碧生源控股有限公司
Besunyen Holdings Company Limited
(Incorporated in the Cayman Islands with limited liability)
Stock Code: 926

2026
Interim Report

Corporate Profile

Besunyen Holdings Company Limited (the "**Company**") was established in September 2000 and listed on the Main Board of the Hong Kong Stock Exchange in September 2010 (stock code: HK00926). Besunyen Holdings Company Limited together with its subsidiaries (the "**Group**") is a leading provider in the therapeutic tea sector in the People's Republic of China (the "**PRC**"), mainly engaging in the research and development and production of health products and the sale and promotion of medicines and food products. The Group applies "One Focus and Two Dimensions" as its guiding principle: "One Focus" means focusing on herbs and health regimen; and "Two Dimensions" means expanding new businesses in the areas of "weight loss and weight management" as well as "laxative and gastrointestinal health". By tagging along with the concept of "herbal, healthy, and quality functional tea", the Group has produced and sold Besunyen Detox Tea (碧生源牌常潤茶) and Besunyen Slimming Tea (碧生源牌常菁茶) (previously known as "**碧生源牌減肥茶**") (collectively, the "**Two Teas**") for more than twenty years. The Group has dedicated itself to further developing the Two Teas and successively launching its product series of functional teas such as Besunyen Fit Tea (碧生源牌纖纖茶) and Besunyen Relief Tea (碧生源牌清源茶) (together with the Two Teas, the "**Four Teas**"). In recent years, the Group has also launched Besunyen Orlistat weight-loss medicines and a series of products that meet the needs of consumers, such as nutrition meal replacements, probiotics and enzymes.

The Group uses natural Chinese herbs and tea leaves as raw materials to research, develop, formulate and produce the Four Teas, providing safe, effective, convenient-to-use and affordable health products for those who have needs in aspects such as laxative and weight management or who are mildly affected by such problems.

The production base of the Group's Four Teas is located in Fangshan District, Beijing. Its production plant and production process are in compliance with the national GMP standards. Its production facilities implement closed-ended management, and its pelleting facilities and inner packing facilities are class 100,000 clean areas. The Group's Four Teas products have passed the certifications of ISO9001, ISO22000 and HACCP. Introduced from IMA, an Italian company, its main production equipment is C24 tea bag high-speed machine with a special design of tea bag with its tag linked with "cotton thread nautical knot", allowing inner bag and outer packaging box shaped up at the same time and completing the packaging process automatically.

The Group's "Besunyen and Device" trademark was identified as a "China Well-known Trademark" (中國馳名商標) by the former Trademark Office of the State Administration for Industry & Commerce of the PRC in 2013, and its Besunyen brand has been rated as one of the top ten credible brands of health products in China by China Healthcare Association for five consecutive years. The Group obtained the "High-Tech Enterprise Certificate" issued by Beijing Municipal Science and Technology Commission, and was granted the title of "Leading Enterprise in Beijing" issued by Beijing Municipal Bureau of Agriculture and Rural Affairs as well as the titles of "'Innovative' Small and Medium-Sized Enterprise in Beijing" and "'Specialized, Refined, Unique and Innovative' Small and Medium-Sized Enterprise in Beijing" issued by Beijing Municipal Bureau of Economy and Information Technology. The Group has 25 approvals for health food issued by China Food and Drug Administration, and it has possessed 118 patented technologies awarded by China National Intellectual Property Administration, including 22 invention patents.

In the first half of 2026, the Group's offline sales business covered over-the-counter ("**OTC**") pharmacies and pharmaceutical third terminals, spanning across 31 provinces, autonomous regions and municipalities across the country, through the new business partners. The Group's online e-commerce business has established 69 shops on 20 e-commerce platforms to conduct the sales of the Four Teas, Orlistat and other products of the Group. Proactively adapting to the development of new sales trend, the Group made repeated attempts in respect of new retail including Douyin, Kuaishou, O2O and B2C. The above mature and innovative channels enabled the Group to launch its new products to the market more quickly, thereby maintaining the industrial leading position of the Group in terms of sales of products.

The Group will continue its market-oriented approach while pursuing continuous innovation in terms of technology and quality, strive to provide consumers with more high-quality health products and services, and become a leader in the health industry.

Contents

BESUNYEN FIT TEA
纤纤茶
BESUNYEN RELIEF TEA
清源茶
红豆薏米
果茶
常润茶
润元茶
30
ORLISTAT CAPSULES
常菁茶

Corporate Information

DIRECTORS

Executive Directors

Mr. Zhao Yihong
(Chairman and Chief Strategy Officer)
Ms. Gao Yan *(Vice Chairman)*
Mr. Feng Bing *(Chief Executive Officer)*
Mr. Yu Hongjiang
(Executive Vice President, Chief Operating Officer and Chief Financial Officer)

Independent Non-executive Directors

Mr. He Yuanping
Mr. Shi Xiangxin
Dr. Chen Yang

AUDIT COMMITTEE

Mr. He Yuanping *(Chairman)*
Mr. Shi Xiangxin
Dr. Chen Yang

REMUNERATION COMMITTEE

Dr. Chen Yang *(Chairman)*
Mr. Zhao Yihong
Mr. Feng Bing
Mr. He Yuanping
Mr. Shi Xiangxin

NOMINATION COMMITTEE

Mr. Shi Xiangxin *(Chairman)*
Ms. Gao Yan
Mr. Yu Hongjiang
Mr. He Yuanping
Dr. Chen Yang

STRATEGIC INVESTMENT COMMITTEE

Mr. Zhao Yihong *(Chairman)*
Mr. Feng Bing
Mr. Yu Hongjiang
Mr. He Yuanping
Dr. Chen Yang

COMPANY SECRETARY

Mr. Yu Hongjiang

REGISTERED OFFICE IN CAYMAN ISLANDS

Portcullis (Cayman) Ltd
The Grand Pavilion Commercial Centre
Oleander Way, 802 West Bay Road
P.O. Box 32052
Grand Cayman KY1-1208
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN PRC

No.1 Qiushi Industrial Park, Doudian Town
Fangshan District, Beijing 102433
PRC

PLACE OF BUSINESS IN HONG KONG

5/F., Lee Roy Commercial Building
57–59 Hollywood Road, Central
Hong Kong

WEBSITE OF THE COMPANY

http://ir.besunyen.com

INVESTOR RELATIONS

ir@besunyen.com

Corporate Information

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

MaplesFS Limited
P.O. Box 1093, Queensgate House
Grand Cayman, KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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

AUDITOR

Rongcheng (Hong Kong) CPA Limited
Unit 4301–4307, 43/F, COSCO Tower,
183 Queen's Road Central, Hong Kong

LEGAL ADVISORS

As to Hong Kong Law:
Jun He Law Offices
7/F, AIA Central,
1 Connaught Road Central, Central, Hong Kong

As to PRC Law:
Beijing Westone Law Firm
Rooms 1808, 1809, 1810 and 1811, 15th Floor, Tower A
No. 2 Zhongguancun South Street
Haidian District, Beijing
PRC

Financial Highlights

THE OPERATION RESULTS OF THE GROUP

The revenue of the Group for the first half of 2026 was RMB304.8 million, representing an increase of 17.7% as compared with the revenue of RMB258.9 million for the same period of 2025.

The gross profit of the Group for the first half of 2026 was RMB237.4 million, representing an increase of 33.7% as compared with the gross profit of RMB177.6 million for the same period of 2025. The gross profit margin of the Group for the first half of 2026 was 77.9%, representing an increase of 9.3 percentage points as compared with the gross profit margin of 68.6% for the same period of 2025.

The total operating expenses (including selling and marketing expenses, administrative expenses and research and development costs) of the Group for the first half of 2026 were RMB216.7 million, representing an increase of 31.7% as compared with the total operating expenses of RMB164.6 million for the same period of 2025.

The total comprehensive income of the Group for the first half of 2026 was RMB15.1 million, representing an increase of 21.8% as compared with RMB12.4 million for the same period of 2025.

The total comprehensive income attributable to owners of the Company for the first half of 2026 was RMB15.1 million (for the same period of 2025: the total comprehensive income attributable to owners of the Company was RMB12.4 million). The basic and diluted earnings per share attributable to owners of the Company for the first half of 2026 were both RMB0.12 (the basic and diluted earnings per share attributable to owners of the Company for the first half of 2025 were both RMB0.10).

INTERIM DIVIDEND

The Board has resolved not to declare and pay any interim dividend for the six months ended 30 June 2026.

Management Discussion and Analysis

BUSINESS REVIEW

In the first half of 2026, the Group achieved revenue of approximately RMB304.8 million, reflecting an increase of 17.7% compared to the same period of 2025, indicative of steady advancement in overall operations. In particular, total revenue from the core "Four Teas" products (Besunyen Detox Tea, Slimming Tea, Fit Tea, and Relief Tea) amounted to approximately RMB185.6 million, representing an increase of 43.8% compared to the same period last year, which was primarily attributable to the price recovery in traditional channels and the growth in sales volume from e-commerce channels; and revenue from weight-loss medicines (Orlistat) reached approximately RMB93.6 million, marking a decrease of 0.8% compared to the same period last year, which was due to a slight decline in sales volume. During the period, the Group recorded total comprehensive income of approximately RMB15.1 million, an increase of 21.8% compared to the same period of 2025, signaling a strong trajectory toward profitability recovery.

Amid a complex and dynamic macroeconomic and consumer environment, the Group remained steadfast in maintaining stable operations with profitability as its central focus. It pursued integrated omni-channel operations, expanding both online and offline distribution channels. The marketing management system integration, initiated in July 2025, unified the previously separate offline OTC and e-commerce businesses under the leadership of the Vice President responsible for marketing. This initiative effectively addressed prior inconsistencies in pricing strategies, channel allocation, and product lines between online and offline operations, fostering a healthier market environment, maturing the agency operational model, and enhancing both operational efficiency and earnings quality. Throughout the period, the Group concentrated on its two core categories, namely therapeutic teas and weight-loss medicines, and strengthened brand communication and consumer education through a media matrix including screen media, Xiaohongshu, Douyin, and Kuaishou. Regarding offline channels, the Group covered OTC pharmacies and pharmaceutical third terminals, spanning across 31 provinces, autonomous regions and municipalities nationwide, through its joint ventures. For online channels, the Group established 69 shops on 20 e-commerce platforms to sell the Four Teas, Orlistat and other health products, while actively expanding into new retail scenarios such as Douyin, Kuaishou, O2O, and B2C. These efforts ensured rapid market entry of new products and reinforced the Group's industry-leading position.

I. OTC SEGMENT BUSINESS — DUAL EMPHASIS ON CHANNEL PENETRATION AND PRICING GOVERNANCE

Facing challenges in the pharmaceutical retail industry such as channel reshuffling, increasing consolidation among pharmacy chains, and customer diversion due to low price of competing health food and fat-loss products, the Group's OTC segment continued to advance its reform of "omni-channel operations". During the reporting period, the Group consolidated four previously regional, independent agency companies into a regional operating structure under a single entity. This reform fundamentally standardized supply prices, terminal retail prices, and promotional policies nationwide, eliminating unauthorized cross-territory low-price product diversion and establishing a stable and orderly channel pricing system, thereby laying a robust foundation for long-term strategic cooperation. Key efforts during the period focused on the following three areas:

(I) Deepening strategic cooperation with pharmacy chains to jointly develop category solutions

Aligned with the trend toward professionalized and refined pharmacy chain operations, the Group leveraged its comprehensive training system to provide shop assistants and end consumers with integrated health solutions centered on weight management and intestinal health. It collaborated with leading pharmacy chains to formulate annual category marketing plans, executing quarterly themed promotions and health education campaigns. This approach facilitated resource sharing, drove concurrent growth in store category sales and brand penetration, and fostered enduring strategic partnerships.

(II) Linking membership systems to drive online-offline omni-channel interaction

To activate the existing chain store membership base, the Group regularly implemented localized O2O delivery services, in-store live streaming, and interactive health education. Product visibility and purchasing convenience were enhanced through diverse terminal promotional activities, including dedicated brand display zones, flash sales, and bundled packages. Additionally, free tasting samples and health consultation services were provided to enrich the offline consumer experience. The Group leveraged offline engagement to drive online repurchases, continuously unlocking consumption potential and increasing repurchase frequency among existing customers.

(III) Rigorous price order control to ensure reasonable channel returns

To address pricing inconsistencies and unauthorized cross-territory product diversion arising from multi-channel distribution, the Group established an omni-channel price monitoring mechanism supported by tiered control measures, such as sales quota adjustments, supply suspensions, and revocation of distributorship status. Real-time monitoring of pricing across online third-party stores and offline distribution channels enabled prompt identification and resolution of non-compliant low-priced goods. This strategy effectively safeguarded reasonable profit margins for regional distributors and chain stores, ensuring long-term and healthy market circulation.

In the second half of the year, the OTC segment will further expand its presence in county-level third terminals, extending coverage to primary care clinics and community pharmacies. The Group will develop differentiated support policies tailored to chain stores at various levels, enhance incentive programs for shop assistants, and collaborate with the R&D team to launch regulatory-compliant, upgraded products. These measures aim to continuously strengthen the Group's leading offline position in the weight management and laxative health categories.

II. E-COMMERCE BUSINESS SEGMENT — DIGITAL INTELLIGENCE FOR ENHANCING OMNI-CHANNEL EFFICIENCY

The e-commerce business covers traditional platforms such as JD.com, Alibaba, and Pinduoduo, as well as new retail channels including Douyin, Kuaishou, and Xiaohongshu. With profitability as its central focus, the Group employed AI technologies to empower live streaming and promotional activities, stabilized pricing systems, improved traditional business operations, and capitalized on growth opportunities in new retail. Key achievements during the period include:

(I) Integrated marketing campaigns during key festivals and use of AI-driven content generation systems

During the reporting period, integrated marketing campaigns were conducted around three major occasions: the Spring Festival, Spring Refresh, and Mother's Day. These campaigns featured twist-ending micro-short dramas, spring-themed content, and emotive short films, respectively. By partnering with influencers across multiple sectors, the Group established a comprehensive conversion pathway that included "brand content — influencer dissemination — user engagement — e-commerce execution". For Mother's Day, the Group launched its first AI-assisted short film and implemented a standardized smart content production workflow. This innovation significantly shortened the production cycle of content across all online channels, effectively reduced the creative costs, and propelled the digital and intelligent transformation of marketing.

(II) Strategic penetration across omni-channel networks with core categories maintaining leading market positions

By deepening operations on platforms such as Douyin and JD.com, the Orlistat category attained the top spot in overall store ranking in March through cross-departmental coordination, optimized omni-channel advertising placement, expanded marketing assets, and enhanced store repeat purchase initiatives. During the 618 Shopping Festival, despite intense low-price competition from competing products, the Group successfully maintained its market share through product ranking management, tiered price defense, and integration of public and private traffic channels. Regarding a self-operated channel on JD.com, sales reached record highs during the 618 festival, sustaining leadership in the weight management category. The Fit Tea product achieved multi-fold sales growth and significant performance improvements across multiple channels by leveraging on-platform resources, real-scene live streaming, and off-site influencer product seeding.

(III) Establishment of in-house content teams and standardization of production processes

During the first half of the year, both pharmaceutical and non-pharmaceutical business lines established in-house content teams, transitioning fully from outsourcing to in-house production. They also implemented standardized, end-to-end processes covering topic selection planning, script shooting, post-production, and data review. The non-pharmaceutical business line produced over 1,000 proprietary short videos, maintaining a consistent content calendar that facilitates rapid trend tracking, flexible creative testing, and precise audience targeting. This approach significantly reduced external procurement costs and secured proprietary control over brand content.

(IV) Refinement of store operations to benchmark organic-traffic proprietary live streaming

The Group implemented end-to-end optimization across product titles, primary display images, product details, and review systems to enhance organic search visibility and reduce reliance on paid traffic. An integrated closed-loop system combining short videos and proprietary brand live streaming was established to create a synergistic cycle that mutually reinforces content, traffic, and transactions. The proprietary live streaming team developed a matrix of organic-traffic live streaming channels and deployed 24/7 digital avatar live streaming, addressing traffic gaps during the night and public holidays. Amid rising industry-wide traffic acquisition costs, the Group achieved counter-trend profit growth driven by an operational model characterized by a high organic traffic and low dependence on paid channels, setting a benchmark for proprietary live streaming in the big health sector.

(V) Comprehensive deployment of digital tools to enhance operational intelligence, compliance, and risk control

To overcome challenges of fragmented data across multiple platforms and inefficient manual compilation, an automated data aggregation system was implemented to centrally consolidate sales, traffic, and expenditure data from all channels. This system generates visualization dashboards, reduces human error, and reallocates manpower toward strategic optimization. AI tools now support the entire operational process: digital avatar live streaming manages round-the-clock traffic; AIGC produces visual and scenario-based marketing materials in batches, complemented by proactive compliance and risk controls to mitigate advertising non-compliance risks; and intelligent tools automatically generate business analysis reports. These advancements facilitate a transition from experience-based judgment to data-driven decision-making, thereby strengthening the digital operational foundation.

(VI) Strategic upgrade of brand visual identity to establish a technology-driven professional image

To address visual homogeneity across pharmaceutical e-commerce platforms, the Group initiated a brand-new visual identity upgrade during the reporting period, adopting "Tech Blue" as the primary visual baseline to integrate technological innovation with professional medical attributes. Utilizing AIGC visual tools for efficient production of standardized marketing materials, the Group established a unified brand visual framework with strong recognition. Following the upgrade, key metrics such as primary image click-through rates and conversion rates improved significantly. This initiative enhanced design efficiency and fostered a professional, contemporary health brand image among consumers, thereby completing the corporate image transition from a traditional pharmaceutical company to a technology-driven health enterprise and building long-term brand visual equity.

III. INTERNATIONAL BUSINESS DEPARTMENT — STRATEGIC RESTRUCTURING AND GLOBAL BRAND EXPANSION

During the period, the International Business Department underwent a strategic transformation, shifting from direct-to-consumer sales to a B2B-first and brand-driven model, thereby establishing a sustainable development path for its overseas business operations:

(I) Top-tier strategic restructuring and market deployment

Following an evaluation of the U.S. market, the Group repositioned it as a brand content testing market. The product portfolio was reorganized into two scenario-based frameworks, Reset (post-event recovery) and Balance (daily light care), to eliminate perception barriers among overseas customers. A three-pronged strategy comprising B2B distribution, direct-to-consumer brand validation, and supply chain expansion was established. This involved developing standardized B2B and OEM sales tools while simultaneously advancing preemptive FDA access procedures and conducting multi-category compliance reviews. Through an exclusive overseas partnership with Guoyi Yilian, product lines including herbal pastes, cosmeceuticals, and functional foods were expanded, transitioning from fragmented trial sales to systematic operations, proactively managing compliance risks, and securing upstream resources for sustainable growth.

(II) Establishment of the Bessence global brand system

To address the issue of fragmented brand presentation across multiple platforms, the Group established the Bessence global brand system between April and June 2026, positioning it as a Chinese herbal health brand anchored by the core message "Trusted since 2000". This initiative unified brand communications, eliminated sensitive fat-loss terminology, standardized visual styles, established five reusable content pillars, and compiled a comprehensive global brand manual. A unified operating standard was implemented across all platforms, balancing direct-to-consumer product seeding with B2B negotiations, while enabling expansion into new products such as gummies and probiotics. This laid the foundation for long-term overseas brand operations.

(III) Stable operations in global order fulfillment and supply chain delivery

During the period, the Group ensured timely and compliant order fulfillment across the Middle East, North America, and the Asia-Pacific region, achieving zero customs clearance errors and zero customer complaints. This success strengthened the Group's cross-border supply chain delivery capabilities. Product selection and assessment for Guoyi Yilian, promotional materials for the Five Teas series, and product inspection documentation were completed, alongside ongoing FDA approval preparations. The Group efficiently managed cross-departmental administrative procedures, including OA workflows and contract reviews, while developing standardized operational documentation for product launches and account management. These efforts institutionalized operational knowledge and completed proactive preparations for new product launches.

(IV) Omni-channel online platform matrix and marketing information system

During the first half of the year, the Group deployed four primary overseas platforms, namely the Standalone Site, Alibaba.com, TikTok, and Facebook. Standardized operational procedures were developed to support multi-channel synergy for the second half of the year. The Group regularly monitored competing products and industry information while continuously expanding its database of overseas KOLs and influencers to provide data-driven support for targeted marketing. Channel strategies accommodate both B2B wholesale client acquisition and direct-to-consumer product seeding, establishing online conversion pathways aligned with the global brand manual. This created a marketing closed loop supporting immediate conversion goals and laying the groundwork for scalable multi-regional and multi-category expansion.

IV. PRODUCT RESEARCH AND DEVELOPMENT

During the reporting period, the Group focused on two main themes: compliance upgrades for health foods and product research and innovation. Multiple core special projects were coordinated and advanced to safeguard the bottom line of lawful operations and provide technical reserves for the Company's medium- to long-term development:

(I) Completion of registration renewal applications for three health food products

As the approvals for Relief Tea, Chinese Sage and Red Date Granules, and Siyue Granules are approaching expiration, and in light of stricter review standards and historical data issues such as deficiencies in raw material identification and lenient quality indicators, the R&D center proactively conducted data reviews, risk assessments, and revisions of technical requirements. Comprehensive registration renewal materials were submitted to the national regulatory authorities by the end of June 2026. The project introduced an exclusive raw material identification system and optimized internal quality control standards, successfully preserving the assets of these three distinctive products, enriching the health and wellness product portfolio, and strengthening the foundation for compliant brand operations.

(II) Deepened industry-academia-research collaboration resulting in an invention patent for uric acid reduction

In response to sub-health issues related to chronic metabolic diseases and hepatic injury, as well as challenges such as insufficient mechanistic evidence for core products and intensified homogeneous competition, the Group has initiated an industry-academia-research collaboration with Li Jian's team at Beijing Technology and Business University. This collaboration entailed the development of disease-specific murine models for intervention studies and the application of metagenomic techniques to elucidate the mechanisms of action by which Detox Tea and Slimming Tea modulate metabolism and repair organ damage through gut microbiota, thereby facilitating secondary innovation of existing products and establishing a differentiated competitive advantage. During the period, an invention patent named "the preparation method of a uric acid-lowering composition and its application" was granted, delineating the preparation method and utility of a uric acid-lowering composition and providing a research foundation for new product function applications and academic dissemination.

(III) Comprehensive implementation of the special rectification for centralized registration renewal of existing health food products with no validity period and no technical requirements

In accordance with the registration renewal policy for health food products with no validity period and no technical requirements (mandating the rectification of existing approvals with no validity period and no standardized technical requirements to be completed within five years) issued by the State Administration for Market Regulation in November 2024, the R&D center spearheaded three fundamental tasks: conducting in-depth research into the review policy and establishing a "one product, one file" ledger to categorize key rectification areas; collaborating with professional technical institutions to mitigate compliance risks during application processes; and coordinating with multiple departments and contract manufacturers to uniformly confirm rights to formulations, processes, and internal control standards, as well as to standardize data compilation protocols. This registration renewal process simultaneously effectuates a standardized upgrade of the technical system for existing products, rectifies historical compliance deficiencies, and lays a solid compliance and technical foundation for the full-scale circulation of products and subsequent applications for new functional claims.

(IV) Establishment of an efficient cross-departmental collaboration system to support the international development strategy

Focusing on three major initiatives, namely approval renewal, new function research and development, and registration renewal for health food products with no validity period and no technical requirements, the Group has established collaborative channels among multiple entities, including quality assurance, supply chain, contract manufacturers, and academic research institutions, to build a stable and efficient collaboration mechanism. Compliance projects eliminate discrepancies between registration data and on-site production information, while research projects effectively connect with external academic resources. Each special project is progressing on schedule, with the simultaneous completion of product compliance upgrades, patent portfolio development, and rectification of historical approvals. The uniformly standardized product technical data and comprehensive quality control system are adaptable to both domestic and international regulatory standards, thereby strongly supporting the Company's international business expansion from the perspective of research and development compliance.

V. CONTINUOUS OPTIMIZATION OF PRODUCTION QUALITY MANAGEMENT SYSTEM

The Group has established a comprehensive production quality management system. In compliance with relevant laws and regulations, the Group has successfully obtained certifications of ISO9001 quality management system, ISO22000 food safety management system, and HACCP key control point system, thereby providing a solid foundation for the delivery of high-quality products. Assuming primary responsibility for food safety, the Group has rigorously implemented a three-tier management structure comprising the enterprise's primary responsible person, the food safety director, and the food safety officer. The Group has continuously enhanced risk control measures to ensure effective risk management and prevent safety hazards throughout the production process. From factory layout and facilities to production management, raw and auxiliary materials handling, warehouse management, inspection, and labeling, the Group exercises stringent control over the entire production process. It fosters a culture of quality management at every production stage and continuously improves the quality stability and safety of products.

VI. PROSPECTS

Looking ahead to the second half of 2026, the Group will capitalize on policy opportunities arising from the National Health Commission's ongoing promotion of the "Weight Management Year" campaign. It will actively respond to industry competition and shifting demand, further consolidate the achievements of prior reforms, and continue to optimize internal mechanisms. The Group aims to fully stimulate the operational vitality of its entities, as well as the agencies and joint ventures for agency operation established through restructuring, while concentrating resources on cultivating Besunyen's core business in health teas. In response to the evolving regulatory and channel landscape of the OTC industry, the Group will continue to enhance the integration of its marketing management system, seamlessly connect online and offline channels and achieve integrated operations, and leverage synergistic sales advantages across all channels. By focusing on the two core areas of weight management and laxative and intestinal health, aligning with omni-channel consumption trends and the preferences of the new generation of consumers, and utilizing new media and new retail models, the Group seeks to consolidate its core market competitiveness.

Meanwhile, the Group will continue to enhance its diversified product channel strategy, promote refined offline terminal operations and precise online agency management, deepen its presence in the new retail sector, and ensure the stable and positive growth of its core business. As a domestic brand with a 26-year legacy in the health industry, the Group will intensify brand upgrading and rejuvenation efforts by leveraging scenario-based marketing, an integrated media matrix, and social content operations to boost brand visibility and market reputation. The Group will closely monitor trends in national health consumption upgrades, increase investment in product research and innovation, and consistently deliver high-quality health products, with the mission of safeguarding public health and contributing to the high-quality development of China's big health industry.

FINANCIAL REVIEW

Revenue

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**Percentage of revenue**	RMB'000	Percentage of revenue
Revenue:				
Besunyen Detox Tea	**43,922**	**14.4%**	30,352	11.7%
Besunyen Slimming Tea	**82,444**	**27.1%**	50,290	19.4%
Besunyen Fit Tea	**57,083**	**18.7%**	45,732	17.7%
Besunyen Relief Tea	**2,132**	**0.7%**	2,753	1.1%
Weight-loss medicines	**93,556**	**30.7%**	94,368	36.4%
Other health food	**23,524**	**7.7%**	30,541	11.8%
Other medicines	**2,177**	**0.7%**	4,877	1.9%
Total	**304,838**	**100.0%**	258,913	100.0%

Note: Weight-loss medicines mainly consist of Besunyen Orlistat, other health food mainly consists of health food and other tea products (excluding the Four Teas), and other medicines mainly consist of finished medicines.

The Group's revenue in the first half of 2026 was RMB304.8 million, representing an increase of 17.7% as compared with RMB258.9 million for the same period of 2025. Such increase was mainly driven by a significant increase of 43.8% in revenue from the Four Teas, which was partially offset by a decline in sales volume of other medicines and other health food.

In the first half of 2026, revenue from the Four Teas was RMB185.6 million, representing an increase of 43.8% as compared with RMB129.1 million for the same period of 2025, while sales volume increased by 1.7%.

Traditional channels: In the first half of 2026, revenue was RMB78.2 million, representing an increase of 30.4% as compared with RMB59.9 million for the same period of 2025, while sales volume decreased by 20.6%. Such revenue growth was mainly attributable to the integration of the marketing management system initiated in July 2025, under which the Group consolidated four original regional agency companies into a single unified operating entity, resulting in significantly enhanced pricing synergy and bargaining power. During the period, the unit selling price of traditional channels increased year-on-year, driving a 30.4% growth in sales revenue for this channel. However, affected by the external market environment, sales volume of traditional channels decreased by approximately 20.6% year-on-year, partially diluting the positive effect of price increases on sales revenue.

E-commerce channels: In the first half of 2026, revenue was RMB107.4 million, representing an increase of 55.2% as compared with RMB69.2 million for the same period of 2025, while sales volume increased by 34.2%. Positioned with a focus on market expansion and market share acquisition, growth in these channels was primarily driven by sales volume expansion.

Taken together, price recovery in traditional channels contributed significantly to the sales of the Four Teas, though the decline in sales volume caused by the external market environment has had a certain dampening effect; e-commerce channels maintained rapid growth, further driving the overall growth of the Four Teas. Driven by the combined impact of positive and negative factors, revenue from the Four Teas recorded strong growth of 43.8% during the period.

Revenue from weight-loss medicines in the first half of 2026 was RMB93.6 million, representing a decrease of 0.8% as compared with RMB94.4 million for the same period of 2025, which was mainly due to a decline in sales volume.

Revenue from other health food in the first half of 2026 was RMB23.5 million, representing a decrease of 23.0% as compared with RMB30.5 million for the same period of 2025; and revenue from other medicines in the first half of 2026 was RMB2.2 million, representing a decrease of 55.1% as compared with RMB4.9 million for the same period of 2025.

Other health food and other medicines were primarily affected by the combined impact of domestic policy changes in the industry and the Group's strategic adjustments. The Group proactively optimized resource allocation and appropriately scaled back the size of this business segment in order to focus on core products and the expansion of high-growth channels.

Cost of Sales, Gross Profit and Gross Profit Margin

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Cost of sales	**67,462**	81,362
Gross profit	**237,376**	177,551
Gross profit margin	**77.9%**	68.6%

The Group's cost of sales in the first half of 2026 was RMB67.4 million, representing a decrease of 17.2% as compared with RMB81.4 million for the same period of 2025.

The gross profit margin in the first half of 2026 was 77.9%, representing an increase of 9.3 percentage points as compared with 68.6% for the same period of 2025. This was mainly due to (i) an increase of 1.7% in the sales volume of high-margin tea products, driving a positive contribution to the profit structure; and (ii) enhanced supply chain management efficiency, which led to a further reduction in procurement prices of weight-loss medicines, as well as an improvement in gross profit margin. Driven by these combined factors, the Group's profitability was systematically enhanced.

Selling and Marketing Expenses

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**Percentage of revenue**	RMB'000	Percentage of revenue
Marketing and promotion expenses	**164,906**	**54.1%**	106,192	41.0%
Advertising costs	**5,191**	**1.7%**	5,580	2.2%
Employee benefit expenses	**6,256**	**2.1%**	4,961	1.9%
Others	**9,318**	**3.0%**	7,870	3.0%
Total	**185,671**	**60.9%**	124,603	48.1%

The Group's selling and marketing expenses in the first half of 2026 were RMB185.7 million, representing an increase of 49.0% as compared with RMB124.6 million for the same period of 2025.

In the first half of 2026, marketing and promotion expenses increased by RMB58.7 million, or 55.3%, as compared with the same period of 2025. This was mainly due to (i) the effect of the integration of the marketing management system initiated in July 2025, under which the Group consolidated four original regional agency companies into a single unified operating entity, which in turn resulted in a corresponding increase of RMB38.9 million in agency operation fees for this business segment; and (ii) an increase in platform promotion expenses and agency operation fees payable due to the expansion trend in the e-commerce channel business.

Administrative Expenses

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**Percentage of revenue**	RMB'000	Percentage of revenue
Employee benefit expenses	**11,856**	**3.9%**	11,351	4.4%
Professional and consultation service fees	**7,859**	**2.6%**	12,173	4.7%
Entertainment and travelling expenses	**1,742**	**0.6%**	3,114	1.2%
Office expenses	**1,456**	**0.5%**	1,120	0.4%
Others	**2,862**	**0.9%**	7,169	2.8%
Total	**25,775**	**8.5%**	34,927	13.5%

The Group's administrative expenses in the first half of 2026 were RMB25.8 million, representing a decrease of 26.2% as compared with RMB34.9 million for the same period of 2025, mainly due to the decrease in professional fees and travelling expenses.

Research and Development Costs

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**Percentage of revenue**	RMB'000	Percentage of revenue
Research and development costs	**5,279**	**1.7%**	5,035	1.9%

The research and development costs in the first half of 2026 were RMB5.3 million, representing an increase of RMB0.3 million as compared with RMB5.0 million for the same period of 2025, mainly due to a slight increase in employee benefit expenses.

Share of Profits of Investments Accounted for Using the Equity Method

The Group's share of profits of investments accounted for using the equity method for the first half of 2026 was RMB0.4 million. During the period, three joint ventures, whose projects had been completed, completed their deregistration process. These projects contributed an aggregate investment gain of approximately RMB2.2 million during their operational existence, with overall returns being in line with management expectations.

Taxation

The income tax expenses of the Group in the first half of 2026 were RMB9.3 million, increased by RMB1.2 million as compared with the income tax expenses of RMB8.1 million for the same period of 2025, which was mainly due to an increase in fair value of financial assets measured at fair value through profit or loss held by the Group, which led to the corresponding recognition of deferred tax liabilities, resulting in an increase in deferred tax expenses.

Total Comprehensive Income for the Period and Total Comprehensive Income Attributable to Owners of the Company

Due to the factors set out above, the total comprehensive income of the Group for the first half of 2026 was RMB15.1 million (for the same period of 2025: the total comprehensive income was RMB12.4 million).

The total comprehensive income attributable to owners of the Company for the first half of 2026 was RMB15.1 million (for the same period of 2025: the total comprehensive income attributable to owners of the Company was RMB12.4 million). The basic and diluted earnings per share attributable to owners of the Company for the first half of 2026 were both RMB0.12 (for the same period of 2025: the basic and diluted earnings per share attributable to owners of the Company were both RMB0.10).

Liquidity and Capital Resources

In the first half of 2026, funds and capital expenditure required in the operation of the Group mainly came from the cash flows from operating activities.

Cash Flows

The following table summarizes the net cash flows of the Group for the six months ended 30 June:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Net cash inflow from operating activities	**45,041**	30,989
Net cash (outflow)/inflow from investing activities	**(1,881)**	1,201
Net cash outflow from financing activities	**(2,228)**	(1,803)
Net increase in cash and cash equivalents	**40,932**	30,387
Cash and cash equivalents at beginning of period	**177,926**	134,155
Cash and cash equivalents at end of period	**218,858**	164,542

In the first half of 2026, the Group's net cash inflow from operating activities was RMB45.0 million (for the same period of 2025: net cash inflow from operating activities of RMB31.0 million), the increase was mainly due to the growth of the operating activities during the period. In the first half of 2026, the Group's net cash outflow from investing activities was RMB1.9 million, which was mainly attributable to the cash outflow for the purchase of fixed assets by the Group, partially offset by the receipt of liquidation distribution from joint ventures (for the same period of 2025: net cash inflow from investing activities of RMB1.2 million, which was mainly attributable to the Group's receipt of dividend income from its joint ventures). In the first half of 2026, the Group's net cash outflow from financing activities was RMB2.2 million, which was mainly attributable to the payment of rents for housing leases (for the same period of 2025: net cash outflow from financing activities of RMB1.8 million, utilized for the same purpose).

Financial Assets Measured at Fair Value through Profit or Loss

As at 30 June 2026, the Group's financial assets measured at fair value through profit or loss amounted to RMB145.6 million (31 December 2025: RMB141.0 million), which mainly included:

(i) The Group's investment in Vstar Investment Fund Limited Partnership amounting to approximately RMB12.2 million;

(ii) The Group's investment in ERX Pharmaceuticals Inc. amounting to approximately RMB3.4 million;

(iii) The Group's investment in Nanjing Jinbi Venture Capital Partnership (Limited Partnership) amounting to approximately RMB27.6 million;

(iv) The Group's investment in Shanghai Yuanxing Zhiyin Venture Capital Partnership (Limited Partnership) amounting to approximately RMB15.8 million;

(v) The Group's financial investments held through Central China Dragon Global Opportunity Fund SP6 which were measured at fair value through profit or loss amounting to approximately RMB86.5 million, accounting for approximately 14.2% of the Group's total assets as at 30 June 2026.

The Company subscribed for the participating shares of Central China Dragon Global Opportunity Fund SP6 (the "**GOSP6**") with a total investment of HK$100 million (equivalent to approximately RMB91.8 million) in October 2023, and the GOSP6 is principally engaged in managing and holding the investment in wealth management as acquired by the Company through the manager (please refer to the announcements of the Company dated 26 September 2023 and 5 October 2023 for details). The investment objective of the GOSP6 is to provide investors with a stable return through a combination of current income and capital appreciation, with fixed income investment products accounting for not less than 80% and mainly focusing on private and public general bonds, as well as investment products in Asia, America and Europe.

Given that the Company is the only holder of participating shares in the GOSP6 and the fees paid to the manager are comparable to the services it provided as an agent, the Group treated the GOSP6 as a consolidated structured entity under IFRS Accounting Standards.

However, in 2025, the following new facts and circumstances, which had a decisive impact on the management's assessment of whether the Group could continue to maintain effective control over the Fund, successively arose in the actual operation of the Fund:

(i) The Group submitted a notice of full redemption to the Fund Manager on 26 March 2025 in accordance with the private placement memorandum, with the redemption date being 2 July 2025. However, the Fund Manager has only returned HK$10,000,000 (representing approximately 10% of the total investment amount) in August 2025, and the remaining investment balance remains outstanding as at the date of this interim report; and

(ii) Despite the Group's repeated urgings through written communications since early 2025 and the issuance of formal demand letters to the Fund Manager through its legal representatives starting from December 2025, requesting the provision of information related to the underlying assets of the Fund and a specific and feasible redemption payment plan, the Fund Manager only provided part of the documents requested by the Group on 31 December 2025 (namely, the audited financial statements of the Fund for the year 2024, the net asset value report for the third quarter of 2025, and the fund asset statement for the third quarter of 2025). The Fund Manager failed to respond adequately to the Group's request for all necessary information and documents regarding the underlying assets of the Fund and the redemption payment arrangements. This resulted in the Group being unable to ascertain the asset status of the Fund and to obtain the underlying supporting materials required by the auditor to perform its audit work.

After a comprehensive consideration of the new facts and circumstances mentioned above, the management is of the view that its original assumption that the Fund Manager was acting as an agent in managing the Fund in accordance with the contractual terms is no longer tenable. The management has accordingly reassessed the Group's control over the Fund in accordance with the requirements of IFRS 10 — Consolidated Financial Statements, and concluded that the Group no longer had control over the Fund in 2025. Accordingly, the Fund ceased to be consolidated in 2025, and the carrying amounts of the relevant assets and liabilities held by the Fund were combined and reclassified as a single financial asset, presented as a financial asset at fair value through profit or loss at its aggregate carrying amount as at the date of reclassification. Management is of the view that the aforementioned deconsolidation is a reassessment based on new facts and circumstances that arose in 2025, and is in compliance with the requirements of the relevant IFRSs.

The Fund Manager has provided the Group with a revaluation statement regarding the overall net asset value of the Fund, but has not provided the detailed methodology, significant assumptions and key judgments supporting the valuation. Based on the information provided by the Fund Manager, management is unable to determine the underlying asset conditions and value of the Fund. Management believes that using the carrying amount of the investment as at 31 December 2024 as the measurement basis provides a better representation of the Group's investment in the Fund than any valuation derived from inputs that cannot be independently verified, and facilitates a proper understanding by financial statement users of the Group's financial position.

For further details of the GOSP6, please refer to the section headed "Progress on the Redemption of the Investment in GOSP6" on page 55 of this interim report.

Bank Balances and Cash

The Group's bank balances and cash, comprising cash and cash equivalents, term deposits and restricted bank deposits, amounted to RMB218.9 million as at 30 June 2026 (31 December 2025: RMB177.9 million).

Borrowings and Pledge of Assets

As at 30 June 2026, the Group had no bank borrowings (31 December 2025: Nil).

As at 30 June 2026, the Group had no pledge of assets (31 December 2025: Nil).

Capital Expenditure

In the first half of 2026, the capital expenditure of the Group amounted to RMB6.4 million (for the same period of 2025: RMB1.5 million). The following table sets forth the capital expenditure paid by the Group for the six months ended 30 June:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Property, plant and equipment	**6,298**	1,204
Intangible assets	**141**	265
Total	**6,439**	1,469

Inventories

The Group's inventories include raw materials and packaging materials, work in progress and finished goods as indicated in the following table:

	As at	
	30 June	31 December
	2026	2025
	RMB'000	RMB'000
Raw materials and packaging materials	**4,149**	5,599
Work in progress	**1,291**	1,943
Finished goods	**23,447**	21,556
Total	**28,887**	29,098

Risks of Foreign Exchange Rate

Almost all of the revenue, costs of sales and expenses of the Group are denominated in Renminbi. Apart from some bank deposits that are denominated in HK dollar and US dollar, most assets and liabilities of the Group are also denominated in Renminbi. Since Renminbi is the functional currency of the Group, risks of foreign exchange rate mainly come from assets denominated in HK dollar and US dollar.

For the six months ended 30 June 2026, the Group did not purchase any foreign exchange derivative products, interest rate derivative products or hedging instruments (for the same period of 2025: Nil).

Material Acquisitions or Disposals

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the first half of 2026.

Significant Investments and Plans

Save as disclosed in this interim report, as at 30 June 2026, the Group had no single significant investment with a carrying amount of 5% or more of the Group's total assets.

As at the date of this interim report, the Board has not approved any plan for significant investments or acquisition of capital assets.

Gearing Ratio

As at 30 June 2026, the Group's gearing ratio (total liabilities divided by total assets, in percentage) was 20.5% (31 December 2025: 16.9%).

Contingent Liabilities and Guarantees

As at 30 June 2026, the Group had no material contingent liabilities and guarantees (31 December 2025: Nil).

Capital Commitments

As at 30 June 2026, capital commitments for property, plant and equipment as contracted for but not yet incurred amounted to RMB0.4 million (31 December 2025: RMB0.2 million).

Compliance with Laws and Regulations

The Group shall conduct business in compliance with the requirements of various laws and regulations, mainly including the Food Safety Law of the PRC, the Drug Administration Law of the PRC, the Regulations for Implementation of the Drug Administration Law of the PRC, the Environmental Protection Law of the PRC, the Labour Law of the PRC, the Labour Contract Law of the PRC as well as other applicable regulations, policies and normative legal documents issued based on or related to such laws and regulations. The Group's prevailing quality and safety control systems of product production are comprehensive and impose effective control over design and execution. The Group has passed the certifications of quality management systems such as ISO9001, ISO22000 and HACCP, ensuring its product quality and safety in an all-round and in-depth manner. In case of any changes in applicable laws, regulations and normative legal documents related to our principal businesses, the Group would inform relevant staff and operation teams in time. In addition, the Group ensured its compliance with such requirements via numerous measures, such as internal control and approval procedures as well as training and supervision on different business departments.

During the first half of 2026, so far as known to the Directors, there was no non-compliance with any relevant laws and regulations which would have a material impact on the Group.

Relationships with Employees, Suppliers and Customers

The Group endeavors to maintain sustainable development in the long term, continuously create value for its employees and customers, and foster good relationships with its suppliers. The Group understands that employees are its valuable assets, and the realization and enhancement of employees' values will facilitate the achievement of the Group's overall goals. For the six months ended 30 June 2026, the Group provided generous social insurance benefits to its employees to motivate their proactivity at work and heighten their sense of belonging. The Group also understands the importance of maintaining good relationships with its suppliers and customers to the overall development of the Group. The Group places emphasis on supplier selection and encourages fair and open competition to foster long-term relationships with quality suppliers on the basis of mutual trust. To maintain the competitiveness of its brand and products, the Group abides by the principles of honesty and trustworthiness and commits itself to consistently providing quality products to establish a reliable service environment for its customers. For the six months ended 30 June 2026, there was no significant or material dispute between the Group and its suppliers and/or customers.

Human Resources Management

The Group regards high-quality employees as its most important resource. As at 30 June 2026, the Group had 134 employees in mainland China and Hong Kong (31 December 2025: 123 employees). For the six months ended 30 June 2026, the staff costs of the Group (including remunerations of the Directors) were RMB24.7 million (for the same period of 2025: RMB22.5 million). Employee remuneration was determined with reference to individual performance, work experience, qualification and prevailing industry practice. Apart from basic remuneration and statutory pension benefit scheme, employee benefits also included discretionary bonus.

The Group places emphasis on the recruitment, motivation and retention of suitable talents. The Group invests considerable efforts in continuous education and training for its employees, so as to keep enhancing the knowledge, skill and team spirit of employees. The Group often provides internal and external training courses to relevant staff members based on various needs.

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Six months ended 30 June 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	5	**304,838**	258,913
Cost of sales		**(67,462)**	(81,362)
Gross profit		**237,376**	177,551
Other income		**943**	3,998
Selling and marketing expenses		**(185,671)**	(124,603)
Administrative expenses		**(25,775)**	(34,927)
Research and development costs		**(5,279)**	(5,035)
Impairment losses under expected credit loss model, net		**(2,586)**	(107)
Other gains (losses), net	7	**4,942**	(380)
Operating profit		**23,950**	16,497
Finance income		**123**	378
Finance costs		**(143)**	(134)
Finance (costs) income, net	8	**(20)**	244
Share of profits of joint ventures	13	**390**	3,803
Profit before income tax		**24,320**	20,544
Income tax expense	9	**(9,254)**	(8,142)
Profit and total comprehensive income for the period	6	**15,066**	12,402
Earnings per share attributable to the owners of the Company for the period (RMB):			
Basic and diluted	10	**0.12**	0.10

The above interim condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	**97,925**	99,394
Intangible assets	12	**1,686**	1,720
Right-of-use assets	18	**20,895**	20,669
Interests in joint ventures	13	**4,382**	8,129
Financial assets measured at fair value through profit or loss	14	**145,558**	140,960
Deferred income tax assets	20	**15,980**	24,515
Total non-current assets		**286,426**	295,387
Current assets			
Inventories	15	**28,887**	29,098
Trade receivables	16	**30,682**	28,281
Bills receivables	16	**500**	—
Deposits, prepayments and other receivables	17	**42,804**	32,612
Cash and cash equivalents		**218,858**	177,926
Total current assets		**321,731**	267,917
Total assets		**608,157**	563,304
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	19	**288**	288
Share premium		**911,622**	911,622
Other reserves		**348,285**	348,285
Accumulated losses		**(776,860)**	(791,926)
Total equity		**483,335**	468,269

Interim Condensed Consolidated Statement of Financial Position

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Deferred government grants		**1,847**	1,915
Lease liabilities	23	**1,940**	1,780
Deferred income tax liabilities	20	**2,115**	1,396
Total non-current liabilities		**5,902**	5,091
Current liabilities			
Trade payables	21	**1,452**	3,191
Other payables and accrued expenses	22	**109,089**	77,535
Contract liabilities		**4,604**	6,056
Lease liabilities	23	**3,772**	3,159
Current income tax liabilities		**3**	3
Total current liabilities		**118,920**	89,944
Total liabilities		**124,822**	95,035
Total equity and liabilities		**608,157**	563,304

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

Interim Condensed Consolidated Statement of Changes in Equity

	Unaudited				
	Attributable to owners of the Company				
	Share capital RMB'000	Share premium RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance at 31 December 2024	288	939,484	347,973	(812,369)	475,376
Profit and total comprehensive income for the period	—	—	—	12,402	12,402
Balance at 30 June 2025	288	939,484	347,973	(799,967)	487,778
Balance at 31 December 2025	**288**	**911,622**	**348,285**	**(791,926)**	**468,269**
Profit and total comprehensive income for the period	**—**	**—**	**—**	**15,066**	**15,066**
Balance at 30 June 2026	**288**	**911,622**	**348,285**	**(776,860)**	**483,335**

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

Interim Condensed Consolidated Statement of Cash Flows

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Cash flows from operating activities		
Cash generated from operations	**44,918**	33,027
Withholding tax paid	**—**	(2,416)
Interest received	**123**	378
Net cash inflow from operating activities	**45,041**	30,989
Cash flows from investing activities		
Purchases of wealth management products and structured deposits measured at fair value through profit or loss ("**FVTPL**")	**(870,000)**	(300,000)
Proceeds from disposals of wealth management products and structured deposits measured at FVTPL	**871,193**	300,815
Capital injection of equity investment in a private company measured at FVTPL	**(1,723)**	—
Decrease in restricted bank deposits	**—**	109
Purchases of property, plant and equipment	**(6,298)**	(1,204)
Purchases of intangible assets	**(141)**	(265)
Dividends from joint ventures	**246**	980
Deregistration of joint ventures	**3,981**	—
Capital injection in joint ventures	**(90)**	—
Proceeds from disposals of property, plant and equipment and right-of-use assets	**951**	766
Net cash (outflow)/inflow from investing activities	**(1,881)**	1,201
Cash flows from financing activities		
Repayment of lease liabilities	**(2,085)**	(1,669)
Interests paid	**(143)**	(134)
Net cash outflow from financing activities	**(2,228)**	(1,803)

Interim Condensed Consolidated Statement of Cash Flows

	Unaudited Six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Net increase in cash and cash equivalents	**40,932**	30,387
Cash and cash equivalent at beginning of period	**177,926**	134,155
Cash and cash equivalents at end of period	**218,858**	164,542
— Cash at bank and on hand	**218,858**	164,542

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

Notes to the Interim Condensed Consolidated Financial Information

1. GENERAL INFORMATION

Besunyen Holdings Company Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of the Company's registered office is The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands.

The ultimate parent undertaking of the Company is Green River Fiduciary Services, LLC which was incorporated in the United States of America. The address of the Green River Fiduciary Services, LLC's principal place of business is 140 S King St Ste C, Jackson, WY 83001, USA.

The principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are manufacturing and sales of therapeutic tea products, including Detox tea, Slimming tea, Fit tea, Relief tea and other tea products, and sales of weight-loss and other medicines.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

This interim condensed consolidated financial information is presented in Renminbi ("**RMB**"), which is the functional currency of the Company, unless otherwise stated.

This unaudited interim condensed consolidated financial information was approved for issue by the board of directors of the Company on 7 August 2026.

2. BASIS OF PREPARATION

The Group's interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") "Interim Financial Reporting" as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim condensed consolidated financial information should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2025 (the "**2025 Annual Financial Statements**"), which have been prepared in accordance with IFRS Accounting Standards, and any public announcement made by the Company during the current period and up to date of approval of this unaudited interim condensed consolidated financial information.

The accounting policies used in the interim condensed consolidated financial statements are consistent with those adopted in the 2025 Annual Financial Statements, except as described below.

Application of amendments to IFRS Accounting Standards

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

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

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

3. ESTIMATES

The preparation of interim condensed consolidated 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 interim condensed consolidated financial information, the significant judgments 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 2025 Annual Financial Statements.

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk), credit risk, liquidity risk and fair value risk.

The interim condensed consolidated 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 2025 Annual Financial Statements.

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

4.2 Liquidity risk

There was no material change in the contractual undiscounted cash out flows for financial liabilities.

The Group is not subject to any significant liquidity risk in view of the sufficiency of its working capital.

4.3 Fair value risk

The Group had three types of financial assets measured at fair value which are investments in GOSP6, equity investments in private companies and investments in funds as at 30 June 2026 and 31 December 2025, and had no financial liabilities measured at fair value.

Notes to the Interim Condensed Consolidated Financial Information

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.3 Fair value risk *(Continued)*

The following table presents the Group's financial assets that are measured at fair value as at 30 June 2026 and 31 December 2025 on a recurring basis:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
At 30 June 2026				
Financial assets				
Financial assets measured at FVTPL	**—**	**—**	**145,558**	**145,558**
	—	**—**	**145,558**	**145,558**
At 31 December 2025				
Financial assets				
Financial assets measured at FVTPL	—	—	140,960	140,960
	—	—	140,960	140,960

The following table presents the changes in level 3 instruments for the six months ended 30 June 2026:

	Financial assets measured at fair value through profit or loss RMB'000
Opening balance 31 December 2025	**140,960**
Additions	**871,723**
Disposals	**(871,193)**
Gains recognised in "other gains (losses), net"	**4,068**
Closing balance 30 June 2026	**145,558**

5. SEGMENT AND REVENUE INFORMATION

The executive directors of the Company, identified as the chief operating decision makers ("**CODM**"), review the Group's internal reporting in order to assess performance and allocate resources.

The CODM has identified the manufacturing and sales of tea products (including Detox tea, Slimming tea, Fit tea, Relief tea and others) and sales of weight-loss and other medicines as separate reportable segments, namely the tea products segment and the weight-loss and other medicines segment.

5. SEGMENT AND REVENUE INFORMATION *(Continued)*

The CODM evaluates the performance of the reportable segments based on their revenue, gross profit and operating results which derived from gross profit deducting selling and marketing expenses and research and development costs. The CODM does not assess the assets and liabilities of the operating segments to allocate resources.

The segment results for the six months ended 30 June 2026 are as follows:

	Tea products segment RMB'000	Weight-loss and other medicines segment RMB'000	Total RMB'000
Total revenue	209,105	95,733	304,838
Revenue from external customers	209,105	95,733	304,838
Timing of revenue recognition			
At a point in time	209,105	95,733	304,838
Cost of sales	(34,923)	(32,539)	(67,462)
Gross profit	174,182	63,194	237,376
Selling and marketing expenses	(125,335)	(60,336)	(185,671)
Research and development costs	(3,562)	(1,717)	(5,279)
Segment results	45,285	1,141	46,426
Administrative expenses			(25,775)
Impairment losses under expected credit loss model, net			(2,586)
Other income			943
Other gains, net			4,942
Operating profit			23,950
Finance income			123
Finance costs			(143)
Finance costs, net			(20)
Share of profits of joint ventures			390
Profit before income tax			24,320
Income tax expense			(9,254)
Profit for the period			15,066
Other segment information:			
Depreciation	(8,361)	(1,497)	(9,858)
Amortisation	(175)	—	(175)

Notes to the Interim Condensed Consolidated Financial Information

5. SEGMENT AND REVENUE INFORMATION *(Continued)*

The segment results for the six months ended 30 June 2025 are as follows:

	Tea products segment RMB'000	Weight-loss and other medicines segment RMB'000	Total RMB'000
Total revenue	159,668	99,245	258,913
Revenue from external customers	159,668	99,245	258,913
Timing of revenue recognition			
At a point in time	159,668	99,245	258,913
Cost of sales	(33,484)	(47,878)	(81,362)
Gross profit	126,184	51,367	177,551
Selling and marketing expenses	(76,841)	(47,762)	(124,603)
Research and development costs	(2,873)	(2,162)	(5,035)
Segment results	46,470	1,443	47,913
Administrative expenses			(34,927)
Impairment losses under expected credit loss model, net			(107)
Other income			3,998
Other losses, net			(380)
Operating profit			16,497
Finance income			378
Finance costs			(134)
Finance income, net			244
Share of profits of joint ventures			3,803
Profit before income tax			20,544
Income tax expense			(8,142)
Profit for the period			12,402
Other segment information:			
Depreciation	(7,983)	(1,162)	(9,145)
Amortisation	(218)	(9)	(227)

Notes to the Interim Condensed Consolidated Financial Information

5. SEGMENT AND REVENUE INFORMATION *(Continued)*

Information about major customers

Revenues from customers contributing over 10% of the total revenue of the Group for the respective years is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Customer A	**44,395**	30,280
Customer B	**N/A (note)**	30,010

Note:

The corresponding revenue did not contribute over 10% of total revenue of the Group for the period ended 30 June 2026.

6. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Cost of inventories recognised as expense	**48,705**	68,758
Employee benefit expenses	**24,624**	22,474
Depreciation and amortisation	**10,033**	9,372

Notes to the Interim Condensed Consolidated Financial Information

7. OTHER GAINS (LOSSES), NET

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Net foreign exchange losses	**(328)**	(515)
Net fair value gains (losses) on financial assets measured at fair value through profit or loss	**4,068**	(283)
Net gains on disposals of property, plant and equipment and right of use assets	**410**	567
Others	**792**	(149)
Other gains (losses), net	**4,942**	(380)

8. FINANCE (COSTS) INCOME, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Finance income		
— Bank interest income	**123**	378
Finance costs		
— Interest expenses for lease liabilities	**(143)**	(134)
Finance (costs) income, net	**(20)**	244

9. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Current income tax	**—**	2,329
Deferred income tax	**9,254**	5,813
Income tax expense	**9,254**	8,142

9. INCOME TAX EXPENSE *(Continued)*

Notes:

(i) Certain subsidiaries of the Group were incorporated in the Cayman Islands and the BVI and they are tax exempted under the tax laws of the Cayman Islands and the BVI respectively.

(ii) Certain subsidiaries of the Group are Hong Kong tax residents and subject to Hong Kong profits tax. Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits.

(iii) The provision for PRC Corporate Income Tax is based on the respective corporate income tax rates applicable to the subsidiaries located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

Beijing Outsell Health Product Development Co., Ltd. is entitled to the preferential policy of High and New Technology Enterprise ("**HNTE**") from 2023 to 2026, for which the applicable income tax rate is 15% (2025: 15%).

All other PRC subsidiaries of the Group are subject to the statutory corporate income tax rate of 25% (2025: 25%).

(iv) The current income tax represents the 5% withholding tax on dividends received from the PRC subsidiaries during the period.

10. EARNINGS PER SHARE

(a) Basic

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

	Six months ended 30 June	
	2026	2025
Profit attributable to owners of the Company (RMB'000)	**15,066**	12,402
Weighted-average number of ordinary shares in issue	**122,265,585**	122,265,585
Basic earnings per share (RMB)	**0.12**	0.10

(b) Diluted

Diluted earnings per share are calculated by adjusting the weighted-average number of ordinary shares outstanding by assuming that the conversion of all potential dilutive ordinary shares arising from share options granted by the Company (collectively forming the denominator for computing the diluted earnings per share).

The computation of diluted earnings per share did not assume the exercise of the Company's outstanding share options granted as at 30 June 2026 and 2025 as the exercise prices of the share options were higher than the average market price of the Company's shares for the six months ended 30 June 2026 and 2025.

Notes to the Interim Condensed Consolidated Financial Information

11. PROPERTY, PLANT AND EQUIPMENT

	2026 RMB'000	2025 RMB'000
Six months ended 30 June		
Opening net book value amount at 1 January (audited)	**99,394**	108,087
Additions	**6,298**	1,204
Disposals/write-off	**(82)**	(199)
Depreciation	**(7,685)**	(6,983)
Closing net book value amount at 30 June (unaudited)	**97,925**	102,109

12. INTANGIBLE ASSETS

	2026 RMB'000	2025 RMB'000
Six months ended 30 June		
Opening net book value amount at 1 January (audited)	**1,720**	1,774
Additions	**141**	265
Amortisation	**(175)**	(227)
Closing net book value amount at 30 June (unaudited)	**1,686**	1,812

13. INTERESTS IN JOINT VENTURES

The amounts recognised in the interim condensed consolidated statement of financial position are as follows:

	As at	
	30 June 2026 RMB'000	31 December 2025 RMB'000
Joint ventures	**4,382**	8,129

The amounts recognised in the interim condensed consolidated statement of profit or loss and other comprehensive income are as follows:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Joint ventures	**390**	3,803

Notes to the Interim Condensed Consolidated Financial Information

13. INTERESTS IN JOINT VENTURES *(Continued)*

Movements in the Group's interests in the joint ventures are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Beginning of the period	**8,129**	10,689
Dividends from joint ventures	**(246)**	(980)
Capital injection in joint ventures	**90**	—
Deregistration of joint ventures (note)	**(3,981)**	—
Share of profits for the period	**390**	3,803
End of the period	**4,382**	13,512

Note:

Jiangxi Besunyen Biotechnology Co., Ltd., Jiangxi Besunyen Trading Co., Ltd. and Jiangxi Besunyen Technology Co., Ltd. had been deregistered in June 2026.

14. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at	
	30 June	31 December
	2026	2025
	RMB'000	RMB'000
Non-current assets		
Investments in GOSP6 (note b)	**86,505**	86,505
Equity investments in private companies (note c)	**3,395**	1,673
Investments in funds (note d)	**55,658**	52,782
	145,558	140,960

Notes:

(a) The Group's wealth management products and structured deposits purchased from commercial financial institutes are denominated in RMB. The returns of these wealth management products and structured deposits are not guaranteed, hence their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, they are measured at fair value through profit or loss, and the fair values are based on discounted cash flow using the expected return based on management estimation and are within level 3 of the fair value hierarchy. There were no balance amounts as at 31 December 2025 and 30 June 2026.

(b) The fair values of the investments in Central China Dragon Global Opportunity Fund SP6 (the "**GOSP6**"), a segregated portfolio of Central China Dragon Global Opportunity Fund SPC, are determined by the management based on the readily available information provided by the Fund Manager.

(c) The fair values of equity investments in private companies are measured using a valuation technique with unobservable inputs and hence classified as level 3 of the fair value hierarchy.

(d) The fair values of investments in funds are measured using a valuation technique with unobservable inputs and hence classified as level 3 of the fair value hierarchy.

Notes to the Interim Condensed Consolidated Financial Information

15. INVENTORIES

	As at	
	30 June 2026 RMB'000	31 December 2025 RMB'000
Raw materials and packaging materials	**4,149**	5,599
Work in progress	**1,291**	1,943
Finished goods	**23,447**	21,556
	28,887	29,098
Less: Provision for impairment	**—**	—
	28,887	29,098

16. TRADE RECEIVABLES AND BILLS RECEIVABLES

	As at	
	30 June 2026 RMB'000	31 December 2025 RMB'000
Trade receivables	**30,708**	28,373
Less: Loss allowance	**(26)**	(92)
	30,682	28,281

The Group allows a credit period of 30–90 days to its customers. The following is an aging analysis of trade receivables (net of loss allowance) based on the dates of deliveries of the related goods to the customers, which approximated to their invoice dates:

	As at	
	30 June 2026 RMB'000	31 December 2025 RMB'000
0 to 90 days	**28,713**	27,613
91 to 180 days	**1,497**	589
181 to 365 days	**435**	33
Over 365 days	**37**	46
	30,682	28,281

As of 30 June 2026, bills receivables amounted to RMB500,000 (31 December 2025: Nil) were all commercial acceptance notes with maturity date within 6 months and are classified as financial assets measured at fair value through other comprehensive income.

Notes to the Interim Condensed Consolidated Financial Information

17. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Prepayments to suppliers	**24,633**	14,487
Other receivables	**19,705**	18,253
Others	**6,596**	5,350
	50,934	38,090
Less: Loss allowance	**(8,130)**	(5,478)
	42,804	32,612

18. RIGHT-OF-USE ASSETS

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Land use rights	**14,750**	15,398
Office premises and staff quarters	**6,145**	5,271
	20,895	20,669

19. SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares US$	Equivalent nominal value of ordinary shares RMB'000
Ordinary shares of US$0.0003333332 each			
Authorised:			
At 30 June 2026 and 31 December 2025	150,000,000	50,000	341
Issued and fully paid:			
At 30 June 2026 and 31 December 2025	122,265,585	40,755	288

20. DEFERRED INCOME TAX

Deferred income tax assets

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
At beginning of period	**24,515**	33,802
Charged to profit or loss	**(8,535)**	(6,560)
At end of period	**15,980**	27,242

Deferred income tax liabilities

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
At beginning of period	**(1,396)**	(1,407)
(Charged) credited to profit or loss	**(719)**	747
At end of period	**(2,115)**	(660)

21. TRADE PAYABLES

The aging analysis of the trade payables based on their respective invoice and issue dates are as follows:

	As at	
	30 June	31 December
	2026	2025
	RMB'000	RMB'000
0 to 90 days	**1,290**	3,178
Over 180 days	**162**	13
	1,452	3,191

22. OTHER PAYABLES AND ACCRUED EXPENSES

	As at	
	30 June 2026	31 December 2025
	RMB'000	RMB'000
Accrued expenses	**5,662**	7,428
Taxes and surcharge payable	**9,646**	9,839
Payroll and welfare payable	**10,833**	8,053
Accrued sales rebates	**10,200**	7,575
Payables to suppliers for:		
— purchases of property, plant and equipment	**1,499**	1,499
— advertisement	**13,203**	10,034
— E-commerce platform service	**41,760**	12,402
Others	**16,286**	20,705
	109,089	77,535

23. LEASE LIABILITIES

	As at	
	30 June 2026	31 December 2025
	RMB'000	RMB'000
Current	**3,772**	3,159
Non-current	**1,940**	1,780
Total lease liabilities	**5,712**	4,939

For the six months ended 30 June 2026, the weighted-average lessee's incremental borrowing rate applied to the recognition of lease liabilities was 5.59% (2025: 5.59%).

24. DIVIDEND

No dividend was proposed during the period ended 30 June 2026, nor has any dividend been proposed since the end of the reporting period (2025: interim dividend in respect of the six months ended 30 June 2025 of HK$0.15 per share, in an aggregate amount of HK$18,340,000 (equivalent to approximately RMB16,725,000) was subject to approval by the shareholders in the extraordinary general meeting held on 25 August 2025.)

25. COMMITMENTS

(a) Capital commitments

As at 30 June 2026, capital expenditure for property, plant and equipment as contracted for but not yet incurred amounted to RMB367,000 (31 December 2025: RMB218,000).

(b) Operating lease commitments

The Group leases various office premises and staff quarters under non-cancellable short-term operating leases agreements. There was no future minimum lease payments contracted for at the balance sheet dates but not recognised as liabilities as at 30 June 2026 and 31 December 2025.

26. 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 because they are subject to common control, common significant influence or joint control in the controlling shareholder's families. Members of key management and their close family member of the Group are also considered as related parties.

The directors of the Company are of the view that the following parties are other related parties excluding subsidiaries and associates that had transactions or balances with the Group:

Name	Relationship with the Group
Jiangxi Besunyen Trading Co., Ltd. (“**Jiangxi Besunyen Trading**”) 江西碧生源商貿有限公司	Joint venture
Jiangsu Besunyen Trading Co., Ltd. (“**Jiangsu Besunyen Trading**”) 江蘇碧生源商貿有限公司	Joint venture
Jiangxi Besunyen Technology Co., Ltd. (“**Jiangxi Besunyen Technology**”) 江西碧生源科技有限公司	Joint venture
Jiangxi Besunyen Biotechnology Co., Ltd. (“**Jiangxi Besunyen Biotechnology**”) 江西碧生源生物有限公司	Joint venture
Guangzhou Bihan Network Technology Co., Ltd. (“**Guangzhou Bihan Network Technology**”) 廣州碧瀚網絡科技有限公司	Joint venture
Hangzhou Bihan Network Technology Co., Ltd. (“**Hangzhou Bihan Network Technology**”) 杭州碧瀚網絡科技有限公司	Joint venture

Notes to the Interim Condensed Consolidated Financial Information

26. RELATED PARTY TRANSACTIONS *(Continued)*

Name	Relationship with the Group
Beijing Bihan E-commerce Co., Ltd. ("**Beijing Bihan E-commerce**") 北京碧瀚電子商務有限公司	Joint venture
Beijing Zhongke Huikai Technology Co., Ltd. ("**Beijing Zhongke Huikai Technology**") 北京中科匯凱科技有限公司	Joint venture
Beijing Bisheng Juyuan Enterprise Management Consulting Co., Ltd. ("**Beijing Bisheng Juyuan**") 北京碧生聚源企業管理諮詢有限公司	Joint venture
Hangzhou Wandefu E-commerce Co., Ltd. ("Hangzhou Wandefu E-commerce") 杭州萬德福電子商務有限公司	Joint venture
Jiangxi Besunyen Health Food Sales Co., Ltd. ("**Jiangxi Besunyen Health Food Sales**") 江西碧生源保健食品銷售有限公司	Subsidiary of a joint venture
Jiangxi Yide Trading Co., Ltd. ("**Jiangxi Yide Trading**") 江西壹得商貿有限公司	Subsidiary of a joint venture
Beijing Biyu E-commerce Co., Ltd. ("**Beijing Biyu E-commerce**") 北京碧語電子商務有限公司	Subsidiary of a joint venture
Hangzhou Biyu E-commerce Co., Ltd. ("**Hangzhou Biyu E-commerce**") 杭州碧語電子商務有限公司	Subsidiary of a joint venture
Hangzhou Bihan E-commerce Co.,Ltd. ("**Hangzhou Bihan E-commerce**") 杭州碧瀚電子商務有限公司	Subsidiary of a joint venture
Hangzhou Bixing E-commerce Co., Ltd. ("**Hangzhou Bixing E-commerce**") 杭州碧興電子商務有限公司	Subsidiary of a joint venture
Hangzhou Biwan Network Technology Co., Ltd. ("**Hangzhou Biwan Network Technology**") 杭州碧萬網絡科技有限公司	Subsidiary of a joint venture
Jiangxi Besunyen Juxin Trading Co., Ltd. ("**Jiangxi Besunyen Juxin Trading**") 江西碧生源聚鑫商貿有限公司	Subsidiary of a joint venture
Jiangxi Besunyen Yide Trading Co., Ltd. ("**Jiangxi Besunyen Yide Trading**") 江西碧生源易得商貿有限公司	Subsidiary of a joint venture

26. RELATED PARTY TRANSACTIONS *(Continued)*

Name	Relationship with the Group
Guangzhou Bi Han E-commerce Co., Ltd. (“**Guangzhou Bi Han E-commerce**”) 廣州碧瀚電子商務有限公司	Subsidiary of a joint venture
Hangzhou Biwan E-commerce Co., Ltd. (“**Hangzhou Biwan E-commerce**”) 杭州碧萬電子商務有限公司	Subsidiary of a joint venture
Hangzhou Bilai Network Technology Co., Ltd. (“**Hangzhou Bilai Network Technology**”) 杭州碧來網絡科技有限公司	Subsidiary of a joint venture
Beijing Bixing E-commerce Co., Ltd. (“**Beijing Bixing E-commerce**”) 北京碧興電子商務有限公司	Subsidiary of a joint venture

The following significant transactions were carried out between the Group and its related parties during the reporting period. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Transactions with related parties:

	Six month ended 30 June	
	2026	2025
	RMB’000	RMB’000
Sale of goods to:		
— Jiangxi Besunyen Trading	—	16,213
— Jiangxi Besunyen Technology	—	15,482
— Jiangsu Besunyen Trading	—	13,795
— Jiangxi Besunyen Biotechnology	—	11,079
— Jiangxi Besunyen Health Food Sales	—	5,139
— Jiangxi Yide Trading	—	5,292
	—	67,000

Notes to the Interim Condensed Consolidated Financial Information

26. RELATED PARTY TRANSACTIONS *(Continued)*

(a) Transactions with related parties: *(Continued)*

	Six month ended 30 June	
	2026	2025
	RMB'000	RMB'000
Purchase of operating services from:		
— Beijing Bihan E-commerce	**—**	2,443
— Hangzhou Bihan E-commerce	**—**	1,776
— Guangzhou Bihan Network Technology	**—**	1,743
— Hangzhou Bixing E-commerce	**—**	2,176
— Hangzhou Bihan Network Technology	**—**	1,446
— Beijing Biyu E-commerce	**—**	1,361
— Hangzhou Biyu E-commerce	**—**	2,226
— Guangzhou Bi Han E-commerce	**—**	2,077
— Hangzhou Biwan E-commerce	**—**	2,182
— Dongguan Bihan Pharmaceutical	**—**	20
— Hangzhou Biwan Network Technology	**—**	2,077
— Hangzhou Bilai Network Technology	**—**	2,285
— Beijing Bixing E-commerce	**—**	2,834
— Zhangke Huikai Technology	**2,040**	—
	2,040	24,646

(b) Outstanding balances arising from sales/purchases of goods and services:

	As at	
	30 June	31 December
	2026	2025
	RMB'000	RMB'000
Balances due from relate parties		
Deposits from:		
— Zhongke Huikai Technology	**58**	18
	58	18
	58	18

As at 30 June 2026 and 31 December 2025, there were no non-trade balances with related parties, and all balances with related parties were non interest bearing and of a trade nature. Due to their short maturity period, their fair value was similar to their carrying amount.

26. RELATED PARTY TRANSACTIONS *(Continued)*

(c) Key management compensation

Key management includes Chief Strategy Officer, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Executive Vice President and Vice Presidents. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Salaries, bonus and other allowances	**5,074**	5,077
Pension cost — defined contribution plan	**359**	245
	5,433	5,322

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, so far as known to the Directors, the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which were required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or (b) to be and were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or (c) as otherwise to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"):

Name of Director/ Chief Executive	Nature of interest	Number of Shares/options	Number of options granted under the Share Option Scheme	Approximate percentage of total issued Shares (%)[8]
Mr. ZHAO Yihong	Beneficial owner, interest of his spouse, beneficiary of a discretionary trust and interest of corporation controlled by the Director[1][3]	62,975,657[1][L]	200,000[1][L]	51.51%
Ms. GAO Yan	Beneficial owner, interest of her spouse and beneficiary of a discretionary trust[2][3]	62,975,657[2][L]	200,000[2][L]	51.51%
Mr. FENG Bing	Beneficial owner	100,000[4][L]	100,000[4][L]	0.08%
Mr. YU Hongjiang	Beneficial owner	1,280,025[5][L]	1,222,000[5][L]	1.05%
Mr. HE Yuanping	Beneficial owner	100,000[6][L]	100,000[6][L]	0.08%
Mr. SHI Xiangxin	Beneficial owner	100,000[7][L]	100,000[7][L]	0.08%
Dr. CHEN Yang	—	—	—	—

Other Information

(1) Mr. Zhao Yihong, executive Director, beneficially owns 100,000 options granted under the Share Option Scheme and 313,017 Shares directly. Mr. Zhao is the sole director of Foreshore Holding Group Limited and Better Day Holdings Limited. Mr. Zhao is also deemed or taken to be interested in the following Shares for the purposes of the SFO:

(i) 61,219,437 Shares which are beneficially owned by Foreshore Holding Group Limited, a company which is deemed to be interested by Mr. Zhao;

(ii) 1,069,128 Shares which are beneficially owned by Better Day Holdings Limited, a company which is controlled by Mr. Zhao; and

(iii) 100,000 options granted under the Share Option Scheme and 174,075 Shares, which are beneficially owned by Ms. Gao Yan, Mr. Zhao's spouse.

(2) Ms. Gao Yan, executive Director, beneficially owns 100,000 options granted under the Share Option Scheme and 174,075 Shares directly. Ms. Gao is also deemed or taken to be interested in the following Shares for the purposes of the SFO:

(i) 100,000 options granted under the Share Option Scheme and 313,017 Shares, which are beneficially owned by Mr. Zhao Yihong, Ms. Gao's spouse;

(ii) 61,219,437 Shares which are beneficially owned by Foreshore Holding Group Limited, a company which is deemed to be interested by Ms. Gao; and

(iii) 1,069,128 Shares which are deemed to be beneficially owned by Mr. Zhao as controlling shareholder of Better Day Holdings Limited.

(3) 8,414 shares (99.99%) of Foreshore Holding Group Limited are directly owned by Turtle and Snake Limited. The entire issued share capital of Turtle and Snake Limited is held by Green River Fiduciary Services, LLC, in its capacity as the trustee of a family trust established by Ms. Yang Aiying, mother of Mr. Zhao Yihong, as the settlor for the benefit of herself and her family members.

(4) Mr. Feng Bing, executive Director, beneficially owns 100,000 options granted under the Share Option Scheme.

(5) Mr. Yu Hongjiang, executive Director, beneficially owns 1,222,000 options granted under the Share Option Scheme and 58,025 Shares directly.

(6) Mr. He Yuanping, independent non-executive Director, beneficially owns 100,000 options granted under the Share Option Scheme.

(7) Mr. Shi Xiangxin, independent non-executive Director, beneficially owns 100,000 options granted under the Share Option Scheme.

(8) This is calculated based on 122,265,585 Shares, being the number of Shares in issue as at 30 June 2026.

* The letter "L" denotes the person's long position in such Shares.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, so far as known to the Directors, persons (other than the Directors or chief executive of the Company) who had an interest in the shares or underlying shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO were as follows:

Substantial Shareholders	Number of Shares	Approximate percentage of total issued Shares (%)[3]
Foreshore Holding Group Limited[1]	61,219,437[L]	50.07%
Turtle and Snake Limited[1]	61,219,437[L]	50.07%
Green River Fiduciary Services, LLC[1]	61,219,437[L]	50.07%
Ms. PENG Wei[2]	10,279,150[L]	8.41%
Everyoung Investment Holdings Limited[2]	9,281,250[L]	7.59%

(1) 8,414 shares (99.99%) of Foreshore Holding Group Limited is directly owned by Turtle and Snake Limited. The entire issued share capital of Turtle and Snake Limited is held by Green River Fiduciary Services, LLC, in its capacity as the trustee of a family trust established by Ms. Yang Aiying, mother of Mr. Zhao Yihong, as the settlor for the benefit of herself and her family members.

(2) The entire issued share capital of Everyoung Investment Holdings Limited is directly owned by Ms. Peng Wei. Ms. Peng beneficially owns 997,900 Shares.

(3) This is calculated based on 122,265,585 Shares, being the number of Shares in issue as at 30 June 2026.

* The letter "L" denotes the person's long position in such Shares.

Save as disclosed above, as at 30 June 2026, the Company has not been notified by any person (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The adoption of the share option scheme of the Company (the "**Share Option Scheme**") has been approved by the Board on 8 March 2024 and by the shareholders at the extraordinary general meeting held on 11 April 2024. The Share Option Scheme shall be valid for a period of ten years from the date of shareholders' approval. Except for the Share Option Scheme, the Company does not adopt any other share schemes as at the date of this report.

Purpose

The purpose of the Share Option Scheme is to provide an incentive to motivate, attract and retain eligible participants and to encourage eligible participants to optimize their performance efficiency, enhance the value of the Company and promote the long-term growth of the Company. The Share Option Scheme will provide the eligible participants to have a personal stake in the Company to achieve its intended purpose.

Eligible participants

Eligible participants for the Share Option Scheme include: (a) directors and employees of the Company or any of its subsidiaries (including persons who are granted share options under the scheme as an inducement to enter into employment contracts with these companies) (the "**Employee Participants**"); and (b) directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company.

Number of Shares available for issue

The maximum number of Shares available for issue under the Share Option Scheme is 12,226,558, being 10% of issued Shares of the Company on the date of this report.

Maximum entitlement of each participant

For any twelve-month period up to and including the grant date, the aggregate number of Shares issued and to be issued in respect of all share options granted to such Eligible Participant (excluding any share options lapsed in accordance with the terms of the Share Option Scheme) shall not in aggregate exceed 1% of the total number of Shares in issue on the grant date.

Consideration for the acceptance of share option

An offer shall be accepted by an Eligible Participant by delivering to the Company a copy of the duly signed offer letter comprising acceptance of the offer (stating the number of share options to be accepted), together with a remittance of HK$1.00 as the consideration for the grant of share options, on or before the relevant acceptance date. Such remittance shall in no circumstances be refundable.

Vesting period

The vesting period of the share options shall be at least twelve months, and the Board may at its discretion grant a shorter vesting period to an Employee Participant in the following circumstances: (a) grants of "make-whole" share options to new joiners to replace the share options they forfeited when leaving the previous employers; (b) grants to an Employee Participant whose employment is terminated due to death or occurrence of any out-of-control event; (c) grants that are made in batches during a year for administrative and compliance reasons, which include share options that should have been granted earlier if not for such administrative or compliance reasons had to wait for the subsequent batch; (d) grants of share options with a mixed or accelerated vesting schedule such as where the share options may vest evenly over a period of twelve months; or (e) grants with performance-based vesting conditions in lieu of time-based vesting criteria as determined in the conditions of grant.

Exercise period

Unless the share options expire early in accordance with the terms of the Share Option Scheme, they may be exercised any time during the period determined by the Board in its absolute discretion, provided that such period shall not exceed the period of ten years from the grant date.

Exercise price

The Exercise price shall be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of: (a) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the grant date of share options, which must be a business day; (b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five consecutive business days immediately preceding the grant date of share options; and (c) the nominal value of the Share on the grant date of share options.

OPTIONS DETAILS

On 8 May 2024, the Company granted 12,226,000 share options under the Share Option Scheme. Please see the table below for details.

Date of grant	Share options granted	Date of vesting	Lapse date	Exercise Price	Fair value of option at grant date
				HK$	HK$
8 May 2024	1,222,000	7 May 2025	7 May 2034	2.822	599,000
	11,004,000	17 October 2024			4,405,000

The following table discloses the movement of the Company's options held by the Directors, employees and related entity participant under the Share Option Scheme for the six months ended 30 June 2026:

	Date of grant (note 1)	Date of vesting	Outstanding at 01/01/2026	Cancelled during the period	Lapsed during the period	Exercised during the period	Outstanding at 30/06/2026
Executive directors							
Zhao Yihong	8 May 2024	17 October 2024	100,000	—	—	—	100,000
Gao Yan	8 May 2024	17 October 2024	100,000	—	—	—	100,000
Feng Bing	8 May 2024	17 October 2024	100,000	—	—	—	100,000
Yu Hongjiang	8 May 2024	17 October 2024	1,222,000	—	—	—	1,222,000
			1,522,000	—	—	—	1,522,000
Independent non-executive directors							
He Yuanping	8 May 2024	17 October 2024	100,000	—	—	—	100,000
Shi Xiangxin	8 May 2024	17 October 2024	100,000	—	—	—	100,000
			200,000	—	—	—	200,000
Employees aggregate	8 May 2024	17 October 2024	9,282,000	—	—	—	9,282,000
Related entity participant (note 3)	8 May 2024	7 May 2025	1,222,000	—	—	—	1,222,000
			10,504,000	—	—	—	10,504,000
	Total		12,226,000	—	—	—	12,226,000
Exercise price (HK$)			2.822	—	—	—	2.822
Exercisable at the end of the period							—

Other Information

Notes:

1. The closing price of the Company's shares immediately before the date of grant was HK$2.61.

2. On 8 May 2024, the Company granted a total of 12,226,000 share options to 16 eligible participants in accordance with the terms of the Share Option Scheme. The share options will be vested on the business day immediately following the date on which the relevant vesting conditions are satisfied and 12 months from the date of grant for employee participants (including Directors) and related entity participants, respectively. The exercise period of these share options is ten years from the date of grant. According to the vesting condition notification letter issued by the Company on 29 September 2024, the vesting condition (for employee participants (including Directors)) is that the net profit of the Group for the nine months ending 30 September 2024 reach RMB2 million. The management of the Company calculated the net profit for such period on 16 October 2024 and confirmed that the vesting condition had been satisfied.

3. As disclosed in the announcement of the Company dated 8 May 2024, the 1,222,000 Share Options were granted to Mr. Zhao Yiyin, the general manager of e-commerce business of an associated company of the Company. The Board is of the view that maintaining stable cooperation with and procuring continuous contributions from such Related Entity Participant is crucial to the sustainable development of the Group. Such associated company provides the Group with business operating services related to e-commerce and marketing as well as service guarantee.

4. As at 1 January 2026 and 30 June 2026, the number of Shares available for future grant under the Share Option Scheme was 558 in each case. For the six months ended 30 June 2026, the number of Shares that may be issued in respect of options and awards granted under all schemes of the Company divided by the weighted average number of issued Shares of the Company (excluding treasury shares) for the period was nil.

5. As disclosed in the announcement of the Company dated 8 May 2024, the vesting period for the grant of the share options to the employee participants (including Directors) is shorter than 12 months because the Options are subject to performance-based vesting conditions in lieu of time-based vesting criteria. The Remuneration Committee is of the view that such arrangement aligns with the purpose of the share option scheme as it provides an incentive to motivate, attract and retain employee participants and to encourage employee participants to optimize their performance efficiency, enhance the value of the Company and promote the long-term growth of the Company.

6. Except for the share options granted to Mr. Zhao Yiyin, the vesting period of which has not yet expired, the vesting of the share options granted by the Company to other grantees on 8 May 2024 was completed on 17 October 2024 as the vesting conditions had been met. The closing price of the Company's shares immediately before 17 October 2024 was HK$2.41.

7. The vesting of the share options granted by the Company to Mr. Zhao Yiyin on 8 May 2024 was completed on 7 May 2025 as 12 months have passed from the date of grant. The closing price of the Company's shares immediately before 7 May 2025 was HK$2.23.

CORPORATE GOVERNANCE

For the six months ended 30 June 2026, the Company has applied the principles and complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules.

AUDIT COMMITTEE

As at the date of this interim report, the audit committee of the Company (the "**Audit Committee**") comprises three independent non-executive Directors, namely Mr. He Yuanping, a Director with the appropriate professional qualifications and serving as the chairman of the Audit Committee, Mr. Shi Xiangxin and Dr. Chen Yang. The Audit Committee has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 and this interim report, the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters.

REVIEW OF INTERIM RESULTS

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 has been reviewed by Rongcheng (Hong Kong) CPA Limited, the auditor of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own securities dealing code for the Directors. Having made specific inquiries of all Directors, all Directors confirmed that they complied with the required standard as set out in the Model Code during the six months ended 30 June 2026.

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

The Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company or sell any treasury shares during the six months ended 30 June 2026. As at 30 June 2026, the Company did not hold any treasury shares.

CHANGES IN THE INFORMATION OF DIRECTORS

Mr. HE Yuanping and Mr. SHI Xiangxin have been appointed as independent directors of Beijing Soaring Electric Technology Co., Ltd. (a company listed on the National Equities Exchange and Quotations, stock code: 875115) with effect from 10 April 2026.

Save as disclosed above, there has been no change in the information of the Directors from the date of the 2025 annual report to the date of this interim report that is required to be disclosed under Rule 13.51B(1) of the Listing Rules.

INTERIM DIVIDEND

The Board has resolved not to declare and pay any interim dividend for the six months ended 30 June 2026.

PROGRESS ON THE REDEMPTION OF THE INVESTMENT IN GOSP6

Reference is made to the 2024 annual report of the Company dated 29 April 2025, in which it was disclosed that management confirmed that the redemption arrangements disclosed in the "Subsequent Event" section of the 2024 Annual Results Announcement ultimately failed to materialize. With respect to the cash and equity redemption, the Fund Manager failed to complete the payment and share transfer in the manner described. As for the asset swap, given that the arrangement involved exchanging fund units for shares in a third-party private company, the Group, after reassessment upon due diligence, considered that such arrangement was not in the best interests of the Company and its shareholders as a whole. Consequently, the Group explicitly rejected it and, since July 2025, has consistently sought full recovery in cash of the entire investment principal and related returns.

As at the date of this interim report, the management has taken the following proactive measures to advance the recovery of the investment in the Fund:

(1) Since the beginning of 2025, the Group has repeatedly urged the Fund Manager via email and in writing to provide relevant documents and proceed with the redemption arrangements.

(2) The Group's legal representatives issued formal demand letters to the Fund Manager on 18 December 2025, 29 December 2025, 9 January 2026, 29 January 2026, 17 March 2026, 24 June 2026, 7 July 2026 and 17 July 2026, respectively, making a stern demand regarding the overdue redemption payments and the obligation to cooperate with the audit, and requesting the submission of a specific written redemption plan.

(3) Upon further negotiations, the Fund Manager explained to the Group that given the current portfolio characteristics of the Fund, there were practical difficulties in completing the redemption entirely in cash in the short term, and proposed alternative options including in-kind redemption using other assets held by the Fund, asset swap and/or fund liquidation. After prudent consideration, the Board of the Company considered that, in order to strive for the substantial recovery of this investment as soon as possible and resolve the related annual audit qualification within a reasonable timeframe, while maintaining full cash recovery as its primary objective, the Group was also willing to concurrently evaluate the feasibility of the above alternative options provided that it is in the interests of the Company and its shareholders as a whole.

(4) During the period from July to August 2026, the Group held multiple rounds of negotiations with the Fund Manager regarding the above alternative options. The Fund Manager submitted a draft written consent letter to the Group in August 2026, and the Group is currently negotiating the specific terms with the Fund Manager. The proposal currently under negotiation mainly involves in-kind redemption using certain assets held by the Fund, together with cash distribution arrangements for the remaining balance, subject to the condition precedent that the Group's auditors confirms that such arrangements are sufficient to remove the relevant annual audit qualification.

Other Information

(5) The Group aims to achieve a solution by the end of December 2026 that is sufficient to remove the relevant annual audit qualification. This target date was determined taking into account the timetable for the Group's audit procedures for the 2026 annual results. Having given due and careful consideration, the Board of the Company considers that taking further legal action against the Fund Manager at this stage may result in the postponement of the relevant asset disposal procedures, which would instead be detrimental to the Group's ultimate recovery and is therefore not in the interests of the Company and its shareholders as a whole. In making the above judgment, the Group has taken into consideration: (a) that the negotiations are currently at a stage of substantive progress; (b) the Fund Manager's current financial position and immediate solvency; (c) the expense and time cost of relevant legal proceedings; and (d) that the Group has reserved all its legal and regulatory rights.

(6) If a final solution sufficient to support the removal of the relevant annual audit qualification cannot be reached with the Fund Manager by 31 December 2026, the Group will immediately reassess its position and consider taking all necessary legal and regulatory measures to safeguard the rights and interests of the Company and its shareholders as a whole.

(7) The Group's primary objective remains to achieve a substantial recovery of the investment in the Fund as soon as possible, and it will evaluate and pursue feasible recovery plans in a manner that is in the best interests of the Company and its shareholders as a whole. The Company will make further announcement(s) to keep shareholders and investors informed of the latest developments as and when appropriate.

SUBSEQUENT EVENTS

Save as disclosed above, no significant event affecting the Group has occurred subsequent to 30 June 2026 and up to the date of this interim condensed consolidated financial information.

On behalf of the Board
ZHAO Yihong
Chairman

Hong Kong, 7 August 2026