

Stock Code: 603605

Stock Abbreviation: Proya

Bond Code: 113634

Bond Abbreviation: Proya Convertible Bond

Proya Cosmetics Co., Ltd. The First Quarter Report in 2025

The Board of Directors and all directors of the Company warrant that this announcement does not contain any false records, misleading statements or material omissions, and shall be legally liable for the truthfulness, accuracy and completeness of the contents herein contained.

Important Notes

The Board of Directors, Board of Supervisors, directors, supervisors, and senior management of the Company warrant that this Quarterly Report is authentic, accurate and complete, free from false records, misleading statements or material omissions, and shall be jointly and severally liable therefor.

The Chairman, CFO and Head of Accounting Department (accounting chief) of the Company warrant that all financial statement information in this Quarterly Report is authentic, accurate and complete.

Have the financial statements for Q1 been audited?

Yes No

I. Major Financial Data

(I) Major accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	The Reporting Period	Same period of the prior year	YOY change in the Reporting Period (%)
Operating revenue	2,359,334,894.91	2,181,919,106.72	8.13
Net profit attributable to shareholders of the listed company	390,281,697.93	302,845,157.17	28.87

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Net profit attributable to shareholders of the listed company net of non-recurring gain or loss	378,934,039.06	292,020,669.63	29.76
Net cash flow from operating activities	675,490,380.59	430,862,423.81	56.78
Basic earnings per share (RMB/share)	0.99	0.76	30.26
Diluted earnings per share (RMB/share)	0.99	0.75	32.00
Weighted average ROE (%)	6.97	6.89	Up by 0.08 percentage points
	End of the Reporting Period	End of the prior year	Change at the end of the Reporting Period over the end of the prior year (%)
Total assets	8,201,525,310.98	7,530,182,694.00	8.92
Owners' equity attributable to shareholders of the listed company	5,796,840,173.26	5,402,074,485.07	7.31

(II) Non-recurring gain and loss item and amount

"√ Applicable" Not applicable"

Unit: Yuan Currency: RMB

Non-recurring gain and loss item	Amount for the current period	Remarks
Gains or losses from disposal of non-current assets, including write-offs of provision for adjusted asset impairment	-374,057.21	
Government subsidies recognized in profit or loss for the current period (excluding government subsidies that are closely related to the Company's business operations, compliant with national policies, granted at set standards, and imposing sustaining influence on the Company's gains and losses)	22,906,180.28	
Gains or losses from change in fair value generated by financial assets and liabilities held by non-financial businesses as well as gains or		

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losses from disposal of financial assets and liabilities		
Capital occupation fees charged to the non-financial enterprises and included in profit or loss for the current period		
Gains or losses from entrusting others with investment or asset management		
Gains or losses from outward entrusted loaning		
Asset loss incurred by force majeure such as natural disasters		
Reversal of impairment provisions of accounts receivable that have undergone impairment testing alone		
Gains when the investment cost of acquiring a subsidiary, an affiliate and a joint venture is less than the fair value of the identifiable net assets of the invested entity		
Current net gains or losses of subsidiaries established by business combination under common control from the beginning of the period to the combination date		
Gains or losses from exchange of non-monetary assets		
Gains or losses from debt restructuring		
One-time expenses incurred due to the cessation of relevant business activities, such as staffing expenses		
One-time impact on current profit and loss due to the adjustments of taxes and accounting laws and regulations		
One-time share-based payment recognized for cancellation and modification of equity incentive plans		
Gains and losses from changes in the fair values of employee compensation payable for share-based payment in cash after the exercise date		
Gains or losses from changes in the fair values of Investment real estate that are subsequently measured using the fair value model		
Profits generated from transactions with unreasonable transaction price		

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Gains or losses on contingencies that have no relation with the normal operation of the Company		
Custody fees of entrusted operation		
Other non-operating revenue and expenses besides the above items	-752,323.22	
Other items that conform to the definition of non-recurring gain or loss		
Less: Income tax impact	5,662,991.17	
Effect of minority equity (after tax)	4,769,149.81	
Total	11,347,658.87	

The reasons should be explained for the Company defining the non-recurring gain and loss 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 gain and loss items of high value and defining the non-recurring gain and loss items listed in the same document as recurring gain and loss items.

" Applicable" Not applicable"

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

Applicable" Not applicable"

Project Name	Change ratio (%)	Primary reasons
Net cash flow from operating activities	56.78	Mainly due to the increase in collection of payment for goods.
Basic earnings per share (RMB/share)	30.26	Mainly due to the increase in net profit attributable to shareholders of the listed company.
Diluted earnings per share (RMB/share)	32.00	Same as above.

II. Shareholders Information

(I) Statement of the total number of ordinary shareholders, the number of preferred shareholders with restored voting rights, and the shareholding of top 10 shareholders

		Unit Share	
Total number of ordinary shareholders as of the end of the Reporting Period	50,966	Total number of preferred shareholders with restored voting rights as of the end of the Reporting Period (if any)	0

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Shareholdings of top 10 shareholders (excluding shares lent out through refinancing)						
Name of shareholder	Nature of shareholder	Number of shares held	Shareholding ratio (%)	Number of shares held with restrictions on sales	Pledged, marked or frozen	
					Share status	Number
HOU Juncheng	Domestic natural person	136,739,037	34.51	0	None	
Hong Kong Securities Clearing Company Limited	Other	59,911,020	15.12	0	None	
FANG Yuyou	Domestic natural person	59,625,258	15.05	0	Frozen	17,041,269
National Social Security Fund 109 Portfolio	Other	6,948,857	1.75	0	None	
Industrial and Commercial Bank of China Limited - Jingshun Changcheng Emerging Growth Hybrid Securities Investment Fund	Other	3,332,000	0.84	0	None	
Agricultural Bank of China Ltd. - CSI 500 ETF	Other	3,018,983	0.76	0	None	
Industrial and Commercial Bank of China Limited - CSI Primary Consumer ETF	Other	2,281,300	0.58	0	None	
Schroder Investment Management (Hong Kong) Limited - Schroder International Selection Fund China A-share (Exchange)	Other	2,159,000	0.54	0	None	
China Life Insurance Company Limited - Traditional - General insurance products - 005L - CT001 Hu	Other	1,650,076	0.42	0	None	

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China Construction Bank Co., Ltd. - CUAM Consumer Industry Hybrid Securities Investment Fund	Other	1,600,002	0.40	0	None	
Shareholdings of top 10 shareholders without restrictions on sales (excluding shares lent out through 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		
Hong Kong Securities Clearing Company Limited	59,911,020	RMB ordinary shares		59,911,020		
FANG Yuyou	59,625,258	RMB ordinary shares		59,625,258		
National Social Security Fund 109 Portfolio	6,948,857	RMB ordinary shares		6,948,857		
Industrial and Commercial Bank of China Limited - Jingshun Changcheng Emerging Growth Hybrid Securities Investment Fund	3,332,000	RMB ordinary shares		3,332,000		
Agricultural Bank of China Ltd. - CSI 500 ETF	3,018,983	RMB ordinary shares		3,018,983		
Industrial and Commercial Bank of China Limited - CSI Primary Consumer ETF	2,281,300	RMB ordinary shares		2,281,300		
Schroder Investment Management (Hong Kong) Limited - Schroder International Selection Fund China A-share (Exchange)	2,159,000	RMB ordinary shares		2,159,000		

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China Life Insurance Company Limited - Traditional - General insurance products - 005L - CT001 Hu	1,650,076	RMB ordinary shares	1,650,076
China Construction Bank Co., Ltd. - CUAM Consumer Industry Hybrid Securities Investment Fund	1,600,002	RMB ordinary shares	1,600,002
Description of the related relationship or parties acting in concert among the above shareholders	FANG Yuyou is the younger brother of HOU Juncheng's spouse FANG Aiqin, so HOU Juncheng and FANG Yuyou are related.		
Top 10 shareholders and top 10 unrestricted shareholders participating in margin financing and lending of shares through refinancing (if any)	None		

Shareholders holding more than 5% of the shares, top 10 shareholders and top 10 unrestricted tradable shareholders participating in lending of shares through refinancing

Applicable Not applicable

Changes in top 10 shareholders and top 10 unrestricted tradable shareholders over the previous period due to lending or return through refinancing

Applicable Not applicable

III. Other Notes

Other important information on the Company's operation during the Reporting Period to be made known to investors

Applicable Not applicable

IV. Quarterly Financial Statements

(I) Type of audit opinion

" Applicable" Not applicable"

(II) Financial Statements

Consolidated Balance Sheet

March 31, 2025

Prepared by: Proya Cosmetics Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	March 31, 2025	December 31, 2024
Current assets:		
Cash and cash equivalents	4,733,779,812.57	4,082,126,416.84
Clearing settlement funds		
Loans to banks and other financial institutions		
Held-for trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	380,985,953.94	517,954,587.12
Receivable financing		
Prepayments	298,365,878.13	223,879,388.67
Premiums receivable		
Reinsurance premium receivable		
Reserves for reinsurance contract receivable		
Other receivables	11,700,865.46	9,869,822.71
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	719,456,773.36	661,410,153.37
Including: Data resources		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	101,612,519.73	118,117,428.18
Total current assets	6,245,901,803.19	5,613,357,796.89
Non-current assets:		

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Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	111,090,815.70	111,090,815.70
Other equity instrument investments	71,256,995.18	71,256,995.18
Other non-current financial assets		
Investment real estate	63,038,933.74	63,537,443.20
Fixed assets	874,677,212.08	907,224,090.94
Construction in progress	92,674,097.77	74,585,001.38
Productive biological assets		
Oil and gas assets		
Right-of-use assets	13,421,737.45	14,541,665.50
Intangible assets	426,527,491.07	429,394,857.15
Including: Data resources		
Development cost		
Including: Data resources		
Goodwill		
Long-term deferred expenses	101,507,287.15	70,202,612.96
Deferred income tax assets	167,234,858.57	163,733,011.95
Other non-current assets	34,194,079.08	11,258,403.15
Total non-current assets	1,955,623,507.79	1,916,824,897.11
Total assets	8,201,525,310.98	7,530,182,694.00
Current liabilities:		
Short-term borrowings		
Loans from the central bank		
Loans from banks and other financial institutions		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	928,878,047.91	676,388,126.18
Receipts in advance	293,865.42	129,400.52
Contract liabilities	166,313,194.33	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		

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Funds from underwriting securities agencies		
Employee compensation payable	84,457,014.58	155,703,420.95
Taxes payable	207,746,282.68	125,853,371.28
Other payables	79,266,733.12	91,776,722.59
Including: Interest payable		
Dividends payable		
Fees and commissions payable		
Amounts payable under reinsurance contracts		
Held-for-sale liabilities		
Non-current liabilities due within one year	2,887,488.37	3,473,806.48
Other current liabilities	7,548,629.82	5,509,508.59
Total current liabilities	1,477,391,256.23	1,212,544,945.21
Non-current liabilities:		
Insurance contract reserves		
Long-term bank loans		
Bonds payable	788,783,082.71	780,011,293.32
Including: Preference shares		
Perpetual bonds		
Lease liabilities	10,456,306.30	10,955,380.12
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities	17,060,768.62	25,162,463.80
Deferred income	14,909,371.67	15,260,760.59
Deferred income tax liabilities	37,932.85	
Other non-current liabilities		
Total non-current liabilities	831,247,462.15	831,389,897.83
Total liabilities	2,308,638,718.38	2,043,934,843.04
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	396,247,606.00	396,247,555.00
Other equity instruments	50,891,206.41	50,891,546.26
Including: Preference shares		
Perpetual bonds		
Capital reserve	850,961,747.54	846,600,405.28
Less: Treasury stock	238,275,443.41	238,275,443.41
Other comprehensive income	-84,782,009.69	-84,904,946.54
Special reserve		
Surplus reserve	198,411,582.50	198,411,582.50

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General risk reserve		
Retained profits	4,623,385,483.91	4,233,103,785.98
Total owners' equity (or shareholders' equity) attributable to equity holders of the parent company	5,796,840,173.26	5,402,074,485.07
Minority interests	96,046,419.34	84,173,365.89
Total owners' equity (or shareholders' equity)	5,892,886,592.60	5,486,247,850.96
Total liabilities and owners' equity (or shareholders' equity)	8,201,525,310.98	7,530,182,694.00

Chairman of the Company: HOU Juncheng

CFO of the Company: WANG Li

Head of the Accounting Department: WANG Li

Consolidated Income Statement

January to March 2025

Prepared by: Proya Cosmetics Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	The First Quarter in 2025	The First Quarter in 2024
I. Total operating revenue	2,359,334,894.91	2,181,919,106.72
Including: Operating revenue	2,359,334,894.91	2,181,919,106.72
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating costs	1,876,966,384.80	1,828,607,491.90
Including: Operating cost	642,305,320.56	652,280,654.88
Interest expenses		
Fee and commission expenses		
Surrenders		
Claims and policyholder benefits (net of amounts recoverable from reinsurers)		
Net provision for insurance liability reserves		
Insurance policyholder dividends		
Expenses for reinsurance accepted		
Taxes and surcharges	26,630,240.88	19,606,650.45
Sales expenses	1,076,518,735.34	1,022,081,255.89
Administrative expenses	99,466,389.76	97,301,227.25
R&D expenses	43,142,260.77	46,976,210.23

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Financial expenses	-11,096,562.51	-9,638,506.80
Including: Interest expenses	7,872,923.59	5,225,372.13
Interest income	15,905,516.11	16,968,192.58
Add: Other incomes	26,816,861.36	39,285,802.18
Investment income ("-" refers to losses)		-970.33
Including: Income from investments in affiliates and joint ventures		
Income from derecognition of financial assets measured at amortized cost		
Exchange gains ("-" refers to losses)		
Net exposure hedging gains ("-" refers to losses)		
Income from changes in fair value ("-" refers to losses)		
Credit impairment losses ("-" refers to losses)	8,911,220.38	5,160,314.35
Asset impairment losses ("-" refers to losses)	-23,840,076.55	-1,662,002.41
Gains on disposal of assets ("-" refers to losses)	-374,057.21	-380,803.60
III. Operating profit ("-" refers to losses)	493,882,458.09	395,713,955.01
Add: Non-operating revenue	135,357.28	814,221.09
Less: Non-operating expenses	822,167.79	98,414.49
IV. Total profit ("-" refers to total losses)	493,195,647.58	396,429,761.61
Less: Income tax expenses	87,634,855.99	81,455,304.66
V. Net profit ("-" refers to net losses)	405,560,791.59	314,974,456.95
(I) Classified by the nature of continuing operations		
1. Net profit from continuous operation ("-" refers to net losses)	405,560,791.59	314,974,456.95
2. Net profit from discontinued operation ("-" refers to net losses)		
(II) Classification by ownership		
1. Net profits attributable to shareholders of the parent company ("-" refers to net losses)	390,281,697.93	302,845,157.17
2. Profits or losses attributable to minority interests ("-" refers to net losses)	15,279,093.66	12,129,299.78
VI. Other comprehensive income, net of tax	122,936.85	-48,390.37
(I) Other comprehensive income attributable to owners of the parent company, net of tax	122,936.85	-48,390.37
1. Other comprehensive income that cannot be reclassified to profit or loss		

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(1) Changes arising from re-measurement of defined benefit plans		
(2) Other comprehensive income that cannot be reclassified to 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	122,936.85	-48,390.37
(1) Other comprehensive income that will be reclassified to profit or loss under the equity method		
(2) Changes in fair value of other debt investments		
(3) Amounts of financial assets reclassified into other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Reserve for cash flow hedges		
(6) Translation differences of financial statements denominated in foreign currencies	122,936.85	-48,390.37
(7) Others		
(II) Other comprehensive income attributable to minority interests, net of tax		
VII. Total comprehensive income	405,683,728.44	314,926,066.58
(I) Total comprehensive income attributable to owners of the parent company	390,404,634.78	302,796,766.80
(II) Total comprehensive income attributable to minority interests	15,279,093.66	12,129,299.78
VIII. Earnings per share		
(I) Basic earnings per share (RMB/share)	0.99	0.76
(II) Diluted earnings per share (RMB/share)	0.99	0.75

Chairman of the Company: HOU Juncheng

CFO of the Company: WANG Li

Head of the Accounting Department: WANG Li

Consolidated Cash Flow Statement

January to March 2025

Prepared by: Proya Cosmetics Co., Ltd.

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Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	The First Quarter in 2025	The First Quarter in 2024
I. Cash flows from operating activities:		
Cash received from the sale of goods and the rendering of services	2,718,726,372.51	2,641,344,251.62
Net increase in customer deposits and deposits from banks and other financial institutions		
Net increase in loans from the central bank		
Net increase in taking from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net cash received from policyholders' deposits and investment contract liabilities		
Cash received from interest, fees and commissions		
Net increase in taking from banks and other financial institutions		
Net increase in financial assets sold under repurchase arrangements		
Net cash received from securities trading agencies		
Receipts of tax refunds	649,460.74	2,642,750.32
Other cash received related to operating activities	41,650,032.19	45,161,252.39
Sub-total of cash inflows from operating activities	2,761,025,865.44	2,689,148,254.33
Cash paid for goods purchased and services received	389,052,641.67	533,268,741.97
Net increase in loans and advances to customers		
Net increase in balance with the central bank and due from banks and other financial institutions		
Cash paid for compensation payments under original insurance contracts		

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Net increase in loans to banks and other financial institutions		
Cash paid for interest, fees and commissions		
Cash paid for insurance policyholder dividends		
Cash payments to and on behalf of employees	279,768,137.80	248,355,543.70
Payments of various types of taxes	209,835,194.47	198,810,206.71
Other cash paid related to operating activities	1,206,879,510.91	1,277,851,338.14
Sub-total of cash outflows from operating activities	2,085,535,484.85	2,258,285,830.52
Net cash flow from operating activities	675,490,380.59	430,862,423.81
II. Cash flows from investing activities:		
Cash received from disposal and recovery of investments		
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	193,000.00	1,831,479.00
Net cash received from disposal of subsidiaries and other business entities		
Other cash received related to investing activities		
Sub-total of cash inflows from investing activities	193,000.00	1,831,479.00
Cash paid for acquisition or construction of fixed assets, intangible assets and other long-term assets	29,015,207.21	81,492,603.91
Cash paid for investments		
Net increase in pledged loans receivables		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid related to investing activities		

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Sub-total of cash outflows from investing activities	29,015,207.21	81,492,603.91
Net cash flow from investing activities	-28,822,207.21	-79,661,124.91
III. Cash flows from financing activities:		
Cash received from capital contributions	286,400.00	50,000.00
Including: Cash received from capital contributions from minority shareholders of subsidiaries	286,400.00	50,000.00
Cash received from borrowings		
Other cash received related to financing activities		
Sub-total of cash inflows from financing activities	286,400.00	50,000.00
Cash repayments of borrowings		
Cash paid for distribution of dividends or profits or settlement of interest expenses	2,953,952.16	1,413,123.04
Including: Payments for distribution of dividends or profits to minority owners of subsidiaries	2,953,952.16	
Other cash paid related to financing activities		153,708,476.41
Sub-total of cash outflows from financing activities	2,953,952.16	155,121,599.45
Net cash flow from financing activities	-2,667,552.16	-155,071,599.45
IV. Impact of foreign exchange rate changes on cash and cash equivalents	122,936.85	-48,390.37
V. Net increase in cash and cash equivalents	644,123,558.07	196,081,309.08
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	3,386,693,242.69	3,855,349,021.11

Chairman of the Company: HOU Juncheng

CFO of the Company: WANG Li

Head of the Accounting Department: WANG Li

(III) Adjustments to financial statements at the beginning of the year upon initial adoption of new accounting standards or interpretation of standards since 2025

Applicable Not applicable

End of the announcement.

Board of Directors of Proya Cosmetics Co., Ltd.

April 23, 2025