Stock Code: 603605 Stock Abbreviation: Proya

Bond Code: 113634 Bond Abbreviation: Proya Convertible Bond

Proya Cosmetics Co., Ltd.
Third Quarter Report 2025

The Board of Directors and all directors of the Company guarantee that there are no false records, misleading statements, or material omissions in the content of this announcement, and bear legal responsibility for the truthfulness, accuracy, and completeness of its content.

Key Information Highlights:

The Board of Directors, all directors, and senior management of the Company hereby guarantee that the contents of this quarterly report are true, accurate, and complete, and that there are no false records, misleading statements, or material omissions. They shall bear individual and joint legal liability for the authenticity, accuracy, and completeness of the information contained herein.

The person in charge of the Company, the person responsible for accounting work, and the head of the accounting department (accounting officer) hereby guarantee that the financial information contained in this quarterly report is true, accurate, and complete.

Were the third-quarter financial statements audited?
"□ Yes" "√ No"

I. Key Financial Data

(I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	The Reporting Period	YOY change in the	From the beginning of the year to the	YoY change in the period from the

		Reporting Period (%)	end of the Reporting Period	beginning of the year to the end of the Reporting Period (%)
Operating revenue	1,736,009,372.67	-11.63	7,097,899,849.33	1.89
Total profit	273,353,000.54	-23.23	1,271,850,421.62	1.58
Net profit attributable to shareholders of the listed company	227,188,720.58	-23.64	1,025,700,052.65	2.65
Net profit attributable to shareholders of the listed company net of non-recurring gains and losses	227,104,910.50	-22.30	997,706,043.78	2.72
Net cash flows from operating activities	Not applicable	Not applicable	1,198,467,218.63	196.65
Basic earnings per share (RMB/share)	0.57	-24.00	2.59	2.37
Diluted earnings per share (RMB/share)	0.57	-24.00	2.59	3.60
Weighted average ROE (%)	3.96	down by 2.38 percentage points	18.25	down by 3.49 percentage points
	End of the Reporting Period	End of prior year		Change at the end of the Reporting Period over the end of the prior year (%)
Total assets	8,574,809,697.11	7,530,182,694.00		13.87
Owners' Equity attributable to shareholders of the listed company	5,668,548,299.68	5,402,074,485.07		4.93

Note: The "Reporting Period" refers to the three-month period from the beginning of this quarter to the end of this current quarter, as follows.

(II) Items and amounts of non-recurring gains and losses

"√ Not applicable" "□ Not applicable"

Unit: Yuan Currency: RMB

Non-recurring profit and loss item	Amount for the current period	Amount in the period from the beginning of the year to the end of the Reporting Period	Remarks
Gains or losses arising from disposal of non-current assets, including write-offs of provision for asset impairment accrued	-301,417.58	-647,921.76	
Government grants included in current profit or loss (excluding government grants that are closely related to the Company's normal business operations, compliant with national policies, granted at set standards, and imposing sustaining influence on the Company's profit or loss)	403,523.99	51,080,833.99	
Gains or losses arising from change in fair value generated by financial assets and financial liabilities held by non-financial enterprises, as well as gains or losses arising from disposal of financial assets and financial liabilities, except for valid hedging business related to the Company's normal business operations			
Capital occupation fees charged to non-financial enterprises and included in current profit or loss			
Gains or losses on authorizing others to invest or manage assets			
Gains or losses arising from entrusted loans to external parties			
Asset loss incurred by force majeure such as natural disasters			
Reversal of provision for impairment of receivables individually tested for impairment			
Gains arising when the investment cost of acquiring a subsidiary, an associate or a joint venture is less than			

the fair value of the identifiable net assets of the investee			
Net profit or loss of subsidiaries arising from business combinations under common control, for the period from the beginning of the Reporting Period to the combination date			
Gains or losses arising from exchange of non-monetary assets			
Gains or losses arising from debt restructuring			
One-off expenses incurred due to the cessation of relevant operating activities, such as staffing expenses			
One-off impact on current profit or loss resulting from adjustments in tax, accounting, or other laws and regulations			
One-off share-based payment recognized for cancellation and modification of equity incentive plans			
Gains or losses arising from changes in the fair value of employee remuneration payable under cash-settled share-based payment after the vesting date			
Gains or losses arising from changes in the fair value of investment property subsequently measured with the fair value model			
Gains arising from transactions with unreasonable transaction price			
Gains or losses arising from contingencies unrelated to the Company's normal business operations			
Custody fee income from entrusted operations			
Other non-operating revenue and expenses besides the above items	43,089.20	-639,967.70	
Other gains and losses items that conform to the definition of non-recurring gains and losses			

Less: Effect of income tax	31,240.36	12,560,858.24	
Impact of minority interests (after tax)	30,145.17	9,238,077.42	
Total	83,810.08	27,994,008.87	

The reasons should be explained for the Company defining items not listed in the *Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Non-Recurring Gains and Losses* as non-recurring gains and losses items of high value, and defining the non-recurring gains and losses items listed in the same document as recurring gains and losses items.
"□ Applicable" "√ Not applicable"

(III) Changes in key accounting data and financial indicators and reasons

"√ Not applicable" "□ Not applicable"

Item	Change ratio (%)	Primary reasons
Net cash flows from operating activities - from the beginning of the year to the end of the Reporting Period	196.65	Mainly due to: 1. An increase in cash received from sales of goods; 2. A decrease in payments for goods purchased.

II. Shareholders Information

(I) Total number of ordinary shareholders, number of shareholders of preference shares whose voting rights have been restored, and top ten shareholders holding shares

Unit: Share

Total number of ordinary shareholders at the end of the Reporting Period	84,093	Total number of shareholders of preference shares whose voting rights have been restored at the end of the Reporting Period (if any)				0
Shareholdings of the top ten shareholders (excluding securities lending and refinancing)						
Name of shareholder	Nature of shareholders	Number of shares held	Shareholding ratio (%)	Number of restricted shares held	Pledged, marked or frozen	
					Share status	Number
HOU Juncheng	Domestic natural person	136,739,037	34.53	0	None	
FANG Yuyou	Domestic natural person	59,625,258	15.06	0	Frozen	17,041,269
Hong Kong Securities Clearing Company Limited	Others	27,110,629	6.85	0	None	

Agricultural Bank of China Limited – CSI 500 Exchange Traded Open-End Index Securities Investment Fund	Others	3,464,787	0.87	0	None	
Industrial and Commercial Bank of China Limited - Invesco Great Wall Emerging Growth Hybrid Securities Investment Fund	Others	3,332,000	0.84	0	None	
Industrial and Commercial Bank of China Limited – Dongfanghong Ruixi Three-Year Holding Period Hybrid Securities Investment Fund	Others	3,251,940	0.82	0	None	
Industrial and Commercial Bank of China Limited – CSI Major Consumer Exchange Traded Open-End Index Securities Investment Fund	Others	3,012,100	0.76	0	None	
China Construction Bank Co., Ltd. - CUAM Consumer Industry Hybrid Securities Investment Fund	Others	2,000,002	0.51	0	None	
Schroder Investment Management (Hong Kong) Limited - Schroder International Selection Fund China A-share (stock exchange)	Others	1,961,800	0.50	0	None	
China Life Insurance Co., Ltd. – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai	Others	1,937,544	0.49	0	None	

Shareholdings of the top ten unrestricted shareholders (excluding securities lending and refinancing)			
Name of shareholder	Number of unrestricted circulating shares held	Type and number of shares	
		Type of shares	Number
HOU Juncheng	136,739,037	RMB ordinary shares	136,739,037

FANG Yuyou	59,625,258	RMB ordinary shares	59,625,258
Hong Kong Securities Clearing Company Limited	27,110,629	RMB ordinary shares	27,110,629
Agricultural Bank of China Limited – CSI 500 Exchange Traded Open-End Index Securities Investment Fund	3,464,787	RMB ordinary shares	3,464,787
Industrial and Commercial Bank of China Limited - Invesco Great Wall Emerging Growth Hybrid Securities Investment Fund	3,332,000	RMB ordinary shares	3,332,000
Industrial and Commercial Bank of China Limited – Dongfanghong Ruixi Three-Year Holding Period Hybrid Securities Investment Fund	3,251,940	RMB ordinary shares	3,251,940
Industrial and Commercial Bank of China Limited – CSI Major Consumer Exchange Traded Open-End Index Securities Investment Fund	3,012,100	RMB ordinary shares	3,012,100
China Construction Bank Co., Ltd. - CUAM Consumer Industry Hybrid Securities Investment Fund	2,000,002	RMB ordinary shares	2,000,002
Schroder Investment Management (Hong Kong) Limited - Schroder International Selection Fund China A-share (stock exchange)	1,961,800	RMB ordinary shares	1,961,800
China Life Insurance Co., Ltd. – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai	1,937,544	RMB ordinary shares	1,937,544

Explanation on the association or concerted action among the shareholders mentioned above	FANG Yuyou is the younger brother of HOU Juncheng's spouse FANG Aiqin, so HOU Juncheng and FANG Yuyou are associated.
Explanation on the securities lending and refinancing among the top ten shareholders and top ten unrestricted shareholders (if any)	Not applicable

Note: As of the end of the Reporting Period, 2,210,825 shares of the Company were held in the Company's special securities account for repurchase, representing 0.56% of the total share capital of the Company.

Securities lending and refinancing involved by shareholders holding more than 5% shares, the top ten shareholders and the top ten shareholders of unrestricted circulating shares
"□ Applicable" "√ Not applicable"

Change in the top ten shareholders and the top ten shareholders of unrestricted circulating shares over the previous period due to securities lending and refinancing/their returning
"□ Applicable" "√ Not applicable"

III. Other Matters to Note

Other important information regarding the Company's operating performance during the Reporting Period that investors should be aware of.
"□ Applicable" "√ Not applicable"

IV. Quarterly Financial Statements

(I) Type of audit opinion

"□ Applicable" "√ Not applicable"

(II) Financial statements

Consolidated Balance Sheet

September 30, 2025

Prepared by: Proya Cosmetics Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	September 30, 2025	December 31, 2024
Current assets:		
Monetary capital	4,482,429,082.19	4,082,126,416.84
Provision for settlement		

Placements with banks and other financial institutions		
Financial assets held for trading		
Derivative financial assets		
Notes receivable		
Accounts receivable	318,499,272.25	517,954,587.12
Receivables financing	1,221,062.00	
Prepayments	279,423,583.14	223,879,388.67
Premiums receivable		
Reinsurance accounts receivable		
Provision for reinsurance contract receivables		
Other receivables	11,746,960.71	9,869,822.71
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventory	976,259,283.67	661,410,153.37
Including: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	142,290,073.09	118,117,428.18
Total current assets	6,211,869,317.05	5,613,357,796.89
Non-current assets:		
Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	431,448,336.37	111,090,815.70
Other equity instrument investments	81,256,995.18	71,256,995.18
Other non-current financial assets		
Investment property	62,041,914.81	63,537,443.20
Fixed assets	876,929,898.61	907,224,090.94
Construction in progress	117,921,464.80	74,585,001.38
Productive biological assets		
Oil and gas assets		
Right-of-use assets	19,582,489.43	14,541,665.50
Intangible assets	418,117,646.16	429,394,857.15
Including: Data resources		
Development expenditure		
Including: Data resources		

Goodwill		
Long-term deferred expenses	111,457,435.14	70,202,612.96
Deferred income tax assets	210,095,626.90	163,733,011.95
Other non-current assets	34,088,572.66	11,258,403.15
Total non-current assets	2,362,940,380.06	1,916,824,897.11
Total assets	8,574,809,697.11	7,530,182,694.00
Current liabilities:		
Short-term borrowings	80,024,000.00	
Borrowings from the central bank		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	1,014,873,964.55	676,388,126.18
Receipts in advance	311,033.47	129,400.52
Contract liabilities	220,623,450.59	153,710,588.62
Financial assets sold under repurchase agreements		
Customer deposits and deposits from banks and other financial institutions		
Funds from securities trading agencies		
Funds from underwriting securities agencies		
Employee remuneration payable	124,742,567.53	155,703,420.95
Taxes payable	142,952,016.90	125,853,371.28
Other payables	350,782,184.58	91,776,722.59
Including: Interest payable		
Dividends payable	315,035,573.60	
Fees and commissions payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	4,775,968.41	3,473,806.48
Other current liabilities	6,614,954.55	5,509,508.59
Total current liabilities	1,945,700,140.58	1,212,544,945.21
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings		
Bonds payable	806,619,068.46	780,011,293.32
Including: Preference shares		
Perpetual bonds		

Lease liabilities	14,599,911.65	10,955,380.12
Long-term payables		
Long-term employee remuneration payable		
Estimated liabilities	11,728,682.67	25,162,463.80
Deferred income	17,106,593.83	15,260,760.59
Deferred income tax liabilities	438,756.97	
Other non-current liabilities		
Total non-current liabilities	850,493,013.58	831,389,897.83
Total liabilities	2,796,193,154.16	2,043,934,843.04
Owner's equity (or shareholders' equity):		
Paid-in capital (or share capital)	396,005,282.00	396,247,555.00
Other equity instruments	50,890,526.72	50,891,546.26
Including: Preference shares		
Perpetual bonds		
Capital reserve	826,796,738.87	846,600,405.28
Less: Treasury shares	193,700,268.42	238,275,443.41
Other comprehensive income	-84,720,033.83	-84,904,946.54
Special reserve		
Surplus reserve	198,411,582.50	198,411,582.50
General risk reserve		
Undistributed profits	4,474,864,471.84	4,233,103,785.98
Total owner's equity (or shareholders' equity) attributable to the parent company	5,668,548,299.68	5,402,074,485.07
Minority interests	110,068,243.27	84,173,365.89
Total owner's equity (or shareholders' equity)	5,778,616,542.95	5,486,247,850.96
Total liabilities and owners' equity (or shareholders' equity)	8,574,809,697.11	7,530,182,694.00

Company Representative: HOU Juncheng   Accounting Work Representative: JIN Chang
Accounting Department Representative: MA Nan

Consolidated Income Statement

2025 M1-M9

Prepared by: Proya Cosmetics Co., Ltd.

Unit: Yuan   Currency: RMB   Type of Audit: Unaudited

Item	First three quarters of 2025 (M1-M9)	First three quarters of 2024 (M1-M9)
I. Total operating revenue	7,097,899,849.33	6,966,033,360.37
Including: Operating revenue	7,097,899,849.33	6,966,033,360.37
Interest income		

Premiums earned		
Fees and commission income		
II. Total operating costs	5,855,768,198.52	5,744,357,919.86
Including: Operating costs	1,867,128,487.97	2,084,884,015.50
Interest expenses		
Fees and commissions expenses		
Surrenders		
Net compensation expenses		
Net provision for insurance liability reserves		
Insurance policy dividend expenses		
Reinsurance expenses		
Taxes and surcharges	60,565,990.35	52,714,418.79
Sales expenses	3,525,239,516.44	3,231,672,618.81
Administrative expenses	290,164,810.57	272,663,396.32
R&D expenses	141,892,170.50	142,437,776.25
Financial expenses	-29,222,777.31	-40,014,305.81
Including: Interest expenses	23,914,050.19	15,476,254.24
Interest income	46,750,608.77	56,625,021.91
Add: Other income	57,237,116.15	71,782,997.31
Investment income (“-” for losses)	6,420,566.35	-3,153,663.74
Including: Investment income from associates and joint ventures	11,444,227.90	-3,153,663.74
Gains from derecognition of financial assets measured at amortized cost		
Foreign exchange gains (“-” for losses)		
Net gain on exposure hedging (“-” for losses)		
Gains on changes in fair value (“-” for losses)		
Credit impairment losses (“-” for losses)	7,287,063.65	4,634,528.68
Asset impairment losses (“-” for losses)	-40,003,598.59	-42,109,077.10
Gains from disposal of assets (“-” for losses)	-647,921.76	-758,751.64
III. Operating profit (“-” for losses)	1,272,424,876.61	1,252,071,474.02
Add: Non-operating revenue	721,299.11	1,673,416.25
Less: Non-operating expenses	1,295,754.10	1,615,716.02
IV. Total profit (“-” for total losses)	1,271,850,421.62	1,252,129,174.25
Less: Income tax expenses	216,849,451.38	229,730,454.71

V. Net profit ("-" for net losses)	1,055,000,970.24	1,022,398,719.54
(I) Classified by operation continuity		
1. Net profit from continuing operations ("-" for net losses)	1,055,000,970.24	1,022,398,719.54
2. Net profit from discontinued operations ("-" for net losses)		
(II) Classified by ownership		
1. Net profit attributable to shareholders of the parent company ("-" for net losses)	1,025,700,052.65	999,209,386.88
2. Profit or loss attributable to minority interests ("-" for net losses)	29,300,917.59	23,189,332.66
VI. Other comprehensive income, net of tax	184,912.71	230,418.26
(I) Other comprehensive income attributable to owners of the parent company, net of tax	184,912.71	230,418.26
1.Other comprehensive income that cannot be reclassified into profit or loss		
(1) Changes arising from re-measurement of defined benefit plans		
(2) Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
(3) Changes in the fair value of other equity instrument investments		
(4) Changes in the fair value of the Company's own credit risks		
2. Other comprehensive income that will be reclassified into profit or loss	184,912.71	230,418.26
(1) Other comprehensive income that can be reclassified into profit or loss under the equity method		
(2) Changes in the fair value of other debt investments		
(3) Amount of financial assets reclassified into other comprehensive income		
(4) Credit impairment provisions of other debt investments		
(5) Cash flow hedging reserve		

(6) Conversion differences of financial statements denominated in foreign currencies	184,912.71	230,418.26
(7) Others		
(II) Other comprehensive income attributable to minority interests, net of tax		
VII. Total comprehensive income	1,055,185,882.95	1,022,629,137.80
(I) Total comprehensive income attributable to owners of the parent company	1,025,884,965.36	999,439,805.14
(II) Total comprehensive income attributable to minority interests	29,300,917.59	23,189,332.66
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	2.59	2.53
(II) Diluted earnings per share (RMB/share)	2.59	2.50

Company Representative: HOU Juncheng Accounting Work Representative: JIN Chang
Accounting Department Representative: MA Nan

Consolidated Cash Flow Statement

2025 M1-M9

Prepared by: Proya Cosmetics Co., Ltd.

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Item	First three quarters of 2025 (M1-M9)	First three quarters of 2024 (M1-M9)
I. Cash flows from operating activities:		
Cash receipts from sales of goods and rendering of services	8,048,869,273.19	7,522,400,703.39
Net increase in customer deposits and deposits from banks and other financial institutions		
Net increase in borrowings from the central bank		
Net increase in placements from other financial institutions		
Cash receipts from premiums under original insurance contracts		
Net cash receipts from reinsurance business		
Net increase in deposits and investments from policyholders		

Cash receipts from interest, fees and commissions		
Net increase in placements from banks and other financial institutions		
Net increase of returned business capital		
Net cash receipts from securities trading agency services		
Receipts of tax refunds	2,204,162.73	938,267.15
Other cash receipts relating to operating activities	130,064,405.75	122,873,031.65
Subtotal of cash inflows from operating activities	8,181,137,841.67	7,646,212,002.19
Cash payments for goods purchased and services received	1,710,978,811.90	2,114,302,093.57
Net increase in loans and advances to customers		
Net increase in deposits with the central bank and other financial institutions		
Cash paid for compensation payments under original insurance contract		
Net increase in placements with banks and other financial institutions		
Cash payments for interest, fees and commissions		
Cash payments for policy dividends		
Cash payments to and on behalf of employees	721,570,038.36	631,419,914.74
Taxes and fees paid	774,357,744.04	822,656,497.25
Other cash payments relating to operating activities	3,775,764,028.74	3,673,835,455.60
Subtotal of cash outflows from operating activities	6,982,670,623.04	7,242,213,961.16
Net cash flows from operating activities	1,198,467,218.63	403,998,041.03
II. Cash flows from investing activities:		
Cash receipts from returns on investments	99,990,000.00	
Cash receipts from investments income	15,999,900.00	5,570,000.01
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	2,147,103.67	1,831,479.00
Net cash receipts from the disposal of subsidiaries and other operating entities	7,850,000.00	

Other cash receipts relating to investing activities	102,075,000.00	300,000,000.00
Subtotal of cash inflows from investing activities	228,062,003.67	307,401,479.01
Cash payments for purchase and construction of fixed assets, intangible assets and other long-term assets	92,266,560.21	154,362,742.03
Cash payments for investments	437,975,763.00	
Net increase in pledged loans		
Net cash payments for acquisition of subsidiaries and other operating entities		
Other cash payments relating to investing activities		1,180,000,000.00
Subtotal of cash outflows from investing activities	530,242,323.21	1,334,362,742.03
Net cash flows from investing activities	-302,180,319.54	-1,026,961,263.02
III. Cash flows from financing activities:		
Cash receipts from capital contributions	286,400.00	125,051.00
Including: Cash receipts by subsidiaries from minority shareholders’ investment	286,400.00	125,051.00
Cash receipts from borrowings	80,000,000.00	
Other cash receipts relating to financing activities		
Subtotal of cash inflows from financing activities	80,286,400.00	125,051.00
Cash payments for debt repayment		100,000,000.00
Cash payments for distribution of dividends, profits or payment of interest expenses	472,596,233.39	362,965,173.73
Including: Dividends and profits paid by subsidiaries to minority shareholders	3,692,440.20	
Other cash payments relating to financing activities	18,774,674.26	184,292,170.36
Subtotal of cash outflows from financing activities	491,370,907.65	647,257,344.09
Net cash flows from financing activities	-411,084,507.65	-647,132,293.09
IV. Effect of changes in foreign exchange rates on cash and cash equivalents	184,912.71	230,418.26
V. Net increase in cash and cash equivalents	485,387,304.15	-1,269,865,096.82

Add: Opening balance of cash and cash equivalents	2,742,569,684.62	3,659,267,712.03
VI. Closing balance of cash and cash equivalents	3,227,956,988.77	2,389,402,615.21

Company Representative: HOU Juncheng Accounting Work Representative: JIN Chang Accounting Department Representative: MA Nan

Adjustments to financial statements at the beginning of the year relating to the initial adoption of the new accounting standards or interpretation of standards since 2025

"□ Applicable" "√ Not applicable"

Hereby announced.

Board of Directors of Proya Cosmetics Co., Ltd.
October 30, 2025