control measures implemented during the Relevant Period.

Finance expenses – net

Finance expenses – net represents financial expenses on bank borrowings and lease liabilities less interest income on bank deposits.

The decrease in finance expenses – net to approximately RMB6,760,000 (the first half of 2025: RMB10,341,000) was mainly due to the decrease in interest expenses on bank borrowing and lease liabilities during the Relevant Period.

Income tax expense

As at 30 June 2026, the Group had fulfilled all its tax obligations and did not have any unresolved tax disputes.

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a strong and healthy financial position. As at 30 June 2026, the Group's restricted bank deposits and cash and cash equivalents amounted to approximately RMB523,169,000 (31 December 2025: RMB614,140,000) and borrowings amounted to approximately RMB458,900,000 (31 December 2025: RMB447,600,000). As at 30 June 2026, the current ratio was about 2.6 times (31 December 2025: 2.2 times).

As at 30 June 2026, the Group's gross gearing ratio, which was calculated on the basis of the amount of bank borrowings as a percentage of the total shareholders' equity, was approximately 21.3% (31 December 2025: 21.1%). The net gearing ratio, which was calculated on the basis of the amount of bank borrowings less restricted bank deposits and cash and cash equivalents as a percentage of the total shareholders' equity, was approximately negative 3.0% (31 December 2025: negative 7.9%). The Group's financial ratios remained at healthy level.

TREASURY POLICY

We will continue to follow a prudent policy in managing the Group's cash and cash equivalents and maintain a strong and healthy liquidity position to ensure that the Group is well-placed to capture future growth opportunities.

FOREIGN CURRENCY RISK

Most of the Group's income, expenses and purchases of raw materials are denominated in Renminbi. The Group has never encountered any significant difficulties in obtaining sufficient foreign currencies for repatriation of profits declared by the subsidiaries in mainland China to the overseas holding companies. The Group's exposure to fluctuations in exchange rates is minimal.

CAPITAL EXPENDITURE ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the Relevant Period, the capital expenditure on property, plant and equipment and intangible assets of the Group amounted to approximately RMB110,458,000 (the first half of 2025: RMB32,647,000), which was mainly used for renovation works of logistics warehouses.

PLEDGE OF ASSETS

As at 30 June 2026, the Group's restricted bank deposits, certain property, plant and equipment, investment properties and land use rights of approximately RMB419,687,000 (31 December 2025: RMB667,030,000) were pledged as securities for obtaining borrowings and notes payables. Certain pledged assets were released following the renewal of banking facilities during the Relevant Period.

CONTINGENT LIABILITIES

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

SIGNIFICANT ACQUISITIONS OR DISPOSALS

The Group did not have any significant acquisitions or disposals of subsidiaries, associates and joint ventures during the Relevant Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the Relevant Period, none of the single investment held by the Group that had a carrying value accounting for 5% or more of the total assets of the Group, and there was no future plans for material investments or capital assets.

HUMAN RESOURCES AND MANAGEMENT

The Group had approximately 1,700 full-time employees as at 30 June 2026 (31 December 2025: 1,800). The Group's remuneration package is determined with reference to the experience and qualifications of the individual employees and general market conditions. Bonus is linked to the Group's operating result as well as individual performance. The Company believes that the ability to recruit and retain experienced and skilled labour is crucial to the Group's growth and development. The Group provides training for its new employees to familiarise them with the working environment and work culture. The Group also provides on-the-job training to the employees, which aims at developing their skills so as to meet the strategic goals and customer requirements. In addition to providing the Group's staff with opportunities to receive on-the-job training, the Group strives to create a harmonious and warm working and living environment for the staff.

SIGNIFICANT EVENTS AFTER REPORTING PERIOD

There was no significant event occurred subsequent to 30 June 2026, being the end of the reporting period.

Report on Review of Interim Financial Information



To the Board of Directors of Cosmo Lady (China) Holdings Company Limited
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 17 to 39, which comprises the interim condensed consolidated statement of financial position of Cosmo Lady (China) Holdings Company Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
27/F, One Taikoo Place
979 King’s Road
Quarry Bay
Hong Kong

28 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Six months ended 30 June	
	Notes	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Revenue	5	1,267,046	1,435,894
Cost of sales		(615,769)	(770,130)
Gross profit		651,277	665,764
Selling and marketing expenses		(512,169)	(523,907)
General and administrative expenses		(75,174)	(79,664)
Net impairment losses on financial assets	8	(3,241)	(4,223)
Other income	6	7,213	8,355
Other gains/(losses) – net	6	4,303	(877)
Operating profit		72,209	65,448
Finance income	9	2,794	2,113
Finance expenses	9	(9,554)	(12,454)
Finance expenses – net	9	(6,760)	(10,341)
Share of (losses)/profits of joint ventures – net		(3,463)	282
Profit before income tax	7	61,986	55,389
Income tax expense	10	(2,519)	(1,942)
Profit for the period		59,467	53,447
Other comprehensive income/(loss) for the period			
<i>Item that may be reclassified subsequently to profit or loss</i>			
– Exchange differences on translation of foreign operations		3,307	2,343
<i>Item that will not be reclassified to profit or loss</i>			
– Changes in the fair value of equity investments at fair value through other comprehensive income		–	(4,451)
Other comprehensive income/(loss) for the period, net of tax		3,307	(2,108)
Total comprehensive income for the period		62,774	51,339
Profit attributable to:			
Owners of the Company		61,214	57,796
Non-controlling interests		(1,747)	(4,349)
		59,467	53,447
Total comprehensive income attributable to:			
Owners of the Company		64,521	55,688
Non-controlling interests		(1,747)	(4,349)
		62,774	51,339
		RMB cents	RMB cents
Earnings per share attributable to owners of the Company during the period	11		
Basic		2.8	2.7
Diluted		2.7	2.6

The notes on pages 23 to 39 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Financial Position

		As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
	<i>Notes</i>		
ASSETS			
Non-current assets			
Property, plant and equipment	13	648,935	581,436
Investment properties		113,722	164,680
Right-of-use assets	13	254,393	273,497
Intangible assets		25,545	23,520
Investments in joint ventures		23,556	37,796
Financial assets at fair value through other comprehensive income		8,363	12,275
Deposits, prepayments and other receivables	14	24,183	19,882
Deferred income tax assets		95,757	95,440
		1,194,454	1,208,526
Current assets			
Inventories	15	688,602	606,992
Completed properties held for sale		15,214	21,993
Trade and notes receivables	16	532,018	566,121
Deposits, prepayments and other receivables	14	559,570	596,627
Restricted bank deposits		38,546	49,688
Cash and cash equivalents		484,623	564,452
		2,318,573	2,405,873
Total assets		3,513,027	3,614,399

		As at 30 June 2026 Unaudited RMB'000	As at 31 December 2025 Audited RMB'000
	<i>Notes</i>		
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	17	140,312	140,312
Share premium	17	1,591,796	1,623,376
Shares held for share award scheme		(59,550)	(59,550)
Other reserves		434,483	423,553
Retained profits		71,122	15,063
		2,178,163	2,142,754
Non-controlling interests		(26,494)	(24,747)
Total equity		2,151,669	2,118,007
LIABILITIES			
Current liabilities			
Trade and notes payables	18	333,480	417,805
Accruals and other payables	19	313,580	357,057
Tax payables		52,109	49,554
Borrowings	20	148,400	142,900
Lease liabilities		53,068	132,310
Deferred income		—	3
		900,637	1,099,629
Non-current liabilities			
Borrowings	20	310,500	304,700
Lease liabilities		150,221	92,063
		460,721	396,763
Total liabilities		1,361,358	1,496,392
Total equity and liabilities		3,513,027	3,614,399

The notes on pages 23 to 39 form an integral part of this condensed consolidated interim financial information.

Zheng Yaonan
Director

Zhang Shengfeng
Director

Condensed Consolidated Statement of Changes in Equity

	Unaudited							
	Attributable to owners of the Company							
	Attributable to owners of the Company					Non-controlling interests		Total equity
	Share capital RMB'000	Share premium RMB'000	Shares held for share award scheme RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total RMB'000	RMB'000	
As at 1 January 2026	140,312	1,623,376	(59,550)	423,553	15,063	2,142,754	(24,747)	2,118,007
Comprehensive income								
Profit for the period	-	-	-	-	61,214	61,214	(1,747)	59,467
Other comprehensive income								
Exchange differences	-	-	-	3,307	-	3,307	-	3,307
Total comprehensive income for the period	-	-	-	3,307	61,214	64,521	(1,747)	62,774
Transactions with owners								
Equity-settled share-based compensation	-	-	-	2,468	-	2,468	-	2,468
Disposal of the fair value of equity investments at fair value through other comprehensive income	-	-	-	5,854	(5,854)	-	-	-
Disposal of investment properties	-	-	-	(699)	699	-	-	-
Final dividend	-	(31,580)	-	-	-	(31,580)	-	(31,580)
Total transactions with owners	-	(31,580)	-	7,623	(5,155)	(29,112)	-	(29,112)
As at 30 June 2026	140,312	1,591,796	(59,550)	434,483	71,122	2,178,163	(26,494)	2,151,669

	Unaudited							
	Attributable to owners of the Company							
	Share capital RMB'000	Share premium RMB'000	Shares held for share award scheme RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
As at 1 January 2025	140,312	1,633,846	(59,550)	426,211	(107,829)	2,032,990	(11,627)	2,021,363
Comprehensive income								
Profit for the period	–	–	–	–	57,796	57,796	(4,349)	53,447
Other comprehensive income/(loss)								
Exchange differences	–	–	–	2,343	–	2,343	–	2,343
Changes in the fair value of equity investments at fair value through other comprehensive income	–	–	–	(4,451)	–	(4,451)	–	(4,451)
Total comprehensive income for the period	–	–	–	(2,108)	57,796	55,688	(4,349)	51,339
Transactions with owners								
Equity-settled share-based compensation	–	–	–	2,873	–	2,873	–	2,873
Dividends paid to non-controlling interests	–	–	–	–	–	–	(296)	(296)
Final dividend	–	(10,470)	–	–	–	(10,470)	–	(10,470)
Total transactions with owners	–	(10,470)	–	2,873	–	(7,597)	(296)	(7,893)
As at 30 June 2025	140,312	1,623,376	(59,550)	426,976	(50,033)	2,081,081	(16,272)	2,064,809

The notes on pages 23 to 39 form an integral part of this condensed consolidated interim financial information.

Condensed Consolidated Statement of Cash Flows

Six months ended 30 June

	2026 Unaudited RMB'000	2025 Unaudited RMB'000
Cash flows from operating activities		
Cash generated from/(used in) operations	29,257	(18,896)
Income tax paid	(281)	(1,665)
Net cash generated from/(used in) operating activities	28,976	(20,561)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	4,910	2,985
Interest received	2,806	2,113
Proceeds from disposal of investment properties	85,360	–
Investment income from financial assets at fair value through profit or loss	–	382
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,141	–
Purchases of property, plant and equipment	(110,510)	(30,942)
Purchases of intangible assets	(77)	(756)
Return of capital from a joint venture	14,652	42,039
Net cash generated from investing activities	1,282	15,821
Cash flows from financing activities		
Dividends paid to non-controlling interests in subsidiaries	–	(296)
Proceeds from bank borrowings	140,000	359,999
Repayments of bank borrowings	(128,700)	(288,124)
Interest paid for bank borrowings	(9,554)	(6,850)
Release of restricted bank deposits	11,142	49,535
Principal elements of lease payments	(93,760)	(117,940)
Dividend paid	(31,580)	(10,470)
Net cash used in financing activities	(112,452)	(14,146)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(82,194)	(18,886)
Cash and cash equivalents at beginning of the period	564,452	537,764
Effect of foreign exchange rate changes	2,365	1,471
Cash and cash equivalents at end of the period	484,623	520,349
Analysis of balances of cash and cash equivalents		
Cash and bank balances	484,623	520,100
Non-pledged time deposits with original maturity of less than three months when acquired	–	249
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	484,623	520,349

The notes on pages 23 to 39 form an integral part of this condensed consolidated interim financial information.

Notes to the Condensed Consolidated Interim Financial Information

For the six months ended 30 June 2026

1 GENERAL INFORMATION

Cosmo Lady (China) Holdings Company Limited (the “Company”) was incorporated in the Cayman Islands on 28 January 2014 as an exempted company with limited liability under the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company. The Group is principally engaged in the designing, marketing and selling of intimate wear products, development of industrial projects and provision of logistic services in the People’s Republic of China (the “PRC”). The Company’s ordinary shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 26 June 2014.

Harmonious Composition Investment Holdings Limited, a company incorporated in the British Virgin Islands (the “BVI”), is the immediate holding company of the Company. In the opinion of the Company’s directors, Yao Li Investment Holdings Limited, a company incorporated in the BVI with limited liability and controlled by Mr. Zheng Yaonan, is the ultimate holding company of the Company.

The interim condensed consolidated financial information for the six months ended 30 June 2026 (the “Interim Financial Information”) is presented in Renminbi (“RMB”), unless otherwise stated. The Interim Financial Information is unaudited but has been reviewed by the audit committee of the Board and approved for issue by the Board on 28 August 2026.

2 BASIS OF PREPARATION

The Interim Financial Information has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards.

Change in accounting policies

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

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

The nature and impact of the amended IFRS Accounting Standards that are applicable to the Group are described below:

Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity’s rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group’s accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group’s consolidated financial statements for the year ending 31 December 2026.

2 BASIS OF PREPARATION (Continued)

Change in accounting policies (Continued)

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

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

3 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance. The Group currently does not use any derivative financial instruments to hedge certain risk exposures during the period.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Group for the year ended 31 December 2025.

There have been no changes in any risk management policies since 31 December 2025.

(b) Capital risk management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on basis of the gearing ratio. This ratio is calculated as bank borrowings divided by total equity. As at 30 June 2026, the amount of total bank borrowings of RMB458,900,000 (31 December 2025: RMB447,600,000) is disclosed in Note 20 while the amount of total equity of RMB2,151,669,000 (31 December 2025: RMB2,118,007,000) is shown in the condensed consolidated statement of financial position.

	As at 30 June 2026 (Unaudited) RMB’000	As at 31 December 2025 (Audited) RMB’000
Bank borrowings	458,900	447,600
Total equity	2,151,669	2,118,007
Gearing ratio	21 %	21 %

3 FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation

Financial instruments carried at fair value are disclosed by levels of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As at 30 June 2026 and 31 December 2025, except for the financial assets at fair value through other comprehensive income, which were measured at level 3 fair value as follows, the Group's financial instruments recognised in the condensed consolidated statement of financial position are mainly receivables and financial liabilities carried at amortised cost. Analysis of level 3 financial instruments for the six months ended 30 June 2026 are as follows:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000 (Note)	Total RMB'000
Financial assets at fair value through other comprehensive income				
As at 30 June 2026 (Unaudited)	–	–	8,363	8,363
As at 31 December 2025 (Audited)	–	–	12,275	12,275

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2025: Nil).

Note: the changes in level 3 items are as follows:

	Unlisted equity securities RMB'000
As at 31 December 2025 (Audited)	12,275
Disposal	(4,141)
Loss recognised in other comprehensive income	229
As at 30 June 2026 (Unaudited)	8,363

3 FINANCIAL RISK MANAGEMENT (Continued)

(c) Fair value estimation (Continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair value of the Group's financial assets at fair value through other comprehensive income was developed through the application of the income approach technique, the discounted cash flow method and market approach method by looking at comparable companies with similar size, features, operations, industry and economic conditions. The income approach is the conversion of expected periodic benefits of ownership into an indication of value. The discounted cash flow considered the future business plan, specific business and financial risks.

4 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

Intimate wear products segment	–	Designing, marketing and selling of intimate wear products
Industrial projects and logistic segment	–	Development of industrial projects and provision of logistic services

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that interest income, finance expenses as well as head office and corporate income and expenses are excluded from such measurement.

The Group's revenue from external customers was derived solely from its operations in the PRC.

None of the revenue derived from any single external customer amounted to 10% or more of the Group's revenue for the six months ended 30 June 2026 (2025: None).

Information regarding these reportable segments is presented below.

4 OPERATING SEGMENT INFORMATION (Continued)

Reportable segment information

	For the six months ended 30 June (Unaudited)					
	Intimate wear products		Industrial projects and logistic		Total	
	2026 RMB'000	2025 RMB'000	2026 RMB'000	2025 RMB'000	2026 RMB'000	2025 RMB'000
Segment revenue						
Revenue from external customers	1,203,538	1,288,540	63,508	147,354	1,267,046	1,435,894
Intersegment sales	—	—	47,139	66,989	47,139	66,989
Total segment revenue	1,203,538	1,288,540	110,647	214,343	1,314,185	1,502,883
<i>Reconciliation:</i>						
Elimination of intersegment sales					(47,139)	(66,989)
Total revenue					1,267,046	1,435,894
Segment gross profit	636,947	639,605	14,330	26,159	651,277	665,764
Segment results	82,887	69,652	10,829	10,945	93,716	80,597
<i>Reconciliation:</i>						
Interest income					2,794	2,113
Unallocated gains					12	664
Corporate and other unallocated expenses					(24,982)	(21,135)
Finance expenses					(9,554)	(6,850)
Profit before income tax					61,986	55,389

5 REVENUE

An analysis of the Group's revenue is as follows:

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
<i>Revenue from contracts with customers</i>		
Offline sales	1,045,340	1,063,611
E-commerce	158,198	224,929
Logistic income	49,491	64,445
Sales of properties from industrial projects	12,911	82,909
	1,265,940	1,435,894
<i>Revenue from other sources</i>		
Gross rental income from investment properties	1,106	—
	1,267,046	1,435,894

5 REVENUE (Continued)

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2026 (Unaudited)

	Intimate wear products RMB'000	Industrial projects and logistic RMB'000	Total RMB'000
Type of goods or services			
Sales of goods	1,130,232	12,911	1,143,143
Services rendered	–	49,491	49,491
Royalty income	73,306	–	73,306
	1,203,538	62,402	1,265,940
Timing of revenue recognition			
Goods transferred at a point in time	1,130,232	12,911	1,143,143
Services transferred over time/revenue recognised over time	73,306	49,491	122,797
	1,203,538	62,402	1,265,940

For the six months ended 30 June 2025 (Unaudited)

	Intimate wear products RMB'000	Industrial projects and logistic RMB'000	Total RMB'000
Type of goods or services			
Sales of goods	1,249,134	82,909	1,332,043
Services rendered	–	64,445	64,445
Royalty income	39,406	–	39,406
	1,288,540	147,354	1,435,894
Timing of revenue recognition			
Goods transferred at a point in time	1,249,134	82,909	1,332,043
Services transferred over time/revenue recognised over time	39,406	64,445	103,851
	1,288,540	147,354	1,435,894

6 OTHER INCOME AND OTHER GAINS/(LOSSES) – NET

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
An analysis of the Group's other income is as follows:		
Government grants (<i>Note</i>)	1,450	813
Others	5,763	7,542
	7,213	8,355

Note: These mainly represented grants received from various local governments in the PRC. There are no unfulfilled conditions or contingencies relating to these grants.

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
An analysis of the Group's other gains/(losses) – net is as follows:		
Net foreign exchange losses	(10)	(872)
Gain on disposal of investment properties	4,616	–
Losses on disposal of property, plant and equipment – net	(303)	(5)
	4,303	(877)

7 PROFIT BEFORE INCOME TAX

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

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Cost of inventories sold	566,591	648,935
Cost of service rendered	42,399	65,759
Cost of properties sold	6,779	55,436
Depreciation and amortisation		
– Right-of-use assets	92,970	102,065
– Property, plant and equipment	37,116	41,877
– Intangible assets	2,917	3,506
Provision for inventories	1,140	5,736
Reversal of impairment of property, plant and equipment	–	(283)
Reversal of impairment of right-of-use assets	(1,427)	(5,230)

8 NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Provision for impairment of trade receivables	(785)	(3,616)
Provision of impairment of other receivables	(2,456)	(607)
	(3,241)	(4,223)

9 FINANCE INCOME AND EXPENSES

Six months ended 30 June	
2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Finance income	
Investment and interest income	2,794
	2,113
	2,794
Finance expenses	
Interest expense on bank borrowings	(5,901)
Interest expense on lease liabilities	(3,653)
	(9,554)
	(12,454)
	(6,760)
	(10,341)

10 INCOME TAX EXPENSE

Six months ended 30 June	
2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Current income tax	
– PRC corporate income tax (<i>Note (b)</i>)	543
– PRC land appreciation tax (“LAT”) (<i>Note (c)</i>)	2,293
	2,836
	3,144
Deferred income tax	
– Deferred income tax	(317)
	(1,202)
Income tax expense	2,519
	1,942

10 INCOME TAX EXPENSE (Continued)

Notes:

(a) Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the current and the prior period.

(b) PRC corporate income tax

The Company's subsidiary, Cosmo Lady Guangdong Holdings Limited ("Cosmo Lady Guangdong"), was given the preferential corporate income tax at 15% under the High and New Technology Enterprises ("HNTE") in December 2024, which is effective for 3 years from 2024 to 2027. The Group's other subsidiaries in the PRC are subject to PRC corporate income tax at the rate of 25% for the six months ended 30 June 2026 (2025: 25%) on the estimated assessable profits for the period, based on the existing legislation, interpretations and practices in respect thereof.

(c) PRC land appreciation tax

The Group is subject to LAT in the PRC. The provision for LAT is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculation and payments with the tax authorities for certain of its property development projects. The final outcome could be different from the amounts that were initially recorded.

(d) Overseas income Tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of Cayman Islands and accordingly, is exempted from Cayman Islands income tax. The Company's direct subsidiary in the BVI was incorporated under the International Business Companies Act of the BVI and, accordingly, is exempted from BVI income tax.

11 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period.

The calculations of basic and diluted earnings per share are based on:

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Profit for the period attributable to owners of the Company (RMB'000)	61,214	57,796
Weighted average number of ordinary shares for purposes of basic earnings per share (thousands of shares)	2,179,354	2,179,354
Effect of dilution – weighted average number of ordinary shares: Share Award Scheme (thousands of shares)	56,297	50,415
Number of shares used in diluted earnings per share calculation (thousands of shares)	2,235,651	2,229,769

Note: The weighted average number of ordinary shares for the purpose of basic earnings per share for the six months ended 30 June 2026 and 2025 has been adjusted for the effects of purchase and withholding of ordinary shares of the Company for the share award scheme and share option schemes during the six months ended 30 June 2026 and 2025, respectively, while certain share options outstanding during the six months ended 30 June 2026 and 2025 had no dilutive effect on the diluted earnings per share amount presented.

12 INTERIM DIVIDEND

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

13 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment and right-of-use assets of RMB110,510,000 and RMB73,644,000, respectively (30 June 2025: property, plant and equipment and right-of-use assets of RMB30,942,000 and RMB131,236,000, respectively).

Property, plant and equipment with a net book value of RMB201,000 were disposed of by the Group during the six months ended 30 June 2026 (30 June 2025: RMB2,990,000), resulting in a net gain on disposal of RMB303,000 (30 June 2025: net loss RMB5,000).

14 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Prepayments for acquisition of property, plant and equipment and intangible assets	14,542	13,335
Value added tax recoverable	308,432	299,331
Prepayments and deposits	46,864	41,515
Prepaid expenses in respect of stores under cooperative arrangements	41,738	58,950
Prepayments for purchase of goods and raw materials	105,001	135,685
Deposit receivable from e-commerce platforms and regional franchisees	8,413	8,442
Other receivables from staffs	10,542	7,795
Others	52,523	55,458
Less: provision for impairment of other receivables	(4,302)	(4,002)
	583,753	616,509
Less: non-current portion	(24,183)	(19,882)
Current portion	559,570	596,627

As at 30 June 2026, the carrying amounts of the Group's deposits and other receivables are denominated in RMB and approximate their fair values.

15 INVENTORIES

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Raw materials	16,603	21,687
Work in progress	7,093	7,504
Finished goods	717,140	628,895
	740,836	658,086
Less: provision	(52,234)	(51,094)
	688,602	606,992

16 TRADE AND NOTES RECEIVABLES

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Trade receivables		
– Due from third parties	558,076	591,909
Notes receivable	661	146
Less: loss allowance	(26,719)	(25,934)
Trade and notes receivables – net	532,018	566,121

- (a) As at 30 June 2026, the carrying amounts of the trade receivables of the Group approximate their fair values and are all denominated in RMB.
- (b) The Group's trade receivables are primarily derived from sales to certain franchise customers with an appropriate credit history. The Group generally grants franchise customers with a credit period of 15 to 90 days from the invoice date. The Group also gives franchise customers a credit period of 90 to 180 days for their first order of products for new retail stores. The Group would also extend the credit period for certain franchise customers under certain circumstances. The ageing analysis of trade receivables based on invoice date, as at 30 June 2026 is as follows:

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Trade receivables, gross		
– Within 30 days	154,633	247,157
– Over 30 days and within 60 days	73,509	128,505
– Over 60 days and within 90 days	63,713	78,823
– Over 90 days and within 180 days	51,117	51,564
– Over 180 days and within 360 days	193,155	61,018
– Over 360 days	21,949	24,842
	558,076	591,909

17 SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Share capital RMB'000	Share premium RMB'000	Total RMB'000
As at 30 June 2026 (Unaudited)	2,249,457,213	140,312	1,591,796	1,732,108
As at 31 December 2025 (Audited)	2,249,457,213	140,312	1,623,376	1,763,688

18 TRADE AND NOTES PAYABLES

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Trade payables (Note (a))		
Due to third parties	279,609	313,434
Due to related parties (Note 22(c))	4,862	5,581
	284,471	319,015
Notes payable		
Due to third parties	49,009	98,790
	333,480	417,805

Notes:

- (a) As at 30 June 2026, trade payables of the Group are non-interest bearing, and their fair values approximate their carrying amounts due to their short maturities.

As at 30 June 2026, trade payables are denominated in RMB. The ageing analysis of trade payables based on invoice date, as at 30 June 2026 is as follows:

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Trade payables		
– Within 30 days	49,579	38,938
– Over 30 days and within 60 days	50,654	59,776
– Over 60 days and within 90 days	60,953	88,029
– Over 90 days and within 180 days	113,101	122,940
– Over 180 days and within 360 days	6,708	6,039
– Over 360 days	3,476	3,293
	284,471	319,015

19 ACCRUALS AND OTHER PAYABLES

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Other accrued expenses and payables	77,431	79,313
Payables for purchases of property, plant and equipment and intangible assets	30,597	43,860
Salaries and welfare payables	29,437	30,220
Deposits from franchisees	86,987	87,802
Payable for logistic	15,508	18,186
Payable for short-term leases	11,512	15,104
Provision for sales return	2,235	1,379
Payable for operating expenses in respect of stores under cooperative arrangements	13,382	15,934
Contract liabilities	46,491	65,259
	313,580	357,057

As at 30 June 2026, financial liabilities included in accruals and other payables of the Group are non-interest bearing, and their fair values approximate their carrying amounts due to their short maturities.

As at 30 June 2026, accruals and other payables of the Group are denominated in RMB.

20 BORROWINGS

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Non-current		
Secured bank borrowing (Note)	310,500	304,700
Current		
Secured bank borrowing (Note)	148,400	142,900
	458,900	447,600

Note: The amount represents the bank borrowings that are secured by the Group's certain buildings, land use rights and investment properties of approximately RMB381,141,000 as at 30 June 2026 (31 December 2025: RMB617,342,000).

The carrying amounts of the Group's borrowings are denominated in RMB.

The interest rates of the Group's bank loans are primarily repriced based on Loan Prime Rate changes.

21 CAPITAL COMMITMENTS

As at 30 June 2026 and 31 December 2025, the Group had the following contractual commitments not provided for:

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Property, plant and equipment		
Intangible assets	71,918	70,376
	–	127
	71,918	70,503

22 RELATED-PARTY TRANSACTIONS

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business for the six months ended 30 June 2026, and balances arising from related party transactions as at 30 June 2026.

(a) Name and relationship with related parties

Name	Relationship with the Group
Mr. Zhang Shengfeng	Director
Mr. Lin Zonghong	Director
Shantou City Shengqiang Knitting Industrial Co., Ltd. (汕頭市盛強針織實業有限公司, “Shantou Shengqiang”)	Controlled by a brother of Mr. Zhang Shengfeng’s spouse
Shantou City Maosheng Knitting Underwear Co., Ltd. (汕頭市茂盛針織內衣有限公司, “Shantou Maosheng”)	Controlled by a brother and a sister of Mr. Lin Zonghong

(b) Transactions with related parties – Purchases of goods:

	Six months ended 30 June 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Continuing transactions:		
Shantou Shengqiang	9,438	5,127
Shantou Maosheng	439	1,426
	9,877	6,553

Purchases of goods from these related parties are on mutually agreed terms and conditions, and the purchase prices are determined on cost-plus basis, with a mark-up rate of no more than 9%.

22 RELATED-PARTY TRANSACTIONS (Continued)

(c) Balances with related parties

	As at 30 June 2026 (Unaudited) RMB'000	As at 31 December 2025 (Audited) RMB'000
Trade payables balance:		
Shantou Shengqiang	4,456	4,725
Shantou Maosheng	406	856
	4,862	5,581

The trade payables to related parties were unsecured, non-interest bearing, repayable on demand and denominated in RMB.

(d) Key management compensation

The remuneration of directors of the Company and other members of key management of the Group for the six months ended 30 June 2026 and 2025 is as follows:

	Six months ended 30 June	
	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Wages, salaries and bonuses	4,249	4,152
Pension cost-defined contribution plans	326	295
Equity-settled share-based compensation	—	—
	4,575	4,447

Other Information

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of the directors (the “Directors”) and the chief executive of Cosmo Lady (China) Holdings Company Limited (the “Company” together with its subsidiaries, the “Group”) or any of their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)), which (i) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO, or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) were as follows:

Interest and short positions in the Company

Name of directors	Nature of interest	Number of shares held ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
Mr. Zheng Yaonan ⁽²⁾	Beneficial owners; interest of spouse; founder of a discretionary trust who can influence how the trustee exercises his discretion	812,919,201 (L)	36.14% (L)
Ms. Wu Xiaoli ⁽²⁾	Beneficial owner; interest of spouse; other (beneficiary of a discretionary trust)	812,919,201 (L)	36.14% (L)
Mr. Zhang Shengfeng	Beneficial owner; founder of a discretionary trust who can influence how the trustee exercises his discretion	230,655,173 (L)	10.25% (L)
Mr. Lin Zonghong	Founder of a discretionary trust who can influence how the trustee exercises his discretion	106,290,277 (L)	4.73% (L)
Mr. Xian Shunxiang ⁽³⁾	Beneficial owner	6,130,000 (L)	0.27% (L)
Mr. Zhu Hongbo ⁽⁴⁾	Beneficial owner	2,763,239 (L)	0.12% (L)
Dr. Lu Hong Te	Beneficial owner	210,000 (L)	0.01% (L)

Notes:

- (1) The letter “L” denotes the person’s long position in the shares. The calculation is based on the number of ordinary shares that each person is interested in (whether directly/indirectly interested or deemed to be interested) as a percentage of the total number of issued ordinary shares (that is, 2,249,457,213 shares) of the Company as at 30 June 2026 (excluding treasury shares, if any).
- (2) Mr. Zheng Yaonan beneficially owns 47,279,799 shares, and Ms. Wu Xiaoli beneficially owns 14,776,000 shares, respectively. Mr. Zheng Yaonan and Ms. Wu Xiaoli are the spouse of each other, and are therefore deemed to be interested in the Shares held by each other under Part XV of the SFO. Ms. Wu Xiaoli is also one of the beneficiaries of a discretionary trust, founded by Mr. Zheng Yaonan, which holds the entire issued share capital of Yao Li Investment Holdings Limited.
- (3) Mr. Xian Shunxiang beneficially owns 130,000 shares, and is interested in 6,000,000 awarded shares granted to him under the Share Award scheme (as defined below), which remain unvested as at 30 June 2026.
- (4) Mr. Zhu Hongbo beneficially owns 163,239 shares, and is interested in 2,600,000 awarded shares granted to him under the Share Award Scheme (as defined below), which remain unvested as at 30 June 2026.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Save as disclosed above, so far as the Directors are aware, as at 30 June 2026, none of the Directors or chief executive of the Company had any interest or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) 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 are taken or deemed to have under such provisions of the SFO), or (ii) entered in the register kept by the Company pursuant to section 352 of the SFO, or (iii) notified to the Company and the Stock Exchange under the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, the following shareholders (other than the Directors and chief executive) had an interest or short position in the shares and 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 as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of directors	Nature of interest	Number of shares held ⁽¹⁾	Approximate percentage of shareholding interest ⁽¹⁾
TMF (Cayman) Limited ⁽²⁾	Trustee	1,082,808,852 (L)	48.14% (L)
Great Brilliant Investment Holdings Limited ⁽³⁾	Interest of controlled corporation; beneficial owner	750,863,402 (L)	33.38% (L)
Yao Li Investment Holdings Limited ^{(2), (3)}	Interest of controlled corporation	750,863,402 (L)	33.38% (L)
Harmonious Composition Investment Holdings Limited ^{(3), (4)}	Beneficial owner	735,018,732 (L)	32.68% (L)
Ms. Cai Shaoru ⁽⁵⁾	Interest of spouse	230,655,173 (L)	10.25% (L)
Forever Flourish International Holdings Limited ⁽⁶⁾	Beneficial owner	225,655,173 (L)	10.03% (L)
Xin Feng Asset Holdings Limited ^{(2), (6)}	Interest of controlled corporation	225,655,173 (L)	10.03% (L)
Fidelity China Special Situations PLC ⁽⁷⁾	Beneficial owner	157,330,000 (L)	6.99% (L)
FIL Limited ⁽⁷⁾	Interest of controlled corporation	157,330,000 (L)	6.99% (L)
Pandanus Associates Inc. ⁽⁷⁾	Interest of controlled corporation	157,330,000 (L)	6.99% (L)
Pandanus Partners L.P. ⁽⁷⁾	Interest of controlled corporation	157,330,000 (L)	6.99% (L)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

Notes:

- (1) The letter "L" denotes the person's long position in the shares. The calculation is based on the number of ordinary shares that each person is interested in (whether directly/indirectly interested or deemed to be interested) as a percentage of the total number of issued ordinary shares (that is, 2,249,457,213 shares) of the Company as at 30 June 2026 (excluding treasury shares, if any).
- (2) TMF (Cayman) Limited in its capacity as the trustee holds, among others, the entire issued share capital of Yao Li Investment Holdings Limited, Xin Feng Asset Holdings Limited and Hong Ye Asset Holdings Limited. The three discretionary trusts are founded by Mr. Zheng Yaonan, Mr. Zhang Shengfeng and Mr. Lin Zonghong respectively for themselves and their close relatives.
- (3) Great Brilliant Investment Holdings Limited, a company incorporated in the British Virgin Islands, is a wholly-owned subsidiary of Yao Li Investment Holdings Limited. Yao Li Investment Holdings Limited is a company incorporated in the British Virgin Islands and wholly owned by TMF (Cayman) Limited as the trustee.
- (4) Harmonious Composition Investment Holdings Limited is a wholly-owned subsidiary of Great Brilliant Investment Holdings Limited, and held approximately 735,018,732 shares of the Company, representing approximately 32.68% of the entire issued share capital of the Company.
- (5) Ms. Cai Shaoru is the spouse of Mr. Zhang Shengfeng. Under Part XV of the SFO, she was deemed to be interested in the same number of shares in which Mr. Zhang Shengfeng was interested.
- (6) Forever Flourish International Holdings Limited, a company incorporated in the British Virgin Islands, is a wholly-owned subsidiary of Xin Feng Asset Holdings Limited. Xin Feng Asset Holdings Limited is a company incorporated in the British Virgin Islands and is wholly owned by TMF (Cayman) Limited as the trustee.
- (7) Fidelity China Special Situations PLC is indirectly controlled by FIL Limited, which is in turn owned as to 38.71% by Pandanus Partners L.P., which is wholly-owned by Pandanus Associates Inc. As such, each of Pandanus Partners L.P. and Pandanus Associates Inc. was deemed to be interested in the 157,330,000 shares of the Company held by Fidelity China Special Situations PLC.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any persons (other than the Directors and chief executive) who had interests or short positions in the Shares or the underlying Shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE SCHEMES

Share Option Scheme

The old share option scheme was adopted on 9 June 2014 and was terminated on 2 June 2023 (the "Old Scheme"). The new share option scheme of the Company was approved by the shareholders of the Company and adopted on 2 June 2023 (the "New Scheme") and is valid for 10 years. The purpose of the New Scheme is to enable the board of directors (the "Board") to grant share options to the eligible participants as incentives or rewards for their contribution or potential contribution to the Company and its subsidiaries (the "Group"). Further details of the principal terms of the New Scheme are set out in the circular of the Company dated 28 April 2023. The terms of the New Scheme were further amended pursuant to ordinary resolutions passed by shareholders at the annual general meeting of the Company held on 29 May 2026. Further details of the amendments are set out in the circular of the Company dated 8 May 2026.

There was no option granted under the Old Scheme that remained outstanding as at the date of its termination on 2 June 2023. No further options have been granted subsequent to the aforesaid termination date of the Old Scheme.

SHARE SCHEMES (Continued)

Share Option Scheme (Continued)

Details of movements of the options granted under the New Scheme during the six months ended 30 June 2026 are set out as follows:

							Number of options							
Grantees	Date of grant	Exercise price (HK\$/Share)	Closing price immediately prior to the grant (HK\$/Share)	Fair value as at date of grant (HK\$/Share)	Weighted average closing price immediately before the date on which the options granted were exercised (HK\$/Share)	Outstanding as at 1 January 2026	Granted	Exercised	Vested	Cancelled	Forfeited/ lapsed	Outstanding as at 30 June 2026	Exercise period	
(Note 3)														
Directors														
Mr. Zhang Shengfeng (Note 2)	1 September 2025	0.38	0.37	0.21	–	5,000,000	–	–	–	–	–	5,000,000	1 September 2026 to 1 September 2031	
Employees (Note 2)	1 September 2025	0.38	0.37	0.21	–	9,000,000	–	–	–	–	–	9,000,000	1 September 2026 to 1 September 2031	
Service providers (Note 1)	27 January 2025	0.28	0.26	0.13	–	30,000,000	–	–	–	–	–	30,000,000	27 January 2026 to 27 January 2029	
						44,000,000	–	–	–	–	–	44,000,000		

Notes:

- The options were granted on 27 January 2025 to Service Providers who work for the Group as independent contractors, being authorised dealers, to distribute the Group's products via online platforms in order to expand the Group's e-commerce business. This batch of options granted are subject to a minimum vesting period of 12 months. The vesting of the options on the grantees is subject to the achievements of the performance targets determined by the Board in its sole and absolute discretion. The Group will assess the performance of these grantees mainly based on the respective gross merchandise value of the Service Providers as determined by the Board individually which is set out in the individual grant letters of such grantees.
- The options were granted on 1 September 2025 to employees of the Group and members of the core management team of the Group's e-commerce business department, responsible for expanding the Group's e-commerce intimate wear business, increasing the Group's market share, and enhancing the growth and development of the Group. This batch of options granted are subject to a minimum vesting period of 12 months. The vesting of the options on the grantees is subject to the achievements of the performance targets determined by the Board in its sole and absolute discretion. The Group will assess the performance of these grantees mainly based on the key performance indicators, including but not limited to revenue, profit, aged inventory clearance, overall gross merchandise value, etc. achieved by the Group's e-commerce business department.
- For the accounting standard and policy adopted for calculating the fair value of the share options on the date of grant, please refer to note 30 to the consolidated financial statements in the annual report of the Company for the year ended 31 December 2025.

Save as disclosed above, no options were granted, vested, exercised, cancelled or forfeited/lapsed under the New Scheme during the six months ended 30 June 2026.

SHARE SCHEMES (Continued)

Share Award Scheme

The Company adopted a share award scheme, with a 10-year validity, on 28 June 2019 (the “Share Award Scheme”) and the Share Award Scheme was amended on 2 June 2023 (the “Adoption Date”) and further amended on 29 May 2026 pursuant to ordinary resolutions passed by shareholders at the annual general meeting of the Company held on 29 May 2026. Further details of the amendments are set out in the circular of the Company dated 8 May 2026. The purpose and objectives of the Share Award Scheme are to enable the Board to grant award shares to the eligible participants as incentives or rewards for their contribution to the Group. The basis of eligibility of any of the eligible participants to the grant of awards shall be determined by the Board from time to time on the basis of the Board’s opinion as to his contribution or potential contribution to the development and growth of the Group.

The Cosmo Lady Employee Benefit Trust was established to manage the trust property of the Share Award Scheme. As at 30 June 2026, a total of 70,102,737 shares of the Company were held by the trustee of the Cosmo Lady Employee Benefit Trust.

Details of movements of the share awards granted under the Share Award Scheme during the six months ended 30 June 2026 are set out as follows:

			Number of awarded shares									
Grantees	Date of grant	Purchase price	Number of awarded shares								Vesting period	
			Closing price	Fair value	Weighted average	Unvested	Granted	Vested	Cancelled	Forfeited/ lapsed		Unvested
			immediately prior to the grant	as of date of grant of the Awards granted	closing price immediately before the vesting date of Awards							
			(HK\$/Share)	(HK\$/Share)	(HK\$/Share)						(Note 1)	
Directors												
Mr. Zhu Hongbo	1 January 2023 (Note 2)	–	0.20	0.03	–	2,600,000	–	–	–	–	2,600,000	1 July 2025 to 31 December 2028
Mr. Xian Shunxiang	1 January 2023 (Note 2)	–	0.20	0.03	–	6,000,000	–	–	–	–	6,000,000	1 July 2025 to 31 December 2028
The five highest paid individual (excluding Directors and chief executives)												
	1 January 2023 (Note 2)	–	0.20	0.03	–	5,500,000	–	–	–	–	5,500,000	1 July 2025 to 31 December 2028
Employees												
	1 January 2023 (Note 2)	–	0.20	0.03	–	12,500,000	–	–	–	–	12,500,000	1 July 2025 to 31 December 2028
	1 July 2025	–	0.23	0.23	–	3,800,000	–	–	–	–	3,800,000	1 July 2025 to 31 December 2028
Service providers												
	31 March 2024	–	0.23	0.23	–	23,000,000	–	–	–	–	23,000,000	31 March 2024 to 31 March 2027
						53,400,000	–	–	–	–	53,400,000	

SHARE SCHEMES (Continued)

Share Award Scheme (Continued)

Note:

1. The vesting of each tranche of the awarded shares above is subject to the achievement of certain vesting conditions as set out in the individual grant letters of the grantees. The Group has in place a standardised performance appraisal system and evaluation policies for its employees and service providers, respectively, to comprehensively evaluate their performance and contribution to the Group. The Company will determine whether the employee and service provider grantees meet the individual performance target and key performance indicators based on their performance appraisal results and evaluation results for the relevant year, respectively. In case of partial achievement and satisfaction of the performance targets or the key performance indicators, as applicable, the applicable awarded shares may be vested in proportion to the performance targets or the key performance indicators, as applicable, actually achieved by the employee and service provider grantees, respectively, for the relevant year.

For the accounting standard and policy adopted for calculating the fair value of the awarded share of the Company on the date of grant, please refer to note 30 to the consolidated financial statements in the annual report of the Company for the year ended 31 December 2025.

2. On 1 July 2025, the Group modified the vesting conditions of certain outstanding share awards granted under the share award scheme. The original vesting period of 1 January 2023 to 31 December 2025 was extended to 1 July 2025 to 31 December 2028. The incremental fair value of the modified awards at the modification date was HK\$0.03, representing the difference between the fair value of the modified awards and the fair value of the original awards, both measured at the modification date. For avoidance of doubt, no grant of Awards had been made to any of the five highest paid individuals (excluding Directors and chief executives) for the six months ended 30 June 2026.

Save as disclosed above, no awarded shares were granted, vested, cancelled or forfeited/lapsed under the Share Award Scheme during the six months ended 30 June 2026.

SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT OF THE NEW SCHEME AND SHARE AWARD SCHEME

As at 30 June 2026, the maximum number of shares that can be issued upon exercise of the options and as awarded shares under the New Scheme and the Share Award Scheme and other share options and awards was 224,945,721 shares, representing 10% of the Shares in issue as at 2 June 2023 and as at the date of this report (excluding treasury shares). Accordingly, the number of options and/or awards available for grant under the scheme mandate limit of the New Scheme and the Share Award Scheme at the beginning and the end of the six months ended 30 June 2026 were 180,945,721 shares and 180,945,721 shares in aggregate, respectively.

As at 1 January 2026, the maximum number of shares that can be issued under the service provider sublimit upon exercise of the options and as awarded shares under the New Scheme and the Share Award Scheme and other share schemes of the Company was 44,989,144 shares, representing 2% of the shares in issue as at the Adoption Date. Pursuant to the ordinary resolutions passed by shareholders at the annual general meeting of the Company held on 29 May 2026, the Service Provider Sublimit was increased from 2% to 5% of the shares in issue as at the Adoption Date. Accordingly, as at 30 June 2026, the maximum number of shares that can be issued under the Service Provider Sublimit was 112,472,860 shares, representing approximately 5% of the shares in issue as at the Adoption Date and no more than 50% of the Scheme Mandate Limit. The number of options and/or awards available for grant under the Service Provider Sublimit at the beginning and the end of the six months ended 30 June 2026 were 14,989,144 shares and 82,472,860 shares in aggregate, respectively.

The number of shares that may be issued in respect of options and awards granted under all share schemes of the Company during the six months ended 30 June 2026 divided by the weighted average number of the shares in issue (excluding treasury shares) for the six months ended 30 June 2026 was 0.02.

INTERIM DIVIDEND

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

CORPORATE GOVERNANCE PRACTICES

The Board considers that the Company has complied with all the applicable code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2026, with the exception of Code Provision C.2.1.

According to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same person. The Company deviated from this provision from 30 November 2021 because Mr. Zheng Yaonan (“Mr. Zheng”) performed both the roles of the chairman of the Board and the chief executive officer of the Company. Mr. Zheng, with an established market reputation in the intimate wear industry in China, is the founder of the Group and has extensive experience in business operations and management in general. Under the leadership of Mr. Zheng, the Board worked effectively and performed its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions were made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive directors on the Board offering advice from independent perspectives, the Board was therefore of the view that there were adequate safeguards in place to ensure sufficient balance of powers within the Board.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES OR SALE OF TREASURY SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities or sold any treasury shares, if any, during the six months ended 30 June 2026.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code contained in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Specific enquiry was made with all the Directors and all of the Directors confirmed that they have complied with the requirements set out in the Model Code throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The audit committee of the Board (the “Audit Committee”) comprises three independent non-executive Directors, namely Mr. Yau Chi Ming, Dr. Dai Yiyi and Dr. Lu Hong Te. Mr. Yau Chi Ming, who possesses appropriate professional qualifications as required by the Listing Rules, is the chairman of the Audit Committee.

The Audit Committee holds regular meetings to review the financial information, financial reporting system and internal control procedures of the Group, including a review of the interim financial information for the six months ended 30 June 2026 and the Audit Committee has reviewed this interim report and the interim results for the six months ended 30 June 2026 and has no disagreement with the accounting treatment and principles adopted by the Company.

CHANGES IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

There was no change in the information regarding the Directors subsequent to the date of publication of the annual report of the Company for the year ended 31 December 2025 which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the six months ended 30 June 2026 and as at the date of this interim report.