

藍月亮集團控股有限公司

Blue Moon Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6993

蓝月亮

INTERIM REPORT

2025



Remarkable
Laundry Technologies for the Future

蓝月亮

Journey to
CLEANLINESS OF ZHIZUN





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CORPORATE INFORMATION & FINANCIAL CALENDAR

Board of Directors

Executive Directors

Ms. PAN Dong (*Chairman*)
Mr. LUO Qiuping (*Chief Executive Officer*)
Ms. LUO Dong
Mr. POON Kwok Leung
Ms. XIAO Haishan

Independent Non-executive Directors

Mr. Bruno Robert MERCIER
Ms. NGAN Edith Manling
Mr. HU Yebi

Authorised Representatives

Ms. PAN Dong
Mr. POON Kwok Leung

Audit Committee

Ms. NGAN Edith Manling (*Chairman*)
Mr. Bruno Robert MERCIER
Mr. HU Yebi

Remuneration Committee

Mr. HU Yebi (*Chairman*)
Ms. PAN Dong
Ms. XIAO Haishan
Mr. Bruno Robert MERCIER
Ms. NGAN Edith Manling

Nomination Committee

Ms. PAN Dong (*Chairman*)
Mr. Bruno Robert MERCIER
Mr. HU Yebi

Company Secretary

Mr. POON Kwok Leung, *CPA*

Auditor

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central, Hong Kong

Legal Advisers

Norton Rose Fulbright Hong Kong
38/F, Jardine House
1 Connaught Place
Central, Hong Kong

Compliance Adviser

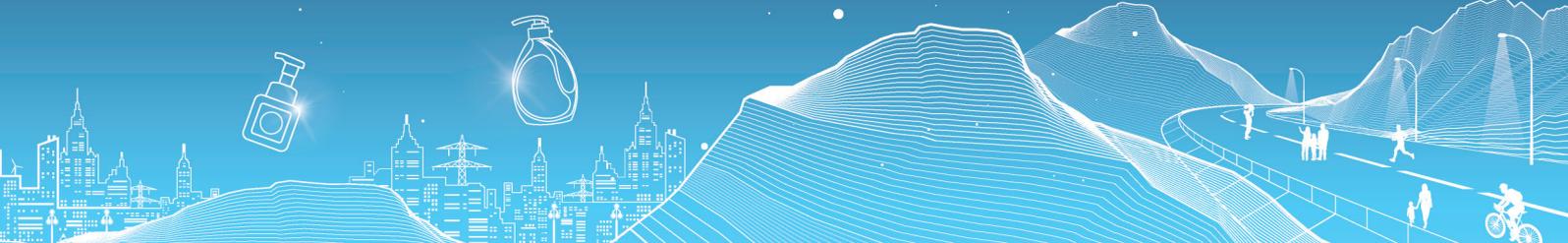
Somerley Capital Limited
20/F, China Building
29 Queen's Road Central
Hong Kong

Registered Office

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Principal Share Registrar and Transfer Agent in the Cayman Islands

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands



CORPORATE INFORMATION & FINANCIAL CALENDAR

Key Dates for 2025 Interim Results and Interim Dividend

Publication Dates

Interim results announcement:	21 August 2025
Interim report available online:	19 September 2025
– Website of the Company:	www.bluemoon.com.cn
– Website of the Stock Exchange:	www.hkexnews.hk

Dividend-related Dates

Ex-dividend date:	16 September 2025
Latest time to lodge transfer documents for registration with share registrar for determining entitlement to the dividend:	At 4:30 p.m. on 17 September 2025
Book close period:	
– For Extraordinary General Meeting:	From 9 to 12 September 2025
– For interim dividend:	From 18 to 22 September 2025
Payment date:	30 September 2025

Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited

Address: Shops 1712-1716, 17th Floor,
Hopewell Centre, 183 Queen's Road East,
Wanchai, Hong Kong

Telephone: (852) 2862 8628

Facsimile: (852) 2865 0990

Enquiries: [http://www.computershare.com/hk/en/
online_feedback](http://www.computershare.com/hk/en/online_feedback)

Stock Code

Stock Exchange of Hong Kong: 6993

Contact Us

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Telephone:	(852) 3182 0111
Facsimile:	(852) 3182 0120



COMPANY HIGHLIGHTS

Corporate Profile

The Blue Moon brand was established in 1992 and has been developed into a leading innovative household cleaning solutions provider in China. Blue Moon Group Holdings Limited (the “**Company**” or “**Blue Moon**”, together with its subsidiaries, the “**Group**”) was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) under the stock code 6993 in 2020.

Committed to “providing cleaning solutions with heart and soul”, the Group has been actively developing efficient and top-quality products and scientific washing methods over the years, and has spent relentless effort in focusing on providing the customers with top quality products in fabric care, personal hygiene and home care categories, providing convenient and efficient solutions to consumers’ diverse cleaning needs. The Group’s liquid laundry detergent and liquid soap have ranked first in the China Brand Power Index for 15 consecutive years (2011-2025)¹. In addition, the Group’s liquid laundry detergent and liquid soap have ranked first in comprehensive market share among similar products for 16 consecutive years (2009-2024) and 13 consecutive years (2012-2024) respectively².

The Group focused on the integrated development of all channels, and its sales network covered various online and offline channels. In terms of online channels, the Group actively explored new consumption forms and new models, so as to enable products to reach more consumers more effectively; in terms of offline channels, the Group continued to expand the territory of distributors to increase the penetration rate in various provinces, cities and counties across the country. In the first half of 2025, the Group’s products continued to lead in sales across major e-commerce platforms.

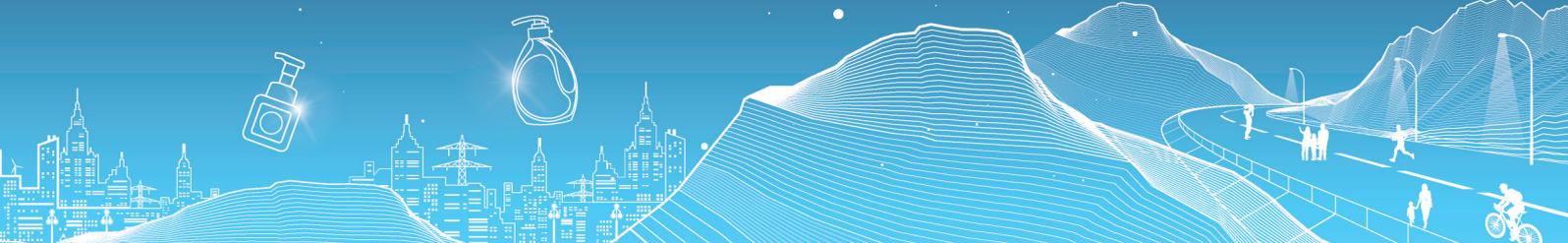
From “washing powder” to “liquid laundry detergent”, then from “liquid laundry detergent” to “concentrated liquid laundry detergent”, Blue Moon, as a pioneer in driving product reform with innovation, has continued to introduce technologically advanced cleaning products that exceed expectations. The Group has been upgrading its concentrated liquid laundry detergent since its first launch in 2015 and introduced the new “Concentrated Plus” Zhizun Biotech Liquid Laundry Detergent in 2024 to meet the trend of multi-effect and efficient life, and lead the transformation of the laundry market.

The Group has stayed true to its consumer-centric brand philosophy and aimed to allow every family to enjoy a clean, healthy, comfortable, respectable and delightful lifestyle. Going forward, the Group will continue to provide efficient and top-quality comprehensive home cleaning solutions that bring relaxing and efficient cleaning experience to consumers.

Sources:

1 Chnbrand (Beijing) Brand Consulting Co., Ltd. (中企品研(北京)品牌顧問股份有限公司)

2 China National Commercial Information Center (中華全國商業資訊中心)



COMPANY HIGHLIGHTS

Production Bases

As at 30 June 2025, the Group had four production bases located in Guangzhou, Tianjin, Kunshan and Chongqing of the People’s Republic of China (the “PRC”). The map below illustrates the geographic coverage of the Group’s production bases in the PRC as at 30 June 2025.



COMPANY HIGHLIGHTS

COMPANY HIGHLIGHTS

Company Products

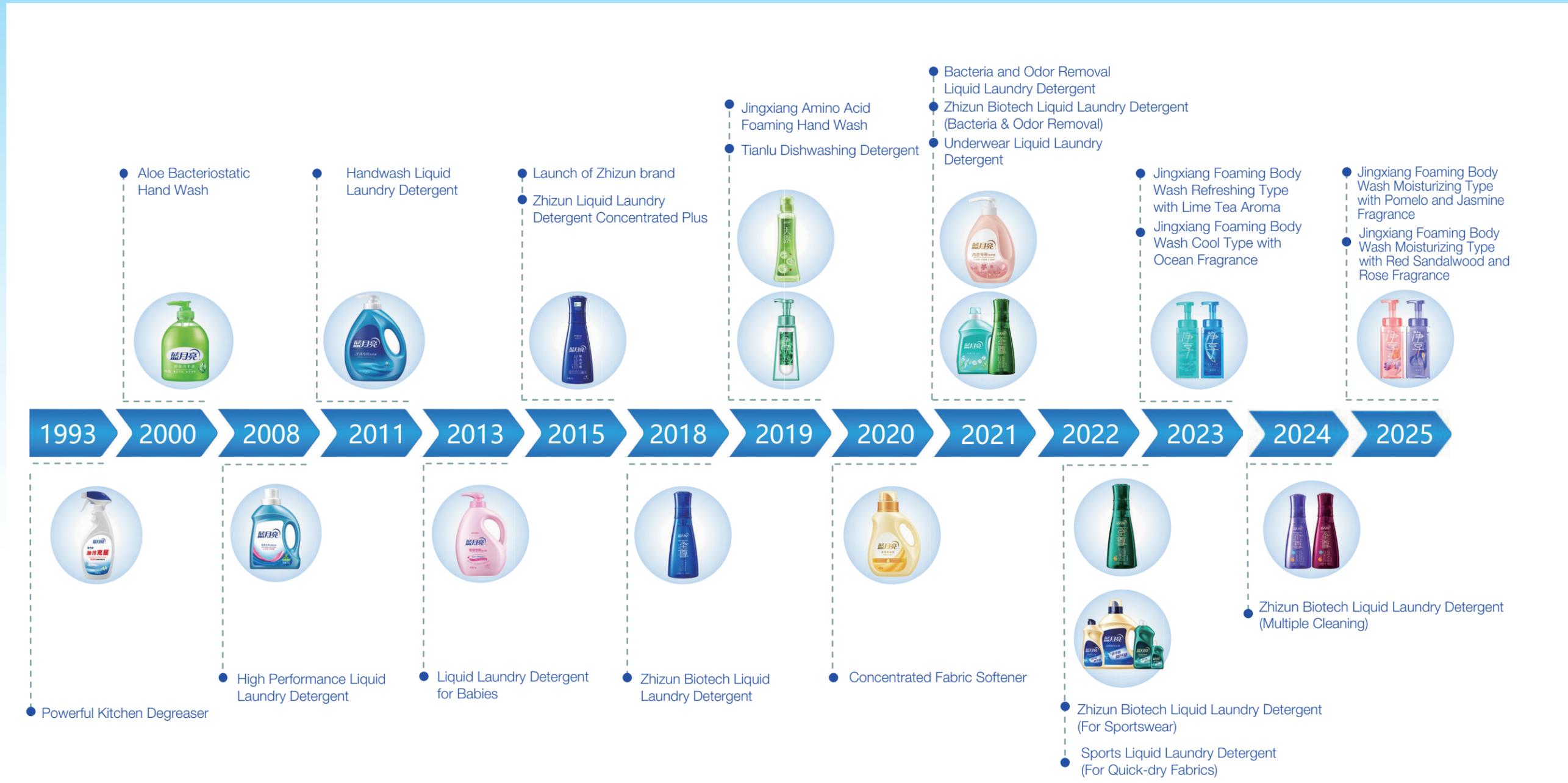
The following illustration demonstrates the coverage of the Group's product portfolio:



COMPANY HIGHLIGHTS

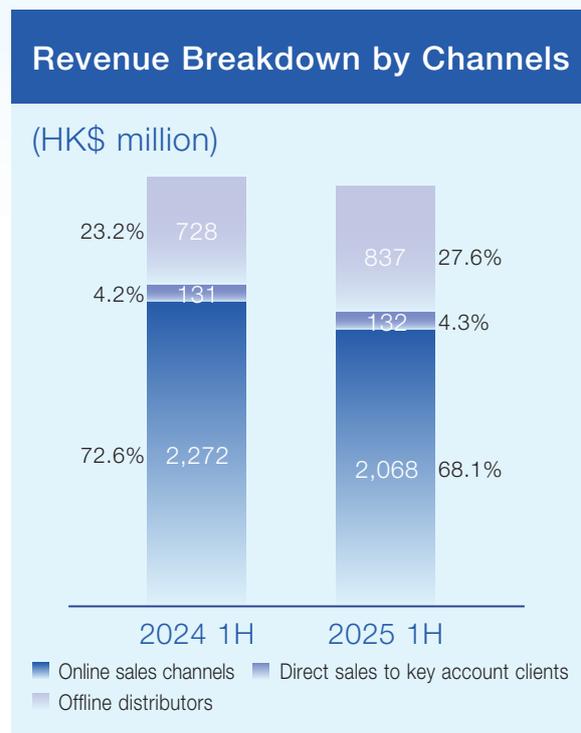
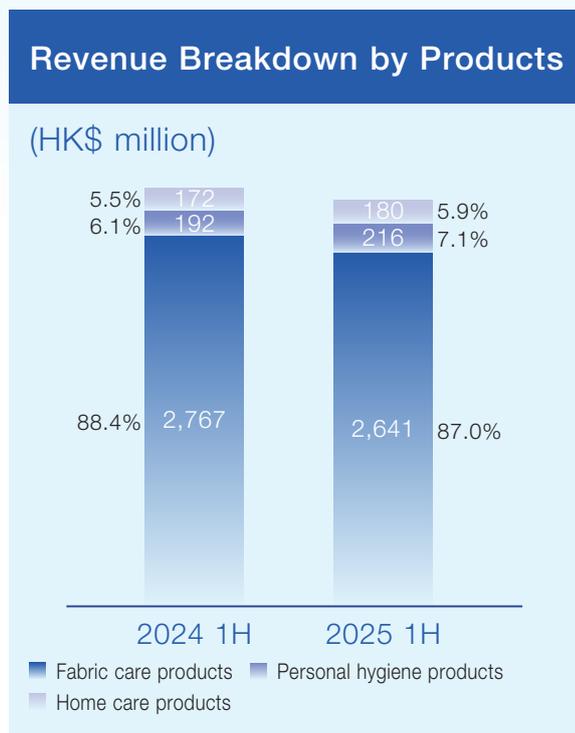
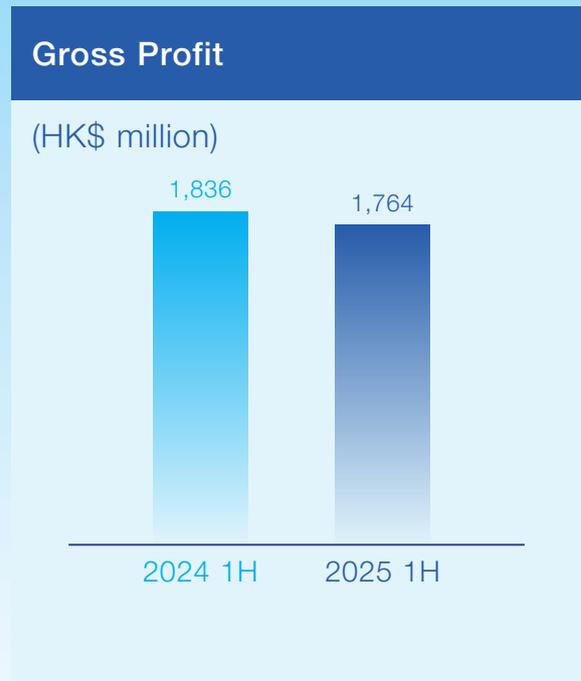
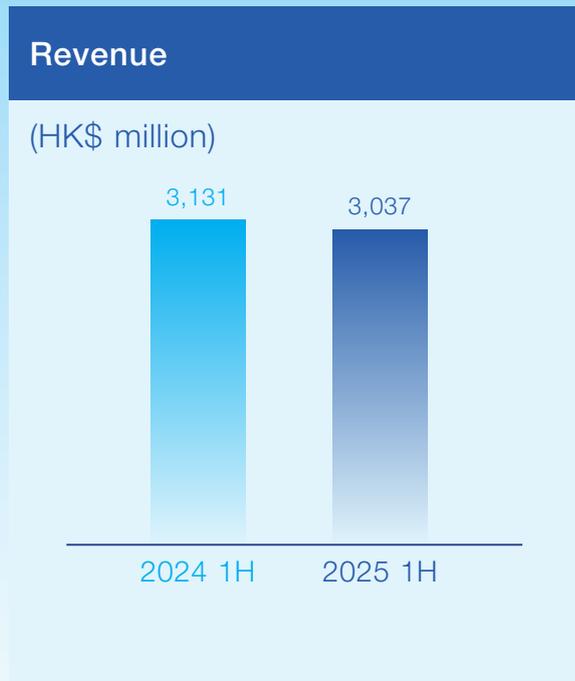
COMPANY HIGHLIGHTS

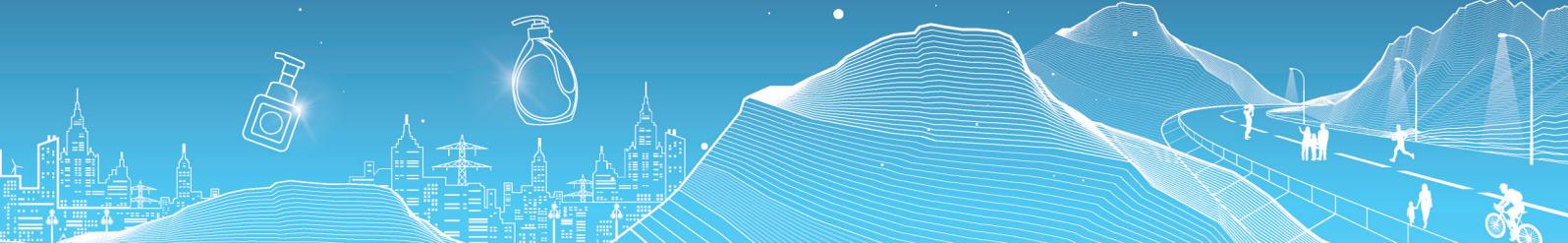
The following diagram illustrates the development milestones of our Group's products:



COMPANY HIGHLIGHTS

Interim Results Overview





MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

With the continuous development of internet technologies and changing consumer shopping habits, consumers' demands towards product quality, functionality and cost-effectiveness have become increasingly diverse and complex. In the face of a complex and ever-changing business environment and in an era where user attention is highly fragmented, the methods and channels through which consumers access information are constantly changing. The Group is committed to communicating with consumers through diverse channels, conveying authentic scientific knowledge and information, and establishing the two-way pathway between technology and content to achieve the transformation of product value. In the first half of 2025, the Group continued to focus on its consumers, further enhanced its business operation efficiency through management optimisation, and enabled its products to reach more consumers through knowledge marketing and channel expansion.

Management Optimisation: in the first half of 2025, while promoting its products, the Group optimised its sales and management strategies to enhance the brand power of its products. During the first half of the year, the Group effectively controlled its selling and distribution expenses, which decreased by 13.2% year-on-year. Apart from emerging channels, sales through both traditional online sales channels and offline distributor channels maintained steady growth.

Reaching More Users: through the “Remarkable Laundry Technologies for the Future” (了不起的未來洗衣科技) IP project, the Group has systematically communicated the concept and methods of “scientific washing” (科學洗滌) to consumers for two consecutive quarters. This initiative has transformed professional laundry technology into life knowledge that is easy for users to understand and experience. The IP project “Remarkable Laundry Technologies for the Future II” (了不起的未來洗衣科技II) which was released in the first half of 2025 interacts with users through multi-narrative approach combining music videos, mini-dramas and micro-variety shows. The IP project exceeded 1.8 billion online exposures across the network, garnering attention from target groups such as young families and the new generation.



MANAGEMENT DISCUSSION AND ANALYSIS

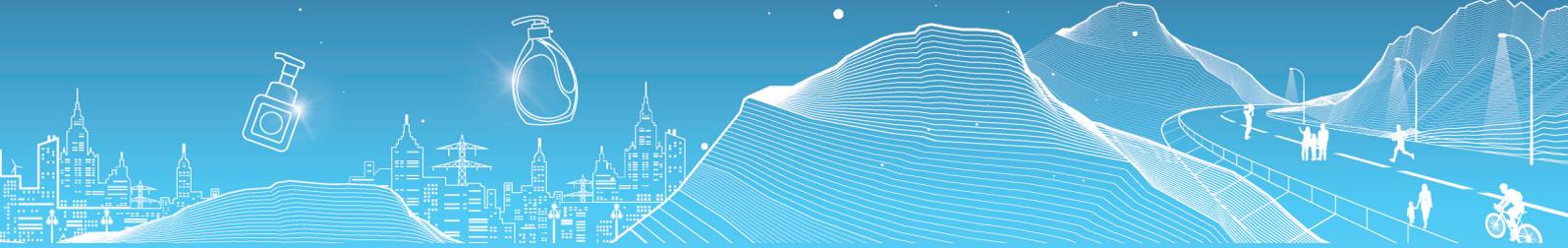
Omni-channel Expansion: in terms of offline channels, the Group has continued to deepen channel penetration to increase its market coverage systematically, leveraged its distribution network to penetrate into China's counties and townships and consistently expanded offline distributors coverage, so as to promote the sales and development of traditional channels and advance omni-channel sales strategy. As of 30 June 2025, both the number of the Group's offline distributors and the number of its points of sale recorded a year-on-year increase. Sales through online traditional channels still maintained a steady growth in the first half of 2025. The Group maintained its market leading position during the "618 Shopping Festival", with its core products ranking first in terms of cumulative sales on multiple major e-commerce platforms.

Product and Brand Power: in the first half of 2025, the Group's products have earned positive reception and recognition from consumers, with its liquid laundry detergent and liquid soap ranking first again in the China Brand Power Index for 15 consecutive years (2011-2025)¹. The Zhizun laundry detergent essence is a multifunctional product gathering features such as instantly dissolving in the water in a second, cleaning eight pieces of laundry with only one pump, efficient cleansing, concentrated, highly effective and more environmentally friendly. The product has garnered over 98% positive ratings on both Blue Moon's official Taobao flagship store and JD.com's self-operated flagship store since its launch.



Source:

¹ Chnbrand (Beijing) Brand Consulting Co., Ltd. (中企品研(北京)品牌顾问股份有限公司)



MANAGEMENT DISCUSSION AND ANALYSIS

Business Outlook

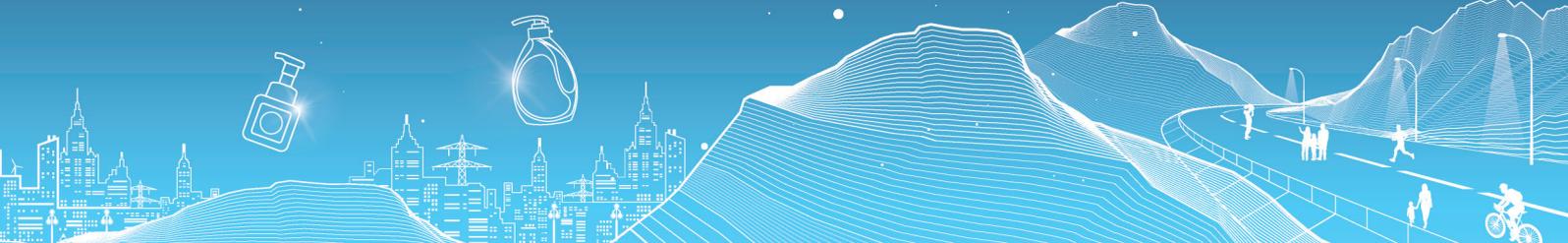
In 2025, the Group will continue to leverage its advantages and leadership in the industry, continue to provide excellent products and services to its consumers and pioneer the industrial innovation and achieve development under the everchanging market conditions. Driven by the policy incentives and the adjustments made by enterprises in response to changes in consumer attitudes and behaviours, the Group believes that the consumer industry will continue to develop steadily. The Group plans to:

- Provide comprehensive household cleaning solutions: the Group will focus on promoting industry development and product innovation, further promoting the improvement and upgrading of the three core product types, and continue to invent and launch new products, thereby fostering product diversification. The Group will also attend and respond to consumers' needs, continue innovating and realising eco-friendliness, facilitating the Group's sustainable development.
- Enhance omni-channel sales and distribution network and product penetration: in terms of online channels, the Group will increase its size and speed of penetration at major e-commerce platforms by optimising product structure and adjusting its sales tactics. The Group will also consolidate its influence over emerging online sales and distribution platforms and focus on promoting best-selling and newly launched products. In terms of offline channels, the Group will implement refined management for distributors by categorising offline stores and establishing input-output standards. Incentive schemes will be set for the distribution business teams, and assistance will be provided to help distributors deepen channel penetration, accelerate product turnover, thereby enhancing distributor efficiency and driving product sales. In addition, the Group is committed to developing a stable business team to support the realisation of distributors' development goals.



MANAGEMENT DISCUSSION AND ANALYSIS

- Knowledge-based marketing: the Group will continue organising “scientific washing” (科學洗滌) activities. Through organising interactive activities, the Group integrates knowledge with entertainment, bringing “laundry” from a family chore to “life science” associated with cleansing efficiency and life quality. Consumers can witness the disruptive cleansing experience brought about by concentrated laundry products, ultimately introducing a clean, healthy, comfortable, respectable and delightful high-quality lifestyle to thousands of families.
- Digitalisation: the Group will continue to advance the application of digital factories and expand the use of machine vision technology across various operational scenarios in factories, such as online inspection and automated warehouse inventory, to further enhance the factory’s digital operational capabilities and operational efficiency.
- Dividend: the Group will continue to review its dividend policy to provide stable and sustainable return to its shareholders.
- Adhere to social responsibilities and sustainable development principles: under the Group’s environmental, social and governance principles of “better products (services), healthier environment, and greater society”, the Group adheres to a green and low-carbon development strategy throughout its product development, manufacturing and packaging processes to promote sustainable development of the industry.



MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

For the six months ended 30 June 2025, the Group recorded a loss and loss attributable to equity holders of the Company of approximately HK\$435.3 million, which was an approximately 34.4% reduction in loss as compared to approximately HK\$663.7 million for the six months ended 30 June 2024.

Revenue

For the six months ended 30 June 2025, the Group recorded revenue of approximately HK\$3,036.8 million, which remained stable as compared to approximately HK\$3,131.2 million for the six months ended 30 June 2024.

The following table sets forth a breakdown of the Group's revenue from sales of products by product category for the periods indicated.

	Unaudited					
	Six months ended 30 June					
	2025		2024			
	Revenue HK\$'000	Total (%)	Revenue HK\$'000	Total (%)	Change (%)	
Fabric care products	2,641,020	87.0	2,767,339	88.4	(4.6)	
Personal hygiene products	215,676	7.1	191,870	6.1	12.4	
Home care products	180,130	5.9	171,946	5.5	4.8	
Total	3,036,826	100.0	3,131,155	100.0	(3.0)	

The sales of fabric care products and home care products remained stable for the six months ended 30 June 2025 as compared to the six months ended 30 June 2024. On the other hand, the sales of personal hygiene products for the six months ended 30 June 2025 recorded a 12.4% growth compared to the six months ended 30 June 2024, which was mainly due to the increase in sales of liquid hand soap as a result of the enhancement and expansion of the Group's offline distribution channels.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth a breakdown of the Group's revenue contribution by channel for the periods indicated.

	Unaudited				
	Six months ended 30 June				
	2025		2024		Change (%)
Revenue HK\$'000	Total (%)	Revenue HK\$'000	Total (%)		
Online sales channels	2,068,455	68.1	2,271,654	72.6	(8.9)
Offline distributors	836,812	27.6	727,737	23.2	15.0
Direct sales to key account clients	131,559	4.3	131,764	4.2	(0.2)
Total	3,036,826	100.0	3,131,155	100.0	(3.0)

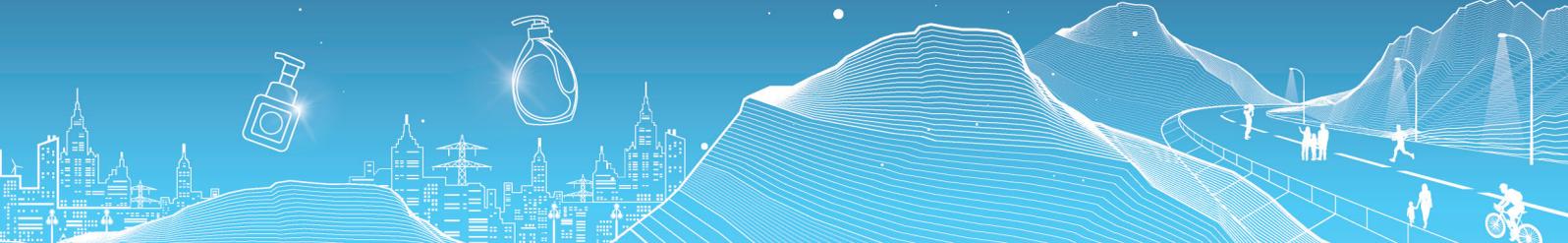
The decrease in sales via online channel was mainly due to the Group's optimisation of resources allocation to different sales channels to further expand its omni-channel development. The increase in sales through offline distributors mainly benefited from the development and the expansion of terminal stores and refined management of the distributor channels during the period.

Cost of Sales

Cost of sales remained stable at approximately HK\$1,272.3 million for the six months ended 30 June 2025 as compared to approximately HK\$1,294.7 million for the six months ended 30 June 2024.

Gross Profit

As a result of the foregoing, the Group's gross profit decreased by approximately 3.9% to approximately HK\$1,764.5 million for the six months ended 30 June 2025 as compared to approximately HK\$1,836.4 million for the six months ended 30 June 2024. The gross profit margin of the Group remained relatively stable, with a slight decrease from 58.7% for the six months ended 30 June 2024 to 58.1% for the six months ended 30 June 2025. This is primarily due to the increase in cost of major raw materials consumed during the six months ended 30 June 2025.



MANAGEMENT DISCUSSION AND ANALYSIS

Other Income and Other Gains/(Losses), Net

The Group recorded a net gain in other income and other gains of approximately HK\$63.5 million for the six months ended 30 June 2025 as compared to a net loss of approximately HK\$3.9 million for the six months ended 30 June 2024, primarily due to the net foreign exchange gains recognised in the six months ended 30 June 2025. The net foreign exchange gains for the six months ended 30 June 2025 mainly arose from the revaluation of the offshore assets held by the Group in United States dollar (“USD”) and Renminbi (“RMB”), as the USD and RMB appreciated against HK\$ during the six months ended 30 June 2025.

Selling and Distribution Expenses

The Group’s selling and distribution expenses for the six months ended 30 June 2025 decreased by approximately 13.2% from approximately HK\$2,201.4 million for the six months ended 30 June 2024 to approximately HK\$1,909.9 million for the six months ended 30 June 2025, which was primarily due to the optimisation of marketing and omni-channel sales strategy.

General and Administrative Expenses

The Group’s general and administrative expenses decreased by approximately 20.4% from approximately HK\$565.4 million for the six months ended 30 June 2024 to approximately HK\$450.0 million for the six months ended 30 June 2025, which was primarily due to the reduction in staff costs as a result of the improvement of the operational efficiency.

Reversal of Provision for Impairment Losses of Financial Assets

Reversal of provision for impairment losses of financial assets amounted to approximately HK\$5.6 million was recognised for the six months ended 30 June 2025.



MANAGEMENT DISCUSSION AND ANALYSIS

Operating Loss

As a result of the foregoing, the Group's operating loss decreased by 43.9% to approximately HK\$526.4 million for the six months ended 30 June 2025 as compared to approximately HK\$938.5 million for the six months ended 30 June 2024.

Finance Income and Costs

Finance income decreased by approximately 44.9% from approximately HK\$130.4 million for the six months ended 30 June 2024 to approximately HK\$71.8 million for the six months ended 30 June 2025, which was mainly due to the decrease in fixed deposits placed and the decrease in fixed deposit interest rates for the six months ended 30 June 2025 as compared to those for the six months ended 30 June 2024.

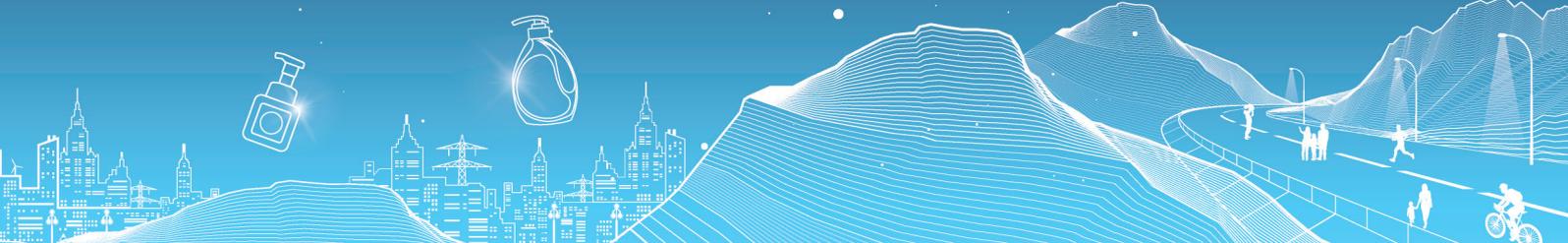
Finance costs decreased by approximately 29.5% from approximately HK\$2.6 million for the six months ended 30 June 2024 to approximately HK\$1.8 million for the six months ended 30 June 2025.

Loss before Income Tax

As a result of the foregoing, the Group's loss before income tax decreased by 43.7% to approximately HK\$456.4 million for the six months ended 30 June 2025 as compared to approximately HK\$810.7 million for the six months ended 30 June 2024.

Income Tax Credit

The Group recorded an income tax credit of approximately HK\$21.0 million for the six months ended 30 June 2025, with an effective tax rate of approximately 4.6%, compared to an income tax credit of approximately HK\$147.0 million and an effective tax rate of approximately 18.1% for the six months ended 30 June 2024, primarily due to changes in the recognition of deferred tax assets related to tax losses during the current period.



MANAGEMENT DISCUSSION AND ANALYSIS

Loss attributable to Equity Holders of the Company

As a result of the foregoing, the Group incurred loss attributable to equity holders of the Company of approximately HK\$435.3 million for the six months ended 30 June 2025, which was a reduction in loss of approximately 34.4% as compared to loss attributable to equity holders of the Company of approximately HK\$663.7 million for the six months ended 30 June 2024.

Basic and Diluted Loss Per Share

Loss per share (basic and diluted) was approximately HK8.22 cents for the six months ended 30 June 2025 and loss per share (basic and diluted) was approximately HK12.00 cents for the six months ended 30 June 2024.

Liquidity and Financial Resources

The total bank deposits and cash of the Group, comprising the Group's cash and cash equivalents and fixed deposits, decreased by approximately 17.3% from approximately HK\$5,270.5 million as at 31 December 2024 to approximately HK\$4,360.5 million as at 30 June 2025, primarily due to net cash used in operating activities, the payment of the final dividend for the year ended 31 December 2024 and the purchase of Shares under the Group's Share Award Plan.

As at 30 June 2025, the net current assets of the Group were approximately HK\$5,368.0 million (31 December 2024: approximately HK\$6,350.9 million). The Group's current ratio (current assets/current liabilities) was approximately 5.92 times (31 December 2024: approximately 5.46 times).

As at 30 June 2025, the Group has no borrowings (31 December 2024: Nil). Gearing ratio, which is calculated using total bank borrowings divided by total equity, is therefore not applicable as at 30 June 2025 and 31 December 2024.



MANAGEMENT DISCUSSION AND ANALYSIS

Capital Expenditure and Capital Commitment

For the six months ended 30 June 2025, the capital expenditure of the Group was approximately HK\$70.6 million, which was primarily used to finance the expansion in production capacity of the Group's existing production base.

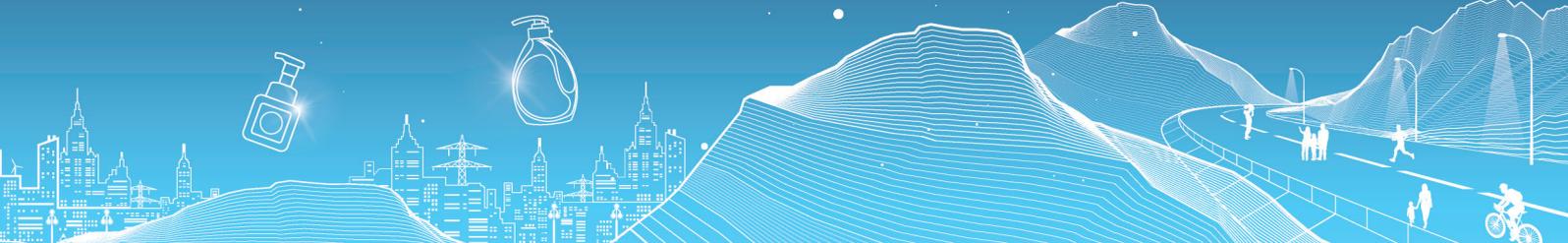
As at 30 June 2025, the capital commitment of the Group amounted to approximately HK\$87.4 million, which was primarily related to the acquisition of machinery and equipment for production facilities under construction and the expansion in production capacity at certain existing production facilities of the Group, which shall be funded by cash flows from operating activities and net proceeds from the Company's Global Offering (as defined in the prospectus of the Company dated 4 December 2020 (the "Prospectus")).

Pledge of Assets of the Group

As at 30 June 2025, the Group did not have any pledge on assets (31 December 2024: Nil).

Exposure to Foreign Exchange

The majority of the Group's subsidiaries are operating in the PRC with most of the transactions and assets (other than the unutilised proceeds raised from the Global Offering (as defined in the Prospectus) denominated in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of the foreign exchange control promulgated by the PRC government. Due to the simplicity of the Group's financial structure and current operations, save as aforementioned, no hedging activities are undertaken by management of the Group.



MANAGEMENT DISCUSSION AND ANALYSIS

Contingent Liabilities

As at 30 June 2025, the Group had no material contingent liabilities.

Significant Investments, Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Company did not have significant investments, acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

Future Plans for Material Investments or Capital Assets

Save as disclosed in the sections headed “Capital Expenditure and Capital Commitment” and “Use of Net Proceeds from the Company’s Global Offering” in this report, the Group did not have any future plans for acquiring other material investments or capital assets.

Human Resources and Remuneration Policy

The Group had approximately 7,136 employees as at 30 June 2025. Salaries of employees are maintained at competitive levels. In recognition of the contribution by our employees to the Group, the board of directors of the Company (the “**Board**” or the “**Director(s)**”) has also adopted the 2021 Share Award Plan and the 2022 Share Award Plan (as defined below) on 3 June 2021 and 29 March 2022, respectively, and the Board has approved amendments to the 2021 Share Award Plan and the 2022 Share Award Plan on 26 March 2024. The details of which are set out in the announcement of the Company dated 26 March 2024. Further details of the 2021 Share Award Plan and the 2022 Share Award Plan are set out under the “Corporate Governance and Other Information” section on pages 22 to 31 of this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2025, the interests and/or short positions (as applicable) of the Directors in the Shares, underlying Shares and debentures of the Company and any interests and/or short positions (as applicable) in shares, underlying shares or debentures of any of the Company's associated corporations ("**Associated Corporations**") (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "**SFO**") which (i) will have 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/or short positions (as applicable) which they are taken or deemed to have under such provisions of the SFO), (ii) will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") (the "**Model Code**"), to be notified to the Company and the Stock Exchange were as follows:

(i) The Company

Directors	Nature of Interest	Number of Shares	Approximate % of Shares held ⁽¹⁾
Ms. PAN Dong ⁽²⁾	Interest in controlled corporation	4,326,400,000	73.79
Mr. LUO Qiuping ⁽²⁾	Interest of spouse	4,326,400,000	73.79
Ms. LUO Dong ⁽³⁾	Beneficial owner	63,400,000	1.08
Mr. POON Kwok Leung ⁽⁴⁾⁽⁵⁾	Beneficial owner	8,000,000	0.14
	Interest in controlled corporation	3,500,000	0.06
Ms. XIAO Haishan ⁽⁶⁾	Beneficial owner	6,837,500	0.12
Mr. Bruno Robert MERCIER ⁽⁷⁾	Beneficial owner	54,000	0.00

Notes:

- (1) As at 30 June 2025, the total number of issued Shares was 5,863,237,131.
- (2) Ms. PAN Dong ("**Ms. PAN**") was the sole shareholder of ZED Group Limited ("**ZED**"), which in turn held (i) directly 73.60% Shares and (ii) indirectly (as the sole shareholder of Van Group Limited ("**VGL**") 0.19% Shares. Therefore, ZED was deemed or taken to be interested in all the Shares which were beneficially owned by VGL for the purpose of Part XV of the SFO. Each of Ms. PAN and Mr. LUO Qiuping ("**Mr. LUO**") (the spouse of Ms. PAN) was deemed or taken to be interested in all the Shares which are beneficially owned by ZED and VGL for the purpose of Part XV of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

- (3) Ms. LUO Dong was granted share options under the Pre-IPO Share Option Scheme to subscribe for 4,800,000 Shares. She was granted 58,600,000 awarded Shares pursuant to the 2022 Share Award Plan, of which 27,500,000 awarded Shares have been vested with lock-up arrangements and 31,100,000 awarded Shares remained unvested.
- (4) Mr. POON Kwok Leung ("**Mr. POON**") was granted share options under the Pre-IPO Share Option Scheme to subscribe for 975,000 Shares. He was granted 7,000,000 awarded Shares pursuant to the 2022 Share Award Plan, of which 5,400,000 awarded Shares have been vested with lock-up arrangements and 1,600,000 awarded Shares remained unvested. He also directly held 25,000 Shares.
- (5) Mr. POON was the sole shareholder of Allied Power Limited ("**APL**"), which in turn held directly 0.06% Shares. Therefore, Mr. POON was deemed or taken to be interested in all the Shares which were beneficially owned by APL for the purpose of Part XV of the SFO.
- (6) Ms. XIAO Haishan was granted share options under the Pre-IPO Share Option Scheme to subscribe for 837,500 Shares. She was granted 6,000,000 awarded Shares pursuant to the 2022 Share Award Plan of which 4,800,000 awarded Shares have been vested with lock-up arrangements and 1,200,000 awarded Shares remained unvested.
- (7) Mr. Bruno Robert MERCIER directly held 54,000 shares.

(ii) Associated Corporations

Directors	Associated Corporations	Nature of Interest	Number of ordinary shares interested	Approximate % of shareholding ⁽¹⁾
Ms. PAN Dong ⁽²⁾	ZED Group Limited	Beneficial owner	1	100
	Van Group Limited	Interest in controlled corporation	1,000	100
Mr. LUO Qiuping ⁽²⁾	ZED Group Limited	Interest of spouse	1	100
	Van Group Limited	Interest of spouse	1,000	100

Notes:

- (1) The percentage has been compiled based on the total number of ordinary shares of the respective Associated Corporations in issue as at 30 June 2025.
- (2) Ms. PAN was the sole shareholder of ZED, which held the entire issued shares of VGL. Therefore, each of Ms. PAN and Mr. LUO (the spouse of Ms. PAN) was deemed or taken to be interested in all the shares of VGL which were beneficially owned by ZED for the purpose of Part XV of the SFO.

Details of the share options duly granted to the Directors pursuant to the Pre-IPO Share Option Scheme are set out in the section headed "Pre-IPO Share Option Scheme" of this report.

All the interests disclosed in sections (i) and (ii) above represent long positions in the Shares or the shares of the Company or the Associated Corporations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed herein, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which (i) had 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/or short positions (as applicable) which they are taken or deemed to have under such provisions of the SFO), (ii) pursuant to section 352 of the SFO, had to be entered in the register referred to therein or (iii) pursuant to the Model Code, had to be notified to the Company and the Stock Exchange.

Substantial Shareholders' Interests in Shares and Underlying Shares

As at 30 June 2025, the interests of the persons (other than the Directors) whose interest in the Shares or underlying Shares (within the meaning of Part XV of the SFO) of the Company which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Name	Nature of Interest	Number of Shares	Approximate % of shareholding ⁽¹⁾
ZED Group Limited ⁽²⁾	Beneficial owner/Interest in controlled corporation	4,326,400,000	73.79
HHLR Advisors, Ltd. ⁽³⁾	Investment manager	527,422,500	8.99
HHLR Fund, L.P. ⁽³⁾	Beneficial owner/Interest in controlled corporation	526,542,800	8.98
HCM BM Holdings, Ltd. ⁽³⁾	Beneficial owner	500,000,000	8.53

Notes:

- (1) As at 30 June 2025, the total number of issued Shares was 5,863,237,131.
- (2) ZED held (i) 73.60% Shares directly and (ii) indirectly (as the sole shareholder of VGL) 0.19% Shares. Therefore, ZED was deemed or taken to be interested in all the Shares which were beneficially owned by VGL for the purpose of Part XV of the SFO. Each of Ms. PAN and Mr. LUO (the spouse of Ms. PAN) was deemed or taken to be interested in all the Shares which were beneficially owned by ZED and VGL for the purpose of Part XV of the SFO.
- (3) HCM BM Holdings, Ltd. ("HCM") was a company incorporated under the laws of the British Virgin Islands with limited liability and HHLR Fund, L.P. was a beneficial owner of HCM.

All the interests disclosed in the table above represent long positions in the Shares or underlying Shares of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed herein, as at 30 June 2025, the Company had not been notified of any interests or short positions in the Shares or underlying Shares which was required to be notified 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 pursuant to section 336 of the SFO.

Pre-IPO Share Option Scheme

The Board adopted the Pre-IPO Share Option Scheme on 23 September 2020. On 23 September 2020 (being the date of grant), pursuant to the Pre-IPO Share Option Scheme, the Company has granted share options to subscribe for an aggregate of 61,651,000 Shares to grantees. The grantees comprise three Directors and certain existing employees and Business Associates of the Group (who are not Directors or connected persons of the Group). All the share options have been granted before the first date on which the Shares are listed and traded on the Main Board of the Stock Exchange (being 16 December 2020) (the “**Listing Date**”).

Set out below are the detailed movements in the outstanding options granted under the Pre-IPO Share Option Scheme during the six months ended 30 June 2025:

Name of Grantee	Date of grant ⁽¹⁾	Number of options					Outstanding options as at 30 June 2025	Exercise Price per Share	Option Period
		Outstanding options as at 1 January 2025	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period			
<i>Directors</i>									
Ms. LUO Dong	23 September 2020	4,800,000	-	-	-	-	4,800,000	HK\$3.76	10 years from the date of Grant
Mr. POON Kwok Leung	23 September 2020	975,000	-	-	-	-	975,000	HK\$3.76	10 years from the date of Grant
Ms. XIAO Haishan	23 September 2020	837,500	-	-	-	-	837,500	HK\$3.76	10 years from the date of Grant
Other Grantees including existing employees and Business Associates of the Group	23 September 2020	38,428,184	-	(133,725)	-	(667,121)	37,627,338	HK\$3.76	10 years from the date of Grant
Total:		45,040,684	-	(133,725)	-	(667,121)	44,239,838		



CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

- (1) On every vesting date, either one-fourth of his or her option (rounded up to the nearest board lot) or 10%, 20%, 30% and 40% of his or her option (rounded up to the nearest whole board lot) during the Option Period (as defined in the Prospectus), in each case as specified in the letter to the relevant grantees, commencing from each of the first, second, third and fourth anniversaries of the Listing Date, respectively, may be vested in the grantee, subject to the satisfaction of certain performance targets and/or the attainment or performance of milestones by any member of our Group as determined by our Board at its sole and absolute discretion. Notwithstanding the above, our Board may in its sole discretion amend the vesting schedule and vest any percentage of the underlying Shares in respect of the options under the Pre-IPO Share Option Scheme in accordance with the terms thereunder.
- (2) The weighted average closing price of the Company's Share immediately before the date on which the options were exercised was HK\$4.10.

Save as disclosed above, during six months ended 30 June 2025, no share options were granted, exercised, lapsed or cancelled under the Pre-IPO Share Option Scheme. For further details regarding the Pre-IPO Share Option Scheme, please refer to the Prospectus.

As at 30 June 2025, the Company had 44,239,838 share options outstanding under the Pre-IPO Share Option Scheme, which represented approximately 0.75% of the total number of Shares in issue as at the date of this report.

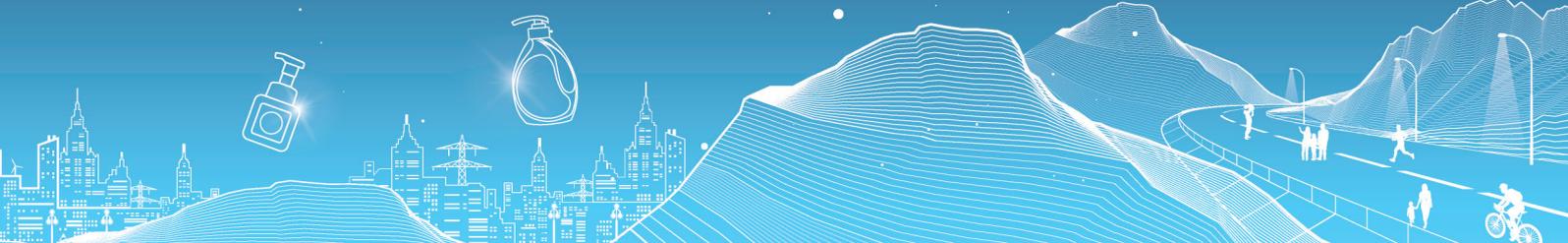
Share Award Plans

(i) 2021 Share Award Plan

On 3 June 2021, the Board approved the adoption of the 2021 share award plan and on 26 March 2024, the Board approved amendments thereto (the “**2021 Share Award Plan**”) to recognise and reward certain eligible participants for their contributions to the growth and development of the Group.

Pursuant to the rules relating to the 2021 Share Award Plan, the Board may, acting through the awards committee, during the continuation of the 2021 Share Award Plan, at its absolute discretion select any eligible participant (other than an excluded participant) to participate in the 2021 Share Award Plan as a selected participant and determine the awards to be granted, subject to such terms and conditions as it may in its absolute discretion determine (including but not limited to, where applicable, the vesting schedule and lock-up period, if any, applicable to the awarded shares to the selected participant).

Details in relation to the 2021 Share Award Plan, the share purchase in respect of the 2021 Share Award Plan by the trustee and its amendments are set out in the announcements of the Company dated 3 June 2021, 27 July 2021 and 26 March 2024, respectively.



CORPORATE GOVERNANCE AND OTHER INFORMATION

As at 30 June 2025, 212,670,999 share awards have been granted pursuant to the 2021 Share Award Plan to 509 employees, all of which shall be satisfied by existing Shares. Under the 2021 Share Award Plan, no share award has been granted to any connected person (as defined under the Listing Rules) of the Company. As at the date of this report, 202,768,789 share awards granted have been vested in accordance with the 2021 Share Award Plan and the relevant grant notices.

(ii) 2022 Share Award Plan

On 29 March 2022, the Board approved the adoption of the 2022 share award plan and on 26 March 2024, the Board approved amendments thereto (the “**2022 Share Award Plan**”) to recognise and reward the contribution of certain eligible participants who are executive Directors of the Company or directors of the subsidiaries of the Group to the growth and development of the Group and to give incentives in order to retain them for the continual operation and development of the Group.

Pursuant to the rules relating to the 2022 Share Award Plan, the Board may, make an award out of the share pool to any of the eligible participants such number of issued Shares as it shall determine. The eligibility of any of the eligible participants under the 2022 Share Award Plan to an award shall be determined by the Board from time to time on the basis of the Board’s opinion as to his or her contribution and/or anticipated future contribution to the development and growth of the Group and the grant of an award to eligible participants who are executive Directors of the Company shall be approved by members of the remuneration committee of the Company (other than by himself or herself).

Details in relation to the 2022 Share Award Plan and its amendments are set out in the announcements of the Company dated 30 March 2022 and 26 March 2024, respectively.

As at 30 June 2025, 119,600,000 share awards have been granted pursuant to the 2022 Share Award Plan to three executive Directors and three individuals who are directors of subsidiaries of the Company. As at the date of this report, 75,700,000 share awards granted have been vested in accordance with the 2022 Share Award Plan and the relevant grant notices.



CORPORATE GOVERNANCE AND OTHER INFORMATION

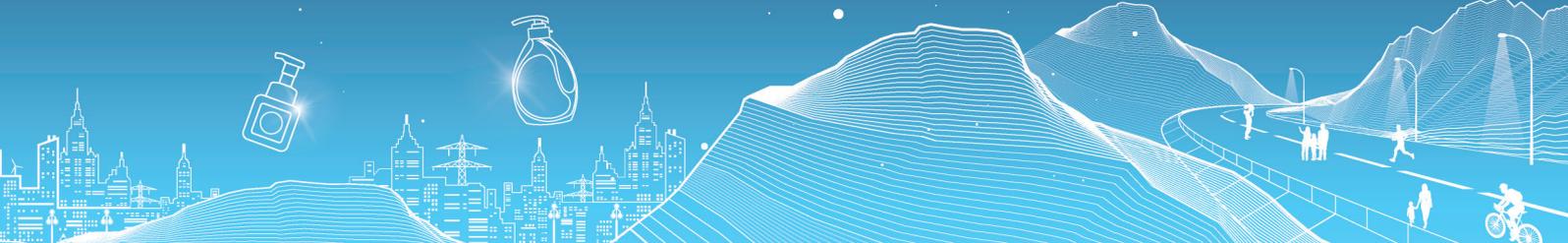
Interim Dividend, Closure of Register of Members and Record Dates

The Board has resolved to recommend the payment of an interim dividend of HK8.0 cents per Share out of the share premium account of the Company for the six months ended 30 June 2025. Subject to approval of the shareholders of the Company (the “**Shareholders**”) at the extraordinary general meeting of the Company (the “**EGM**”) to be held on Friday, 12 September 2025 and compliance with the Companies Law of the Cayman Islands, the interim dividend will be paid in cash on Tuesday, 30 September 2025 to those Shareholders whose names appear on the register of members of the Company on Monday, 22 September 2025, being the record date for determining shareholders who are entitled to receive the interim dividend.

The register of members of the Company will be closed as follows:

- (a) For the purpose of ascertaining the Shareholder’s eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 9 September 2025 to Friday, 12 September 2025, both days inclusive, with Friday, 12 September 2025 being the record date. In order to be eligible to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, for registration no later than 4:30 p.m. on Monday, 8 September 2025.
- (b) For the purpose of ascertaining the Shareholder’s eligibility for the interim dividend, the register of members of the Company will be closed from Thursday, 18 September 2025 to Monday, 22 September 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the above mentioned interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited, for registration by no later than 4:30 p.m. on Wednesday, 17 September 2025.

The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.



CORPORATE GOVERNANCE AND OTHER INFORMATION

Changes in Information of the Director

Set out below are the changes in the Director's information since the publication of the annual report of the Company for the year ended 31 December 2024, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

On 30 April 2025, Mr. Bruno Robert MERCIER has been appointed as an independent non-executive director and a member of each of the audit committee and the nomination committee of Green Tea Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 6831).

Compliance with the Code on Corporate Governance Practices

The Company's corporate governance practices are based on the principles and code provisions of the Corporate Governance Code, as set out in Appendix C1 to the Listing Rules (the "CG Code"), and the Company has adopted the CG Code as its own corporate governance code.

The Board is of the view that the Company has complied with applicable code provisions as set out in the CG Code during the six months ended 30 June 2025.

The Board will periodically review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as its code of conduct for Directors' securities transactions. Each Director had been given a copy of the code of conduct regarding security transactions upon his/her appointment, and the Company issues two reminders each year thereafter, being 30 days prior to the Board meeting approving the interim results of the Company and 60 days prior to the Board meeting approving the annual results of the Company, reminding the Directors that they (including their respective spouse, minor child and others whose dealings are treated as dealings by them under the Model Code) are not allowed to deal in the securities of the Company prior to and on the day of publication of the announcement of the results (the periods during which the Directors are prohibited from dealing in Shares), and that all transactions must be conducted according to the Model Code.

After having made specific enquiries, each Director has confirmed that he/she has complied with the requirements of the Model Code during the six months ended 30 June 2025.

The Company has established written guidelines no less exacting than the Model Code for relevant employees in respect of their dealings in the Company's securities.



CORPORATE GOVERNANCE AND OTHER INFORMATION

Continuing Disclosure Requirements pursuant to the Listing Rules

The Directors have confirmed that, as of 30 June 2025, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

Review of Interim Results

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters including the review of the unaudited condensed consolidated interim financial information for the six months ended 30 June 2025.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the second amended and restated articles of association of the Company, or the applicable laws of the Cayman Islands where the Company is incorporated, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined under the Listing Rules)). As of 30 June 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

CORPORATE GOVERNANCE AND OTHER INFORMATION

Use of Net Proceeds from the Company's Global Offering

The net proceeds (the “**Net Proceeds**”) from the initial public offering of the Shares in December 2020 (together with the issuance of Shares pursuant to the full exercise of the Over-allotment Option (as defined in the Prospectus) in January 2021), after deducting the underwriting commission and other estimated expenses, of HK\$11,004 million have been utilised in the manner as stated in the Prospectus, as amended by the annual results announcement (the “**Announcement**”) of the Company dated 25 March 2025. Following the change in use of unutilised Net Proceeds as disclosed in the Announcement, the Net Proceeds will be utilised in the manner and timeline as stated below.

Intended use of Net Proceeds	Original allocation of the Net Proceeds <i>approximately HK\$ million</i>	Original	Revised	For the	As at	Expected timeline for full utilisation of the Unutilised Net Proceeds
		allocation of the Unutilised Net Proceeds as at 31 December 2024 <i>approximately HK\$ million</i>	allocation of the Unutilised Net Proceeds as at 31 December 2024 <i>approximately HK\$ million</i>	six months ended 30 June 2025 Utilised amount <i>approximately HK\$ million</i>	30 June 2025 Unutilised amount <i>approximately HK\$ million</i>	
Financing business expansion including production capacity expansion plans and to purchase equipment and machinery to facilitate such expansion plan as well as the development of the Group's laundry services	3,918	3,315	672	64	608	By 31 December 2028
Raising brand awareness, further strengthening the Group's sales and distribution network and increasing product penetration	5,766	-	2,643	1,116	1,527	By 31 December 2028
Working capital and for other general corporate purposes	1,100	-	-	-	-	N/A
Enhancing research and development capabilities	220	45	45	14	31	By 31 December 2025
Total	11,004	3,360	3,360	1,194	2,166	

Note:

The net proceeds amount of approximately HK\$11,004 million include approximately HK\$2,500 million net proceeds utilised in the financial year ended 31 December 2021, approximately HK\$1,300 million net proceeds utilised in the financial year ended 31 December 2022, approximately HK\$2,074 million net proceeds utilised in the financial year ended 31 December 2023 and approximately HK\$1,770 million net proceeds utilised in the financial year ended 31 December 2024. Approximately HK\$3,360 million net proceeds were brought forward from the financial year ended 31 December 2024 which were utilised in the manner set out in the table above.

Hong Kong, 21 August 2025



CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Note	Unaudited	
		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
Revenue	7	3,036,826	3,131,155
Cost of sales	9	(1,272,333)	(1,294,720)
Gross profit		1,764,493	1,836,435
Other income and other gains/(losses), net	8	63,495	(3,935)
Selling and distribution expenses	9	(1,909,910)	(2,201,429)
General and administrative expenses	9	(450,001)	(565,377)
Reversal of provision/(provision) for impairment losses of financial assets		5,566	(4,229)
Operating loss		(526,357)	(938,535)
Finance income	10	71,800	130,371
Finance costs	10	(1,804)	(2,559)
Finance income, net	10	69,996	127,812
Loss before income tax		(456,361)	(810,723)
Income tax credit	11	21,032	146,978
Loss for the period		(435,329)	(663,745)
Loss attributable to equity holders of the Company		(435,329)	(663,745)



CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Note	Unaudited	
		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
Loss for the period		(435,329)	(663,745)
Other comprehensive income/(loss)			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences from translation of financial statements of subsidiaries		58,422	(34,646)
Other comprehensive income/(loss) for the period, net of tax		58,422	(34,646)
Total comprehensive loss for the period		(376,907)	(698,391)
Total comprehensive loss attributable to equity holders of the Company		(376,907)	(698,391)
Loss per share attributable to equity holders of the Company			
Basic (HK cents)	12	(8.22)	(12.00)
Diluted (HK cents)	12	(8.22)	(12.00)

The above condensed consolidated interim statement of comprehensive income should be read in conjunction with the accompanying notes.



CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

AS AT 30 JUNE 2025

		Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
	Note		
ASSETS			
Non-current assets			
Intangible assets		101,133	109,630
Property, plant and equipment	14	1,412,283	1,402,965
Right-of-use assets		374,189	387,812
Prepayments for property, plant and equipment	17	39,340	35,673
Deferred income tax assets		653,241	584,761
Financial asset at fair value through other comprehensive income	15	9,425	9,281
		2,589,611	2,530,122
Current assets			
Inventories		398,750	487,579
Trade and bills receivables	16	919,469	1,208,123
Prepayments, deposits and other receivables	17	780,262	804,700
Financial asset at fair value through profit or loss	15	1,195	–
Tax recoverable		21	4,600
Fixed deposits		626,006	54,095
Cash and cash equivalents		3,734,470	5,216,379
		6,460,173	7,775,476
Total assets		9,049,784	10,305,598
EQUITY			
Equity attributable to owners of the Company			
Share capital	18	58,632	58,631
Other reserves	19	8,258,768	8,711,187
Accumulated losses		(540,548)	(105,219)
Total equity		7,776,852	8,664,599



CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

AS AT 30 JUNE 2025

	Note	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
LIABILITIES			
Non-current liabilities			
Deferred government grant		53,415	53,259
Deferred income tax liabilities		75,609	96,218
Lease liabilities		51,768	66,918
		180,792	216,395
Current liabilities			
Trade and bills payables	20	405,248	659,681
Contract liabilities, accruals and other payables		652,055	697,875
Amounts due to a related company		281	447
Current income tax liabilities		1,113	33,855
Lease liabilities		33,443	32,746
		1,092,140	1,424,604
Total liabilities		1,272,932	1,640,999
Total equity and liabilities		9,049,784	10,305,598
Net current assets		5,368,033	6,350,872
Total assets less current liabilities		7,957,644	8,880,994

The above condensed consolidated interim balance sheet should be read in conjunction with the accompanying notes.



CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to equity holders of the Company			
	Share capital	Other reserves	(Accumulated losses)/ retained earnings	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Unaudited				
As at 1 January 2025	58,631	8,711,187	(105,219)	8,664,599
Loss for the period	–	–	(435,329)	(435,329)
Other comprehensive income:				
Exchange translation of foreign operations	–	58,422	–	58,422
Total comprehensive loss for the period	–	58,422	(435,329)	(376,907)
Transactions with the owners of the Company				
Issuance of ordinary shares upon exercise of share options (Note 18)	1	502	–	503
Dividend relating to 2024 (Note 12)	–	(332,546)	–	(332,546)
Share-based compensation expense	–	21,606	–	21,606
Purchase of shares held for Share Award Plan (Note 19)	–	(200,403)	–	(200,403)
As at 30 June 2025	58,632	8,258,768	(540,548)	7,776,852
Unaudited				
As at 1 January 2024	58,630	9,073,699	1,246,714	10,379,043
Loss for the period	–	–	(663,745)	(663,745)
Other comprehensive loss:				
Exchange translation of foreign operations	–	(34,646)	–	(34,646)
Total comprehensive loss for the period	–	(34,646)	(663,745)	(698,391)
Transactions with the owners of the Company				
Dividend relating to 2023 (Note 12)	–	–	(329,127)	(329,127)
Share-based compensation expense	–	45,899	–	45,899
Purchase of shares held for Share Award Plan (Note 19)	–	(36,902)	–	(36,902)
As at 30 June 2024	58,630	9,048,050	253,842	9,360,522

The above condensed consolidated interim statement of changes in equity should be read in conjunction with the accompanying notes.



CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Cash flows from operating activities		
Cash used in operations	(283,194)	(538,649)
Interest received	80,324	121,878
Income taxes paid	(89,147)	(188,072)
Net cash outflow from operating activities	(292,017)	(604,843)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(70,556)	(74,925)
Proceeds from disposal of property, plant and equipment	7,367	24,209
Acquisition of intangible assets	(383)	(9,423)
Investment in a financial asset at fair value through profit or loss	(1,487)	–
Net (increase)/decrease in fixed deposits	(580,435)	2,194,076
Net cash (outflow)/inflow from investing activities	(645,494)	2,133,937
Cash flows from financing activities		
Purchase of shares held for share award plan	(200,403)	(36,902)
Proceeds from issuance of ordinary shares upon exercise of share options	503	–
Interest paid	(1,804)	(2,561)
Dividend paid	(332,546)	(329,127)
Principal elements of lease payments	(17,497)	(37,429)
Net cash outflow from financing activities	(551,747)	(406,019)
Net (decrease)/increase in cash and cash equivalents	(1,489,258)	1,123,075
Cash and cash equivalents at the beginning of period	5,216,379	4,342,528
Effect of exchange rate changes on cash and cash equivalents	7,349	(13,201)
Cash and cash equivalents at the end of period	3,734,470	5,452,402

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 General information

Blue Moon Group Holdings Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) are principally engaged in the design, research, development, manufacture and sale of (i) personal hygiene products, (ii) home care products, and (iii) fabric care products in the People’s Republic of China (the “**PRC**”).

The Company is a limited liability company incorporated in the Cayman Islands on 27 December 2007. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The ordinary shares of the Company (the “**Shares**”) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 16 December 2020.

This condensed consolidated interim financial information is presented in Hong Kong dollars (“**HK\$**”), unless otherwise stated. This condensed consolidated interim financial information was approved for issue by the Board on 21 August 2025.

This condensed consolidated interim financial information has not been audited.

2 Basis of preparation

These condensed consolidated interim financial information for the six months ended 30 June 2025 of the Group has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

This condensed consolidated interim financial information does not include all the notes of the type normally included in the annual consolidated financial statements. Instead, this condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

3 Accounting policies

The accounting policies applied to this condensed consolidated interim financial information are consistent with those applied in preparation of the annual consolidated financial statements for the year ended 31 December 2024, as described in those annual consolidated financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of new standards, amendments to standards and interpretations as set out below.

(a) Amendment to the existing standard adopted by the Group that are effective for the first time for the financial year beginning 1 January 2025

The Group has applied the amendment to HKAS 21 Lack of Exchangeability for the annual reporting period commencing 1 January 2025. The amendment did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New standards, amendments to existing standards and interpretation not yet adopted

The following new standards, amendments to existing standards and interpretation have been published that are not mandatory for the financial period beginning 1 January 2025 and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (2020) Presentation of Financial Statements (Amendments)	Classification by the borrower of a term loan that contains a repayment on demand clause	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	To be determined



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

3 Accounting policies (continued)

(b) New standards, amendments to existing standards and interpretation not yet adopted (continued)

The directors of the Group are currently assessing the detailed implications of applying the new standards, amendments to existing standards and interpretation on the condensed consolidated interim financial information. The Group intends to adopt the above new standards and amendments to existing standards and interpretation when they become effective.

4 Critical estimates and judgements

The preparation of this condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated 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 Group's annual financial statements as at 31 December 2024.

There have been no changes in the risk management policies since year end.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 Financial risk management (continued)

5.2 Liquidity risk

The Group's primary cash requirements have been used on payments for additions and upgrades of property, plant and equipment, related raw material purchases, lease liabilities and corresponding finance costs and operating expenses. The Group finances its working capital requirements through funds generated from operations and takes into account all available information on the future business environment of the countries in which the Group, its customers and suppliers operate.

The Group's policy is to maintain sufficient cash and cash equivalents or have available funding through adequate amount of committed credit facilities to meet its working capital requirements.

At the reporting date, the Group held cash and cash equivalents of approximately HK\$3,734,470,000 (31 December 2024: HK\$5,216,379,000), short-term deposits with maturities more than 3 months of approximately HK\$626,006,000 (31 December 2024: HK\$54,095,000) and trade and bills receivables of approximately HK\$919,469,000 (31 December 2024: HK\$1,208,123,000) (Note 16) that are expected to generate cash inflows for managing liquidity risk.

5.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2025 and 31 December 2024 by level of inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- 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).



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

The following table presents the Group's financial assets that are at fair value as at 30 June 2025 and 31 December 2024:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
As at 30 June 2025				
Assets				
Financial asset at fair value through other comprehensive income ("FVOCI")				
— Unlisted equity instrument	—	—	9,425	9,425
Financial asset at fair value through profit or loss ("FVPL")				
— Equity securities listed in PRC	1,195	—	—	1,195
	1,195	—	9,425	10,620
As at 31 December 2024				
Assets				
Financial asset at FVOCI				
— Unlisted equity instrument	—	—	9,281	9,281

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the period.

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data 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.

Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the changes in level 3 instruments for the period:

	Unaudited Six months ended 30 June 2025 HK\$'000	Audited Year ended 31 December 2024 HK\$'000
<i>Unlisted equity instrument</i>		
At 1 January	9,281	9,796
Fair value change	–	(308)
Exchange differences	144	(207)
	9,425	9,281



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

5 Financial risk management (continued)

5.3 Fair value estimation (continued)

Financial instruments in level 3 (continued)

The significant unobservable input to the valuation of financial asset at FVOCI as at 30 June 2025 is revenue of the investee (31 December 2024: Same). The specific valuation techniques used to value financial asset at FVOCI is market approach, which is based on enterprise value to sales and price-to-book multiples of comparable companies in the market.

The carrying amounts of the Group's financial assets and financial liabilities measured at amortised cost approximate their fair values.

6 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors of the Company that make strategic decisions.

The CODM reviews the performance of the Group on a regular basis.

As substantial business operations of the Group relate to the manufacturing, selling and distribution of cleaning products, the CODM makes decisions about resources allocation and performance assessment based on the entity-wide consolidated financial information. Accordingly, there is only one single operating segment for the Group qualified as reportable segment under HKFRS 8. No separate segmental analysis is presented.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

7 Revenue

Revenue from the sales of finished goods recognised is as follows:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Revenue recognised at a point in time:		
Fabric care products	2,641,020	2,767,339
Personal hygiene products	215,676	191,870
Home care products	180,130	171,946
	3,036,826	3,131,155

All of the Group's revenue was generated from customers in the PRC for the six months ended 30 June 2025 and for the same period in 2024, accordingly, no revenue by geographical location is presented.

8 Other income and other gains/(losses), net

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Government grants	4,311	5,192
Net foreign exchange gains/(losses)	51,965	(15,643)
Fair value loss on financial assets at FVPL (Note 15)	(309)	–
Scrap sales	(411)	(938)
Compensation income	4,696	4,689
Sundry income	3,243	2,765
	63,495	(3,935)



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

9 Expenses by nature

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Cost of inventories sold	1,120,053	1,131,471
Promotion expenses	996,077	1,094,646
Employee benefits expense	851,867	953,776
Transportation expenses	274,161	365,917
Advertising expenses	128,859	202,645
Depreciation of property, plant and equipment (Note 14)	70,968	66,055
Travelling expenses	25,089	25,097
Other tax expenses	22,848	41,880
Depreciation of right-of-use assets	20,853	41,490
Rental expenses related to short-term leases	18,403	6,759
Utility expenses	15,234	16,532
Consulting fee	10,822	10,877
Amortisation of intangible assets	10,397	11,735
Motor expenses	6,670	7,168
Manufacturing overheads (excluding depreciation)	6,643	6,343
Maintenance expenses	5,453	9,132
Telecommunication expenses	4,558	4,328
Property management fee	4,503	3,379
Consumables	3,826	4,625
Office expenses	2,943	2,376
Auditor's remuneration	2,390	2,075
Donation	1,904	14,687
Recruitment fee	1,263	1,696
Training expenses	264	354
Others	26,196	36,483
	3,632,244	4,061,526



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

10 Finance income, net

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Finance income		
— Interest income on bank deposits	71,800	130,371
Finance costs		
— Interest expenses on lease liabilities	(1,804)	(2,559)
Finance income, net	69,996	127,812

11 Income tax credit

The amount of income tax credited to the consolidated profit or loss is as follows:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax expense		
— PRC corporate income tax	(23,290)	(77,582)
Deferred income tax credit	44,322	224,560
Income tax credit	21,032	146,978

Notes:

(a) **Hong Kong profits tax**

No provision for Hong Kong profits tax has been made as the Company and its subsidiaries have no assessable profit arising in or deriving from Hong Kong during the six months ended 30 June 2025 and for the same period in 2024.

(b) **PRC corporate income tax ("CIT")**

Current income tax expense primarily represents the provision for CIT for subsidiaries operating in the PRC. These subsidiaries are subject to CIT on their taxable income as reported in their respective statutory financial statements in accordance with the relevant tax laws and regulations in the PRC.

Blue Moon (Chongqing) Co., Ltd. has been qualified as a Western Region Encouragement Industrial Enterprise and has enjoyed a preferential income tax rate of 15% since 2017 until 2030.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

12 Loss per share

Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company of approximately HK\$435,329,000 (six months ended 30 June 2024: HK\$663,745,000) by the weighted average number of ordinary shares in issue less shares held under the 2021 Share Award Plan and the 2022 Share Award Plan during the period of approximately 5,297,229,000 shares (six months ended 30 June 2024: 5,529,425,000 shares).

	Unaudited	
	Six months ended 30 June	
	2025	2024
Loss attributable to equity holders of the Company (HK\$'000)	(435,329)	(663,745)
Weighted average number of ordinary shares in issue less shares held under the 2021 Share Award Plan and 2022 Share Award Plan (as defined below) during the period ('000)	5,297,229	5,529,425
Basic loss per share (HK cent per share)	(8.22)	(12.00)

Diluted

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares. The Company has two categories of potential ordinary shares: share options and shares held under the 2021 Share Award Plan and the 2022 Share Award Plan during the period.

For the six months ended 30 June 2025, the computation of diluted loss per share does not assume the issuance of the ordinary shares at no consideration on deemed exercise of all options outstanding during the period as well as share awards granted under the 2021 Share Award Plan and the 2022 Share Award Plan as at 30 June 2025 as both of them will have an anti-dilutive effect. Therefore, the Group's diluted loss per share equals its basic loss per share (six months ended 30 June 2024: Same).



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

13 Dividends

A final dividend in respect of the year ended 31 December 2024 of HK6.0 cents per share was proposed by the Board on 25 March 2025 and was approved by the shareholders of the Company (the “Shareholders”) in the annual general meeting held on 6 June 2025.

This final dividend, amounting to approximately HK\$332,546,000, has been paid by the Company during the six months ended 30 June 2025.

An interim dividend in respect of the six months ended 30 June 2025 of HK8.0 cents per share was proposed by the Board on 21 August 2025 and to be approved by the shareholders of the Company in the forthcoming extraordinary general meeting held on 12 September 2025. This proposed interim dividend, amounting to HK\$442,309,000, has not been recognised as a liability in this unaudited condensed consolidated financial information.

14 Property, plant and equipment

	Buildings HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Construction- in-progress HK\$'000	Total HK\$'000
(Audited)							
As at 1 January 2025							
Cost	1,184,902	78,995	810,674	209,175	25,989	61,583	2,371,318
Accumulated depreciation and impairment	(241,458)	(30,211)	(545,623)	(133,988)	(17,073)	–	(968,353)
Net book amount	943,444	48,784	265,051	75,187	8,916	61,583	1,402,965
(Unaudited)							
Six months ended 30 June 2025							
Opening net book amount	943,444	48,784	265,051	75,187	8,916	61,583	1,402,965
Additions	576	6,526	3,193	15,448	–	41,721	67,464
Disposals	(3,834)	(2,044)	(2,091)	(457)	(18)	–	(8,444)
Transfer	7,002	–	37,121	1,392	–	(45,515)	–
Depreciation	(14,808)	(8,035)	(34,288)	(13,134)	(703)	–	(70,968)
Impairment	–	–	–	(304)	–	–	(304)
Exchange differences	14,488	719	4,122	1,186	132	923	21,570
Closing net book amount	946,868	45,950	273,108	79,318	8,327	58,712	1,412,283
As at 30 June 2025							
Cost	1,206,977	68,565	855,322	226,866	26,026	58,712	2,442,468
Accumulated depreciation and impairment	(260,109)	(22,615)	(582,214)	(147,548)	(17,699)	–	(1,030,185)
Net book amount	946,868	45,950	273,108	79,318	8,327	58,712	1,412,283



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 Financial assets

	Unaudited Six months ended 30 June 2025 HK\$'000	Audited Year ended 31 December 2024 HK\$'000
Non-current		
Financial asset at FVOCI		
— Unlisted equity instrument	9,425	9,281
Current		
Financial asset at FVPL		
— Equity securities listed in PRC	1,195	–
	10,620	9,281

The movement of financial asset at FVOCI are as follows:

	Unaudited Six months ended 30 June 2025 HK\$'000	Audited Year ended 31 December 2024 HK\$'000
At 1 January	9,281	9,796
Fair value change	–	(308)
Exchange differences	144	(207)
	9,425	9,281



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

15 Financial assets (continued)

The movement of financial asset at FVPL are as follows:

	Unaudited Six months ended 30 June 2025 HK\$'000	Audited Year ended 31 December 2024 HK\$'000
At 1 January	–	–
Additions	1,487	–
Fair value change (Note 8)	(309)	–
Exchange differences	17	–
	1,195	–

As at 30 June 2025 and 31 December 2024, financial asset at FVOCI comprises equity interest not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. This is a strategic investment and the Group considers this classification to be more relevant. The fair value of the financial asset at FVOCI was measured at level 3 of fair value hierarchy (Note 5.3).



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

16 Trade and bills receivables

The aging analysis of trade and bills receivables as at 30 June 2025 and 31 December 2024, based on invoice date, is as follows:

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
0 – 30 days	447,343	853,491
31 – 60 days	354,270	190,297
61 – 180 days	101,107	159,609
Over 180 days	129,562	123,267
Trade and bills receivables	1,032,282	1,326,664
Less: Loss allowance	(112,813)	(118,541)
Trade and bills receivables, net	919,469	1,208,123

The Group generally allows a credit period of up to 60 days to its key account clients and major online e-commerce customers, as well as certain offline distributors with good credit history on a discretionary basis.

As at 30 June 2025, the carrying amounts of the Group's trade and bills receivables were denominated in RMB and approximated their fair values (31 December 2024: Same).

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade and bills receivables.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

17 Prepayments, deposits and other receivables

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Non-current		
Prepayments for property, plant and equipment	39,340	35,673
Current		
Prepayments for advertising and promotion expenses	154,042	188,825
Prepayments for raw materials and transportation	10,042	12,247
Other deposits and prepayments	111,532	60,581
VAT recoverable	406,624	431,317
Advances to staff	881	1,190
Receivables from payment intermediaries (Note)	48,021	81,039
Others	49,120	29,501
	780,262	804,700
Total	819,602	840,373

Note:

Receivables from payment intermediaries represent the sales mainly received by Alipay on behalf of the Group for online platform sales.

Denominated in:

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
RMB	817,889	838,073
HK\$	1,713	2,300
	819,602	840,373



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

18 Share capital

	Number of shares	Share capital HK\$'000
Authorised ordinary shares of HK\$0.01 each:		
As at 1 January 2025 (audited) and 30 June 2025 (unaudited)	10,000,000,000	100,000
Ordinary shares of HK\$0.01 each, issued and fully paid:		
As at 1 January 2025 (audited)	5,863,103,406	58,631
Issuance of ordinary shares upon exercise of share options (Note)	133,725	1
As at 30 June 2025 (unaudited)	5,863,237,131	58,632

Note:

For the six months ended 30 June 2025, 133,725 (31 December 2024: 110,000) share options were exercised at weighted average exercise price of HK\$3.76 (2024: HK\$3.76) per share, resulting in the issuance of 133,725 additional ordinary shares of the Company and additional share capital and share premium of approximately HK\$1,000 (2024: HK\$1,000) and HK\$502,000 (2024: HK\$413,000), respectively.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

19 Other reserves

	Share premium HK\$'000	Statutory surplus reserves (Note (a)) HK\$'000	Shares held for share award plan HK\$'000	Capital reserve HK\$'000	Share-based payment reserve HK\$'000	Financial asset at FVOCI revaluation reserve HK\$'000	Exchange translation reserve HK\$'000	Total HK\$'000
<i>Unaudited</i>								
As at 1 January 2024	11,017,309	576,066	(2,051,929)	-	56,424	(5,138)	(519,033)	9,073,699
Share-based compensation expense	-	-	-	-	45,899	-	-	45,899
Transfer to share premium upon lapse of share options	714	-	-	-	(714)	-	-	-
Purchase of shares held for Share Award Plan (Note (b))	-	-	(36,902)	-	-	-	-	(36,902)
Vesting of awarded shares	(2,431)	-	4,216	-	(1,785)	-	-	-
Capital contribution from the shareholder (Note (c))	-	-	(264,316)	264,316	-	-	-	-
Exchange translation of foreign operations	-	-	-	-	-	-	(34,646)	(34,646)
As at 30 June 2024	11,015,592	576,066	(2,348,931)	264,316	99,824	(5,138)	(553,679)	9,048,050
<i>Unaudited</i>								
As at 1 January 2025	11,013,862	629,588	(2,672,344)	264,316	104,034	(5,446)	(622,823)	8,711,187
Share-based compensation expense	-	-	-	-	21,606	-	-	21,606
Dividend relating to 2024	(332,546)	-	-	-	-	-	-	(332,546)
Transfer to share premium upon lapse of share options	611	-	-	-	(611)	-	-	-
Purchase of shares held for Share Award Plan (Note (b))	-	-	(200,403)	-	-	-	-	(200,403)
Vesting of awarded shares	(3,906)	-	7,895	-	(3,989)	-	-	-
Exchange translation of foreign operations	-	-	-	-	-	-	58,422	58,422
Issuance of ordinary shares upon exercise of share options	502	-	-	-	-	-	-	502
Release of share-based payment reserve to share premium upon exercise of share options	121	-	-	-	(121)	-	-	-
As at 30 June 2025	10,678,644	629,588	(2,864,852)	264,316	120,919	(5,446)	(564,401)	8,258,768



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

19 Other reserves (continued)

Notes:

- (a) Statutory reserves represent the statutory surplus reserves and statutory public welfare fund. The subsidiaries in the PRC appropriate 10% of the net profits as reported in their statutory financial statements (after offsetting any prior year's losses) to the statutory surplus reserves until the reserves have reached 50% of their registered capital. Statutory surplus reserves are non-distributable to shareholders. The use of these reserves is to offset accumulated losses or to increase capital as determined by the Board of Directors of the relevant PRC subsidiaries in accordance with the relevant laws and regulations in the PRC.
- (b) On 3 June 2021, a share award plan (the "**2021 Share Award Plan**") was approved and adopted by the Board. As amended on 26 March 2024, the 2021 Share Award Plan shall be remain valid and effective for 15 years from the date of adoption, subject to early termination as determined by the Board.

During the six months ended 30 June 2025, the Group had acquired certain of its own shares through the trustee of the 2021 Share Award Plan from open market. The cost of acquiring the shares amounted to approximately HK\$200,403,000 (six months ended 30 June 2024: HK\$36,902,000) and had been deducted from other reserves as at 30 June 2025. The Shares purchased by the Group that are not yet vested for the 2021 Share Award Plan were recorded as shares held for share award plan of the Group.

On 29 March 2022, the Board approved the adoption of the 2022 share award plan (the "**2022 Share Award Plan**"). As amended on 26 March 2024, the 2022 Share Award Plan shall be valid and effective for a term of 15 years commencing from the Adoption Date but may be terminated earlier as determined by the Board, provided that such termination shall not affect any subsisting rights of any Eligible Participant.

- (c) During the six months ended 30 June 2024, ZED Group Limited, the ultimate holding company of the Group, had contributed certain shares amounted to HK\$264,316,000 to the trustee of the 2022 Share Award Plan, it is treated as a capital contribution and is recorded under "Capital Reserve". The shares contributed by ZED Group Limited that are not yet vested for the 2022 Share Award Plan were recorded as shares held for share award plan of the Group.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

20 Trade and bills payables

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Trade and bills payables	405,248	659,681

The trade and bills payables are non-interest-bearing and are normally settled within credit terms of from 30 to 60 days.

As at 30 June 2025 and 31 December 2024, the aging analysis of the trade and bills payables based on invoice date is as follows:

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Up to 3 months	402,092	656,552
3 to 6 months	116	1,031
6 months to 1 year	1,450	804
Over 1 year	1,590	1,294
	405,248	659,681

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Denominated in:		
RMB	386,294	647,181
USD	18,954	12,500
	405,248	659,681



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

21 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or under control of the close family members of the Group's controlling shareholder.

ZED Group Limited is the ultimate holding company of the Group and it is incorporated in Samoa (2024: Same).

Ms. PAN Dong is the ultimate controlling shareholder of the Company and Mr. LUO Qiuping, the Chief Executive Officer of the Company, is the husband of Ms. PAN Dong.

The Group

The directors of the Company are of the view that the following companies are related parties of the Group:

Company's name	Relationship with the Group
Guangzhou Daoming Chemical Co., Ltd.	Company owned by Mr. Fu Xiangdong, the brother of Mr. Luo Qiuping

Save as disclosed elsewhere in the condensed consolidated interim financial information, the following transactions were carried out with related parties:

(a) Transactions with a related party

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Purchase of goods and raw materials from:		
Guangzhou Daoming Chemical Co., Ltd. (Note)	633	1,004

Note:

Goods were purchased in the ordinary course of business and in accordance with the terms and prices of the underlying agreements as agreed by both parties.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

21 Related party transactions (continued)

(b) Balance with a related party

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Amounts due to a related company – Trade nature Guangzhou Daoming Chemical Co., Ltd.	281	447

The carrying amount approximated its fair value and was denominated in RMB, which was unsecured, interest-free and repayable on demand. The trade balance due to the related company represents the trade payable arising from the purchase of goods and raw materials from the related company.

(c) Key management compensation

Key management refers to executive directors of the Group. The compensation of key management personnel of the Group is shown below:

	Unaudited Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Salaries, bonuses, allowances and other benefits	11,696	11,712
Contributions to social security plans	207	196
Share-based compensation expense	16,304	37,779
	28,207	49,687

The share-based payments provided to key management personnel consist of options and share awards which are both equity-settled.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

22 Commitments

(a) Capital commitments

As at 30 June 2025 and 31 December 2024, the Group had the following capital commitments:

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Acquisition of property, plant and equipment and intangible assets:		
— Contracted but not provided for	87,386	45,975

(b) Operating lease as lessee

As at 30 June 2025 and 31 December 2024, the Group has recognised right-of-use assets for non-cancellable leases where the Group is a lessee, except for short-term leases. The future aggregate minimum lease payments under non-cancellable short-term leases not recognised in the consolidated financial statements are as follows:

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Properties:		
— No later than 1 year	17,613	10,310

(c) Committed leases not yet commenced

As at 30 June 2025 and 31 December 2024, the total future lease payments for leases committed but not yet commenced were payable as follow:

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Properties:		
— Within one year	9,918	1,034
— After one year but within five years	4,561	494
	14,479	1,528