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Zhou Hei Ya International Holdings Company Limited

周黑鴨國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1458)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025**

FINANCIAL HIGHLIGHTS

	For the Year Ended December 31,		Year-on-Year Change
	2025	2024	
	RMB'000	RMB'000	%
Revenue	2,536,249	2,451,033	3.5
Gross profit	1,459,537	1,391,893	4.9
Profit before tax	235,645	149,067	58.1
Profit for the year attributable to owners of the parent	156,692	98,204	59.6

OPERATIONAL HIGHLIGHTS

The table below sets forth certain key operational information of the Group's self-operated and franchised retail store network for the years indicated.

	As of December 31, Year Ended December 31,	
	2025	2024
Total number of retail stores	3,019	3,031
Total sales volume (tons)	29,977	26,159
Average spending per purchase order (RMB)	51.4	54.39

The following table sets forth the revenue contribution in terms of the Group's main categories for the years indicated.

	Year Ended December 31,			
	2025		2024	
	RMB'000	%	RMB'000	%
Ducks and duck part products	2,038,180	80.4	1,955,798	79.8
Other products ⁽¹⁾	477,141	18.8	462,118	18.9
Franchise fees ⁽²⁾	20,928	0.8	33,117	1.3
Total	<u>2,536,249</u>	<u>100.0</u>	<u>2,451,033</u>	<u>100.0</u>

(1) Other products mainly include braised red meat, braised vegetable products, other braised poultry and aquatic food products.

(2) Include revenue generated from franchisees in connection with upfront franchise fees and brand royalty fees, and exclude revenue from sales of products to franchisees.

The following table sets forth the revenue contribution by the Group’s sales channels for the years indicated.

	Year Ended December 31,			
	2025		2024	
	RMB’000	%	RMB’000	%
Store business				
Self-operated retail stores	1,492,200	58.8	1,390,935	56.7
Franchisees ⁽¹⁾	524,112	20.7	611,556	25.0
Channel business				
Online ⁽²⁾	363,455	14.3	334,483	13.6
Offline ⁽³⁾	141,519	5.6	94,757	3.9
Others ⁽⁴⁾	14,963	0.6	19,302	0.8
Total	<u>2,536,249</u>	<u>100.0</u>	<u>2,451,033</u>	<u>100.0</u>

(1) Primarily include revenue generated from franchisees in connection with sales of products, upfront franchise fees and brand royalty fees.

(2) Primarily includes revenue from e-commerce platforms and new retail platforms.

(3) Primarily includes revenue generated from the third-party offline channels excluding physical stores.

(4) Non-operating income.

PROPOSED FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK\$0.09 per ordinary share of the Company (adopting an exchange rate of HK\$1 = RMB0.88357, equivalent to RMB0.08 per share), amounting to approximately a total of RMB168,020,000 (calculated based on the total issued shares of the Company as of the date of this announcement, which was 2,112,896,500) and representing approximately 107.2% of the Group’s net profit for the year ended December 31, 2025.

The board (the “**Board**”) of directors (the “**Directors**”) of Zhou Hei Ya International Holdings Company Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended December 31, 2025. The annual results have been prepared in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”), which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (the “**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). In addition, the annual results have also been reviewed by the audit committee of the Company (the “**Audit Committee**”).

BUSINESS OVERVIEW AND OUTLOOK

Overall Business and Financial Performance

As of December 31, 2025, the Group had a total of 3,019 retail stores, including 1,805 self-operated retail stores and 1,214 franchised retail stores, covering 292 cities in 28 provinces, autonomous regions and municipalities in China.

The table below sets forth a breakdown of the number of self-operated and franchised retail stores and the revenue contribution by geographic location for the years indicated:

Number of Retail Stores

	As of December 31,			
	2025		2024	
	#	%	#	%
Central China ⁽¹⁾	1,345	44.6	1,394	46.0
Southern China ⁽²⁾	538	17.8	524	17.3
Eastern China ⁽³⁾	402	13.3	426	14.1
Northern China ⁽⁴⁾	414	13.7	389	12.8
Western China ⁽⁵⁾	320	10.6	298	9.8
Total	3,019	100.0	3,031	100.0

Revenue

	Year Ended December 31,			
	2025		2024	
	RMB'000	%	RMB'000	%
Central China ⁽¹⁾	1,056,682	52.4	1,047,346	52.3
Southern China ⁽²⁾	371,889	18.4	350,316	17.5
Eastern China ⁽³⁾	223,844	11.1	226,204	11.3
Northern China ⁽⁴⁾	207,525	10.3	215,999	10.8
Western China ⁽⁵⁾	156,372	7.8	162,626	8.1
Total	2,016,312	100.0	2,002,491	100.0

(1) Comprises Hubei Province, Hunan Province, Henan Province, Jiangxi Province, Anhui Province and Shanxi Province.

(2) Comprises Guangdong Province, Fujian Province and Hainan Province.

(3) Comprises Shanghai, Jiangsu Province and Zhejiang Province.

(4) Comprises Beijing, Tianjin, Inner Mongolia Autonomous Region, Liaoning Province, Hebei Province, Shandong Province, Gansu Province, Ningxia Hui Autonomous Region, and Jilin Province.

(5) Comprises Chongqing, Sichuan Province, Shaanxi Province, Guizhou Province, Yunnan Province, Qinghai Province and Guangxi Zhuang Autonomous Region.

Business Review and Outlook

In 2025, China's domestic consumer market demonstrated structural opportunities amidst a moderate recovery. As a traditional mass consumer track, the braised food retained a solid demand foundation, yet the industry underwent a new round of adjustments, with consumers paying increasing attention to value for money. In the face of an evolving consumer market and competitive landscape, we adhered to strategic resolve in addressing short-term fluctuations, anchored by the core principle of “enhancing operational quality and accelerating performance improvement”, and solidly promoted the refined implementation of various reform measures. We continued to make progress in key areas such as optimizing store operational efficiency, deepening omni-channel expansion, building brand influence, and upgrading the supply chain system, thereby driving the gradual emergence of overall strategic transformation effectiveness, consolidating endogenous growth capabilities amidst a complex environment, and laying a solid foundation for sustainable, high-quality development.

In 2025, the Group established the “Store + Channel” dual-engine growth model as core strategy, steadfastly operating the offline foundation to deeply tackle market changes. As the cornerstone of our business, the Company shifted away from the extensive development model, focusing on enhancing core capabilities to drive the business transformation from scale expansion to quality deepening, thereby providing solid support for stable growth of the Company's overall performance. After continuous adjustment and optimization, the store scale had returned to over 3,000 stores with continuous improvements in single-store's profitability and operational quality as of the end of 2025, and the average monthly terminal sales in the single-stores for the full year* increased by 13.6% year-on-year. To further enhance store efficiency, the Group made multi-faceted efforts across three dimensions: operational scenarios, personnel empowerment, and store layout, to activate growth momentum. In terms of operational scenarios and membership operations, the Company adapted to new consumption trends, deepened cooperation with supermarkets to broaden reach scenarios, and implemented store staff livestreaming to achieve two-way empowerment between online and offline channels. Simultaneously, the Company continuously advanced membership operation upgrades. Through system iterations and benefit renewals and deeply mined the value of existing customers, our new members reached over 5 million during the year, with member sales contribution to offline revenue steadily increasing. In terms of personnel empowerment, the Group established a standardized assessment system, leveraging regional and horizontal comparisons and a full-year 360° PK mechanism to fully activate the momentum of frontline employees. The Group also focused on intensive training and special incentives for elite talent, significantly enhancing the team's professional competence and cohesion. In terms of store layout, the Company focused on developing high-energy self-operated stores, prioritizing layout in core regions, and strictly controlling store standards and optimized existing stores through a tiered approach and eliminated underperforming stores, effectively improving overall sales per square foot. Benefiting from the aforementioned initiatives, the total number of stores achieved and recovered a net growth in the second half of the year. As of December 31, 2025, the Group's total number of retail stores reached 3,019.

* Average monthly terminal sales in the single-stores for the full year = Total terminal sales amount (including tax) of all stores/Total operating months of all stores operating during the year

Under the strategic guidance of the “store + channel” dual-engine model, we established the Channel Business Division in 2025. We rapidly assembled a professional and highly efficient team of elite members, successfully opening up diverse channel pathways ranging from membership stores and mass merchandisers to convenience stores. During the year, we successfully entered more than 80 key system channels, including Sam’s Club, Pang Dong Lai, and Yonghui, covering nearly 40,000 terminal sales points, completing a large-scale deployment in key incremental markets. To achieve precise penetration across different channels and customer segments, we have built a complete product portfolio through diversified channels, consisting of long-shelf-life products, medium-shelf-life products, customized products, and gift box products, to meet the demands of different channels and scenarios. At the same time, we integrated our e-commerce business into the Channel Business Division, upgrading its role from a sales platform to a “core hub for brand growth and consumer operations”, thereby enhancing the synergy between online and offline in user operations, marketing collaboration, and data accumulation. Overall, the establishment and operation of the Channel Business Division not only opened up new market spaces and point-of-sale networks but also, through the systematic alignment of products, channels, and operations, equipped the Group with scalable and sustainable omni-channel growth capabilities.

While deepening our core store and channel businesses, we also focused on longer-term growth trajectories by making forward-looking strategic deployments through two innovative business segments – overseas business and compound seasoning category – accumulating momentum for the Group’s future expansion of flavor offerings and consumption scenarios. At the same time, we also conducted exploration and incubation in the table braised food scenario. As a key long-term growth driver for the Group, our overseas business achieved rapid breakthroughs during the year. Our products have successfully entered mainstream retail channels in overseas 12 countries, including Malaysia, Canada, and France, initially establishing a global distribution network. The first branded direct-operated store was successfully launched at Port Klang, Malaysia, marking an important milestone in our exploration of internationalization. Leveraging our core flavor asset, “Zhou Hei Ya Flavor”, we entered into a strategic cooperation with Sichuan Shentang Industrial Group to drive category and model innovation centered on flavor extension: the “Ga Ga Xiang” compound seasoning product series has launched 29 SKUs, including braising spice packs, spicy braised hot pot base, Zhou Hei Ya-style noodle sauce, and Zhou Hei Ya turkey noodle sauce, initially establishing a product portfolio covering braising and sauce, successfully extending the brand’s unique black duck flavor from the casual snack category to home cooking and convenient instant food domains, covering a wider range of consumption scenarios. As the originator of the black duck flavor profile, we have always centered on flavor as our core. Through strategic deployment across multiple brands, categories, and markets, we continue to broaden the brand’s growth boundaries and stride towards a broader development space.

In 2025, focusing on the four core objectives of “quality improvement, cost reduction, efficiency enhancement, and empowerment”, we systematically strengthened foundational capabilities and optimized organizational capacities, continuously advancing the comprehensive optimization of our supply chain system to enhance sustainable competitiveness. In terms of production and EHS management, we continued to promote the institutionalization of cost reduction and efficiency enhancement and lean management, concentrating on technological enhancements and process optimization, while simultaneously strengthening packaging functionality innovation and EHS management capacity building, thereby providing robust support for product innovation and operational efficiency improvements. Regarding quality assurance, we reinforced the

whole-link quality assurance system for new products, established specialized process quality control mechanisms, implemented supplier quality empowerment and upgraded collaborative management, and optimized the logistics distribution network and distribution models, effectively safeguarding product launch efficiency and quality stability. In procurement and supply chain collaboration, leveraging professional market analysis and precise procurement strategies, combined with whole-link quality and efficiency improvement projects, we effectively reduced operating costs. We actively advanced source construction projects such as directional chili planting and high-quality meat duck breeding, conducted in-depth industry exchanges and strategic supplier cooperation, leading the quality improvement in the industry. Through agile supply and flexible capacity expansion, we supported diversified product innovation and channel expansion, providing strong backing for business growth and brand enhancement.

In 2025, through systematic organizational development, we achieved significant results in organizational efficiency and vitality, providing solid assurance for the efficient execution of our strategies and continuous business breakthroughs. In optimizing organizational efficiency and effectiveness, we implemented functional integration, completed the restructuring of our organizational system in response to strategic transformation needs, and reorganized front and middle office functions including the Store Business Division, Channel Business Division, Brand Growth Center, and Product R&D Center, promoting a flatter and more specialized organizational structure. We also advanced the standardization of processes across the three shared service centers for human resources, finance, and information. By clearly defining responsibilities and authorities and strengthening the production-supply-marketing coordination mechanism, we effectively broke down departmental barriers and achieved efficient resource integration and process optimization, providing solid organizational support for operational efficiency improvement. In stimulating organizational vitality, the Company made systematic deployments targeting different echelons. Through the “Battle Seasons Recognition Ceremony”, we facilitated quarterly reviews and benchmark incentives, fostering a dynamic cycle of “comparing, learning, catching, and surpassing”, driving continuous improvement in performance and efficiency; the “Spark · Cocoon Break” program facilitated new employees’ cultural integration and practical growth, enabling rapid breakthrough; and the “Elite Club” refined senior talent through practical workshops and experience inheritance, promoting excellence inspiring excellence. These initiatives worked in synergy, consolidating the talent pipeline and activating endogenous momentum, laying a solid foundation for the Company’s long-term development.

Looking ahead to 2026, we will focus on the core strategy of dual-engine growth driven by stores and channels, enhancing store efficiency through refined operational management while accelerating product innovation and channel expansion to consolidate our business foundation. Concurrently, we will steadily advance the scaled development of our compound seasoning business and expand our presence in overseas markets, cultivating new growth drivers. Throughout this process, we will continuously improve refined supply chain management and strengthen organizational innovation capabilities, transforming changes in the external environment into internal growth momentum, establishing differentiated advantages amidst dynamic competition to achieve long-term, high-quality development.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the Group's consolidated statements of profits or loss and other comprehensive income in absolute amounts and as a percentage of the Group's total revenue for the periods indicated, together with the change from 2024 and 2025 (expressed in percentages).

	Year Ended December 31,				Year-on-year Change
	2025		2024		
	RMB'000	%	RMB'000	%	
Revenue	2,536,249	100.0	2,451,033	100.0	3.5
Cost of sales	(1,076,712)	(42.5)	(1,059,140)	(43.2)	1.7
Gross profit	1,459,537	57.5	1,391,893	56.8	4.9
Other income and gains, net	51,158	2.0	21,755	0.9	135.2
Finance costs	(11,388)	(0.4)	(12,455)	(0.5)	(8.6)
Selling and distribution expenses	(999,249)	(39.4)	(988,865)	(40.4)	1.1
Administrative expenses	(271,105)	(10.7)	(259,764)	(10.6)	4.4
Share of profits and losses of associates	6,692	0.3	(3,497)	(0.1)	(291.4)
Profit before tax	235,645	9.3	149,067	6.1	58.1
Income tax expense	(78,953)	(3.1)	(50,863)	(2.1)	55.2
Profit for the year	156,692	6.2	98,204	4.0	59.6
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	(703)	-	1,982	0.1	(135.5)
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	(703)	-	1,982	0.1	(135.5)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:					
Translation from functional currency to presentation currency	(3,923)	(0.2)	6,623	0.3	(159.2)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	(3,923)	(0.2)	6,623	0.3	(159.2)

	Year Ended December 31,				Year-on-year Change
	2025		2024		
	RMB'000	%	RMB'000	%	%
OTHER COMPREHENSIVE INCOME FOR THE YEAR	(4,626)	(0.2)	8,605	0.4	(153.8)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	152,066	6.0	106,809	4.4	42.4
Basic earnings per share (RMB)	0.08	N/A	0.04	N/A	100.0
Diluted earnings per share (RMB)	0.08	N/A	0.04	N/A	100.0

Revenue

The Group's total revenue increased by 3.5% from RMB2,451.0 million for the year ended December 31, 2024 to RMB2,536.2 million for the year ended December 31, 2025, which was primarily due to the fact that the Group's vigorous efforts in advancing channel expansion and operational efficiency improvement, which drove steady growth in the channel business, and its focused efforts on optimizing store structure, which significantly enhanced per-store operational efficiency and quality, collectively contributing to the overall revenue increase.

Cost of Sales

Cost of sales increased by 1.7% from RMB1,059.1 million for the year ended December 31, 2024 to RMB1,076.7 million for the year ended December 31, 2025, which was attributable to the rigid increase in costs resulting from the year-on-year increase in sales volume. However, this was concurrently mitigated by the decrease in raw material costs and the optimization of the Group's supply chain efficiency, which effectively reduced unit costs, ultimately resulting in a slight increase in overall costs.

Gross Profit and Gross Profit Margin

As a result of the foregoing, gross profit subsequently increased, the Group's gross profit increased by 4.9% from RMB1,391.9 million for the year ended December 31, 2024 to RMB1,459.5 million for the year ended December 31, 2025. As a result, in the year ended December 31, 2025, the Group's gross profit margin was 57.5%, as compared to a gross profit margin of 56.8% in the year ended December 31, 2024.

Other Income and Gains, Net

The Group's other income and gains, net increased by 135.2% from RMB21.8 million for the year ended December 31, 2024 to RMB51.2 million for the year ended December 31, 2025. The increase was primarily due to the Group actively advancing the recovery of investments in related funds during the reporting period and there were no significant fair value loss movements compared with the previous year.

Finance Costs

Finance costs decreased by 8.6% from RMB12.5 million for the year ended December 31, 2024 to RMB11.4 million for the year ended December 31, 2025, which was mainly attributable to the fact that the Group proactively optimized its retail store structure and closed underperforming retail stores (particularly those in long-term leases) in a reasonable manner, reducing interest expenses related to lease liabilities.

Selling and Distribution Expenses

The Group's selling and distribution expenses increased by 1.1% from RMB988.9 million for the year ended December 31, 2024 to RMB999.2 million for the year ended December 31, 2025. The increase was primarily due to a slight increase in selling and distribution expenses resulting from the growth of the Group's e-commerce and food delivery businesses.

Administrative Expenses

The Group's administrative expenses increased by 4.4% from RMB259.8 million for the year ended December 31, 2024 to RMB271.1 million for the year ended December 31, 2025, mainly due to the routine fluctuation of the Group's administrative expense.

Share of Profits and Losses of Associates

For the year ended December 31, 2025, the Group incurred share of profits and losses of associates of RMB6.7 million mainly in connection with the 25.00% equity interest in Shenzhen Tiantu Xingnan Investment Partnership (Limited Partnership), the 31.64% equity interest in Hainan Tiantu Xingzhou Investment Partnership (Limited Partnership), and the 20.00% equity interest in Hubei Dwelling Foods Co., Ltd., resulting from fair value change on the associate's investments.

Profit Before Tax

As a result of the foregoing, the Group recorded profit before tax of RMB235.6 million for the year ended December 31, 2025, increased by 58.1% from RMB149.1 million for the year ended December 31, 2024.

Income Tax Expense

Income tax expense increased by 55.2% from RMB50.9 million for the year ended December 31, 2024 to RMB79.0 million for the year ended December 31, 2025, as a result of the Group's income tax expense increased resulting from a significant increase in profit before tax compared to the same period last year.

Profit for the Year

As a result of the foregoing, the Group's net profit increased by 59.6% from RMB98.2 million for the year ended December 31, 2024 to RMB156.7 million for the year ended December 31, 2025. The Group's net profit margin increased from 4.0% in the year ended December 31, 2024 to 6.2% in the year ended December 31, 2025.

Exchange Differences on Translation of Foreign Operations

Exchange differences on translation of foreign operations changed from other comprehensive income of RMB8.6 million for the year ended December 31, 2024 to other comprehensive loss of RMB4.6 million for the year ended December 31, 2025, primarily resulting from the Group's exchange differences on translation of foreign operations represented the foreign exchange translation differences as certain overseas subsidiaries using Hong Kong dollars as the reporting currency.

Total Comprehensive Income for the Year

As a result of the foregoing, the Group's total comprehensive income for the year ended December 31, 2025 increased by 42.4% to RMB152.1 million from RMB106.8 million for the year ended December 31, 2024.

Liquidity and Capital Resources

In the year ended December 31, 2025, the Group financed its operations through cash generated from its business operations and the net proceeds received from its Initial Public Offering and the exercise of the over-allotment options on November 30, 2016 (the "IPO"). The Group intends to finance its expansion and business operation by internal resources and through organic and sustainable growth, as well as to use the net proceeds received from its IPO.

Capital Structure

As of December 31, 2025, the Group had net assets of RMB3,533.0 million, as compared to RMB3,626.5 million as of December 31, 2024, primarily comprising non-current assets of RMB3,106.5 million, current assets of RMB1,478.6 million, current liabilities of RMB836.5 million and non-current liability of RMB215.7 million.

As of December 31, 2024 and December 31, 2025, the cash and cash equivalents of the Group were mainly denominated in Renminbi ("RMB") and Hong Kong Dollars ("HK\$"), with some denominated in U.S dollars ("USD") and a small amount in Euro and SGD.

Cash and Bank Balances

As compared with RMB1,254.2 million as of December 31, 2024, the Group had cash and bank deposits of approximately RMB775.3 million as of December 31, 2025, which consisted of unrestricted cash and bank balances of approximately RMB268.9 million and term deposits of approximately RMB506.4 million.

Financial Risks

The Group is not subject to significant credit risk and liquidity risk. The Group had cash at banks denominated in foreign currencies, which exposed the Group to foreign exchange risk. The Group does not use any derivative contracts to hedge against its exposure to foreign exchange risk. The management manages its currency risk by closely monitoring the movement of the foreign currency rates and will take prudent measures to minimize the currency translation risk.

Use of Proceeds from the IPO

Net proceeds from the IPO (including the exercise of the over-allotment options on November 30, 2016), after deducting the underwriting commission and other estimated expenses in connection with the Global Offering which the Company received amounted to approximately HK\$2,792.3 million, comprising HK\$2,428.1 million raised from the Global Offering and HK\$364.2 million from the issuance of shares pursuant to the exercise of the over-allotment options, respectively. The remaining balance of the proceeds from the IPO as of December 31, 2025 was RMB173.8 million.

As announced in the 2019 annual results announcement of the Company dated March 31, 2020 (the “**2019 Annual Results Announcement**”), the Board has resolved to reallocate the unutilized net proceeds and increase the portion to be used for the construction and improvement of processing facilities, which also includes the enhancement of the related logistics and storage capacities (the “**Reallocation**”). There has been no change in the intended use of net proceeds since the Reallocation. In particular, the amounts of net proceeds used in 2025 were utilized in accordance with the intended use as previously disclosed in the 2019 Annual Results Announcement, and the remaining balance of net proceeds as of December 31, 2025 are and are expected to continue to be used in accordance with the intended use as previously disclosed in the 2019 Annual Results Announcement. Moreover, as disclosed in the 2025 interim results announcement of the Company dated August 28, 2025 (the “**2025 Interim Results Announcement**”), the Company had delayed the expected timeline for utilizing the remaining balance of the net proceeds for general replenishment of working capital of RMB49.2 million and for acquisition and strategic alliance of RMB127.3 million as of June 30, 2025 to be within three years after the date of the 2025 Interim Results Announcement.

The table below sets forth the use of proceeds by the Group as of December 31, 2025:

	Budget	Amount that had been utilized as of December 31, 2024	Amount that was used in 2025	Remaining balance as of December 31, 2025	Expected timeline of utilization ⁽¹⁾
	RMB million	RMB million	RMB million	RMB million	
Construction and improvement of processing facilities	1,258.3	1,258.3	–	–	Used up
Development of retail network	167.8	167.8	–	–	Used up
Branding image campaigns, including the e-commerce marketing campaigns	394.3	394.3	–	–	Used up
Improvement of research and development	45.2	45.2	–	–	Used up
Acquisition and strategic alliances	145.2	17.9	–	127.3	Expected to used up within two years and a half ⁽²⁾
Upgrades of information technology systems, including the enterprise resource planning system	96.2	96.2	–	–	Used up
General replenishment of working capital	345.2	291.1	7.6	46.5	Expected to be used up within two years and a half
Total	2,452.2	2,270.8	7.6	173.8	

Notes:

- (1) Based on the Group's current estimates of its business plans and market conditions, and subject to change and adjustment.
- (2) The Group expects that the remaining balance will be used in accordance with the intended use in two years and a half as indicated. However, such expected timeline is subject to change and adjustment depending on the business development of the Group and the availability of suitable acquisition targets in the market.

As of December 31, 2025, net proceeds not utilized had been deposited into short-term deposits and money market instruments, including structured deposits.

Indebtedness

As at December 31, 2025, the remaining balance of the Group's bank borrowings was RMB170.0 million.

The Group uses the gearing ratio (gearing ratio = total liabilities/total assets) to monitor its capital structure. The Group's gearing ratio increased from 21.0% as of December 31, 2024 to 22.9% as of December 31, 2025, which was primarily due to the Group settling supplier payments using certain bank acceptance bills.

Pledged Assets

As of December 31, 2025, the Group's pledged assets amounted to RMB62.2 million, primarily consisting of restricted bill deposit guarantees.

Cash Flows

For the year ended December 31, 2025, net cash generated from operating activities decreased to approximately RMB375.9 million from RMB416.4 million for the year ended December 31, 2024, which was mainly attributable to (i) the decline in raw material prices during the current period and based on the forecast of increased sales, the Group increased its inventory purchases.

For the year ended December 31, 2025, net cash used in investing activities was approximately RMB246.6 million, compared with net cash generated from investing activities of RMB482.1 million for the year ended December 31, 2024, which was mainly attributable to redemption of structured deposits and other financial assets measured at FVTPL in the aggregate amount of RMB1,772.9 million, (ii) an increase of term deposits of maturity over three months of RMB378.0 million; and (iii) interest from bank deposits, structured deposits and other financial assets measured as FVTPL of RMB35.0 million, partially offset by (i) purchases of structured deposits and other financial assets at fair value through profit or loss in the aggregate amount of RMB1,651.2 million, and (ii) purchase of items of property, plant and equipment and intangible assets in the aggregate amount of RMB55.8 million.

For the year ended December 31, 2025, net cash used in financing activities was approximately RMB488.2 million, compared with RMB477.9 million for the year ended December 31, 2024, which was mainly attributable to (i) dividends paid in the amount of RMB97.3 million in 2025; (ii) lease rental payments of RMB168.9 million; and (iii) repurchases of the Company's shares of RMB179.0 million.

Structured Deposits and Other Financial Assets Measured at FVTPL

The Group from time to time invests in asset management products, primarily structured deposits and other financial assets measured at FVTPL, in order to better facilitate its cash management. Structured deposits were principal-protected products which typically had a fixed short term and may be redeemed upon at their respective expiry dates. The Group's other financial assets measured at FVTPL were mainly investments in equity funds, which generally are not principal-protected nor return-guaranteed. Such investments also typically have a fixed short term and are relatively low risk in nature. As of December 31, 2025, the Group had a balance of structured deposits and other financial assets measured at FVTPL in the amount of approximately RMB124.9 million. Up to the date of this announcement, approximately RMB21.6 million out of the RMB124.9 million had been settled and redeemed upon their maturity with the remaining not yet fallen due. The underlying investments of the structured deposits were primarily short-term sovereign bonds, financial bonds and central bank bills, and other investment products issued by commercial banks in the inter-bank market in China, which were very liquid with a relatively short term of maturity, and which were considered akin to placing deposits with banks whilst enabling the Group to earn a relatively higher rate of return. In the year ended December 31, 2025, interest income from structured deposits and other financial assets measured at FVTPL amounted to RMB4.9 million, as compared to approximately RMB14.0 million in the year ended December 31, 2024.

The Group has implemented capital and investment policies to monitor and control the risks relating to its investment activities. The Group may only make investments in asset management products when it has surplus cash. The Group is only entitled to invest in low-risk products issued by qualified commercial banks or other financial institutions, and investments should be non-speculative in nature. The Group's capital and investment policies also specify the criteria for selecting investments to be considered and the detailed review procedures each proposed investment shall go through.

In view of an upside of earning a relatively higher return than current saving or fixed deposit rate, as well as the principal-protected nature and a relatively short term of maturity of the structured deposits, the Directors are of the view that the structured deposits pose little risk to the Group and the terms and conditions of each of the structured deposits are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

Capital Expenditure

The Group's capital expenditures amounted to RMB55.8 million in 2025, mainly in connection with the renovation of new self-operated stores and the optimization of other factory equipment. The Group financed its capital expenditures primarily with cash generated from business operations.

Contingent Liabilities and Guarantees

As of December 31, 2025, the Group did not have any significant unrecorded contingent liabilities, guarantees or any litigation against it.

Major Investments

The Group did not conduct any material investments, acquisitions or disposals in the year ended December 31, 2025 and in the period subsequent to December 31, 2025 and up to March 26, 2026, being the date of this announcement.

In addition, save for the expansion plans as disclosed in the sections headed “Business” and “Future Plans and Use of Proceeds” in the prospectus of the Company dated November 1, 2016, the Group has no specific plan for major investment or acquisition for major assets or other business. However, the Group will continue to identify new opportunities for business development.

Restricted Share Unit Scheme

The Company adopted its Restricted Share Unit Scheme (the “**RSU Scheme**”) on July 25, 2018. The purpose of the RSU Scheme is to incentivize Directors, senior management and employees of the Group for their contribution to the Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests of the Company. The Board has the power to administer the RSU Scheme. The Board may, from time to time and at its sole discretion, select any eligible person, as defined in the RSU Scheme, to participate in the RSU Scheme and determine the number of Shares to be granted and the terms and conditions of the grant.

As of the date of this announcement, pursuant to the RSU Scheme, 248 selected persons had received the RSUs representing 31,002,800 shares of the Company. The underlying shares concerned represented 1.5% of the Company’s issued shares.

Please refer to the Company’s announcements dated July 25, 2018, July 31, 2018, October 24, 2018, July 5, 2021 and April 19, 2024 for detailed summaries of its RSU Scheme and the announcements dated April 20, 2020, February 1, 2021, March 25, 2021, March 31, 2022, April 3, 2023, March 28, 2024 and March 28, 2025, for the details in connection with grants of the RSUs.

Turnover Ratios

Average inventory turnover days decreased from 93.4 days in the year ended December 31, 2024 to 85.5 days in 2025, mainly due to the Group’s proactive optimization of low-quality retail stores, with the disposal of related inventory outpacing the decline in sales.

Average trade receivables turnover days increased from 9.6 days in the year ended December 31, 2024 to 12.0 days in the year ended December 31, 2025, primarily due to the relatively longer credit terms that the Group granted to large supermarkets and e-commerce platforms cooperated with.

Average trade payables turnover days decreased from 26.4 days in the year ended December 31, 2024 to 23.4 days in the year ended December 31, 2025, primarily due to a reduction in average payables, coupled with an increase in procurement costs resulting from higher raw material reserves, leading to a decrease in turnover days.

Employee and Labor Cost

As of December 31, 2025, the Group had a total of 3,856 employees, among which 55.3% were retail store operations and sales staff and 30.8% were manufacturing staff at its processing facilities.

The Group has developed a performance evaluation system to assess the performance of its employees annually, which forms the basis for determining the salary levels, bonuses and promotions employees may receive. Sales and marketing personnel may also receive bonuses based on the sales targets they accomplish, by taking into account the overall sales performance of the stores in the same regional market in the relevant period.

In the year ended December 31, 2025, the Group incurred total labor costs of RMB493.4 million, representing 19.5% of total revenue of the Group.

Top Suppliers and Top Customers

In the year ended December 31, 2025, purchases from the Group's largest duck supplier in terms of RMB amount accounted for 22.5% of total purchase cost and the aggregate purchases from its top five duck suppliers in aggregate accounted for 43.4% of total purchase cost.

In the year ended December 31, 2025, revenue derived from its top five customers accounted for less than 30% of total revenue.

Reserves

As of December 31, 2025, the Group's reserves available for distribution to shareholders of the Company amounted to approximately RMB770.5 million.

Subsequent Events

Subsequent to December 31, 2025 and up to March 26, 2026 (being the date of this announcement), no material events were undertaken by the Group.

FINANCIAL INFORMATION

The audited consolidated annual results of the Group for the year ended December 31, 2025 are as follow:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	4(a)	2,536,249	2,451,033
Cost of sales	6	(1,076,712)	(1,059,140)
Gross profit		1,459,537	1,391,893
Other income and gains, net	4	51,158	21,755
Finance costs	5	(11,388)	(12,455)
Selling and distribution expenses		(999,249)	(988,865)
Administrative expenses		(271,105)	(259,764)
Share of profits and losses of associates		6,692	(3,497)
PROFIT BEFORE TAX	6	235,645	149,067
Income tax expense	7	(78,953)	(50,863)
PROFIT FOR THE YEAR		156,692	98,204
Attributable to:			
Owners of the parent		156,692	98,204
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic (RMB)		0.08	0.04
Diluted (RMB)		0.08	0.04

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

Year ended 31 December 2025

	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	<u>(703)</u>	<u>1,982</u>
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	<u>(703)</u>	<u>1,982</u>
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:		
Translation from functional currency to presentation currency	<u>(3,923)</u>	<u>6,623</u>
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods	<u>(3,923)</u>	<u>6,623</u>
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	<u>(4,626)</u>	<u>8,605</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>152,066</u>	<u>106,809</u>
Attributable to:		
Owners of the parent	<u>152,066</u>	<u>106,809</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	2025	2024
		RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		1,249,017	1,318,571
Investment property		9,919	10,247
Right-of-use assets	<i>10(a)</i>	337,990	320,075
Prepayments, other receivables and other assets		687,168	189,913
Rental deposits		85,510	87,205
Other intangible assets		10,925	13,207
Investments in associates	<i>11</i>	617,446	627,848
Equity investments designated at fair value through other comprehensive income		2,500	2,500
Deferred tax assets		106,073	125,524
Total non-current assets		3,106,548	2,695,090
CURRENT ASSETS			
Inventories		277,392	226,853
Trade receivables	<i>12</i>	98,522	67,925
Prepayments, other receivables and other assets		140,266	130,001
Structured deposits	<i>13</i>	100,427	100,734
Other financial assets at fair value through profit or loss	<i>13</i>	24,484	113,032
Restricted cash		62,204	–
Cash and bank balances		775,300	1,254,157
Total current assets		1,478,595	1,892,702
CURRENT LIABILITIES			
Trade and bills payables	<i>14</i>	91,711	57,060
Other payables and accruals		385,043	391,327
Interest-bearing bank borrowings	<i>15</i>	170,000	150,000
Government grants		2,463	2,283
Lease liabilities	<i>10(b)</i>	127,240	132,427
Income tax payable		60,024	32,656
Total current liabilities		836,481	765,753
NET CURRENT ASSETS		642,114	1,126,949
TOTAL ASSETS LESS CURRENT LIABILITIES		3,748,662	3,822,039

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 December 2025

	<i>Notes</i>	2025	2024
		RMB'000	RMB'000
NON-CURRENT LIABILITIES			
Other payables and accruals		2,875	5,480
Government grants		47,789	44,908
Deferred tax liabilities		64,827	63,377
Lease liabilities	<i>10(b)</i>	100,205	81,771
Total non-current liabilities		215,696	195,536
NET ASSETS		3,532,966	3,626,503
EQUITY			
Equity attributable to owners of the parent			
Share capital	<i>16</i>	14	15
Treasury shares	<i>16</i>	(459,000)	(458,592)
Reserves		3,991,952	4,085,080
TOTAL EQUITY		3,532,966	3,626,503

1. CORPORATE AND GROUP INFORMATION

The Company is an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 13 May 2015. The registered and correspondence office of the Company is an office of Intertrust Corporate Services (Cayman) Limited, located at One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 11 November 2016 (the “**Listing**”).

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the business of casual braised duck-related food production, marketing and sales (“**Zhou Hei Ya Business**”) in the mainland of the People’s Republic of China (the “**PRC**”).

In the opinion of the directors of the Company (the “**Directors**”), the ultimate controlling shareholders of the Company are Mr. Zhou Fuyu and Ms. Tang Jianfang (together known as the “**Controlling Shareholders**”).

In the opinion of the Directors, the ultimate holding company of the Company is Healthy Origin Holdings Limited, which is incorporated in the British Virgin Islands.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for structured deposits, other financial assets at fair value through profit or loss (“**FVTPL**”), equity investment designed at fair value through other comprehensive income (“**FVTOCI**”). These consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 – Lack of Exchangeability for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been-issued-but is not yet effective.

Amendments to HKAS-21 – specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional-currencies of overseas subsidiaries for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on-the-Group’s-financial-statements.

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

3. OPERATING SEGMENT INFORMATION

The Group's principal business is the production, marketing and retailing of casual braised duck-related food. For management purposes, the Group operates in one business unit based on its products, and has one reportable segment which is the production, marketing and retailing of casual braised duck-related food.

Information about geographical area

Since all of the Group's revenue was generated from the production, marketing and retailing of casual braised duck-related food in Mainland China and all of the Group's non-current assets were located in Mainland China, no geographical information in accordance with HKFRS 8 Operating Segments is presented.

Information about major customers

Since none of the Group's sales to a single customer accounted for 10% or more of the Group's total revenue, no information about major customers in accordance with HKFRS 8 Operating Segments is presented.

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Revenue from contracts with customers	<u>2,536,249</u>	<u>2,451,033</u>
Revenue from contracts with customers		
<i>(a) Disaggregated revenue information</i>		
	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Types of goods or services		
Modified-Atmosphere-Packaged products	2,102,023	2,062,856
Vacuum-packaged products	257,556	257,740
Franchise fees of retail stores	20,928	33,117
Other products	155,742	97,320
Total revenue from contracts with customers	<u>2,536,249</u>	<u>2,451,033</u>
	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Timing of revenue recognition		
Goods transferred at a point in time	2,515,321	2,417,916
Service transferred over time	20,928	33,117
Total revenue from contracts with customers	<u>2,536,249</u>	<u>2,451,033</u>

4. REVENUE, OTHER INCOME AND GAINS, NET (continued)

Revenue from contracts with customers (continued)

(a) Disaggregated revenue information (continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sale of casual braised food	24,346	24,738
Franchise fee of retail stores	14,985	21,793
Total	<u>39,331</u>	<u>46,531</u>

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of casual braised food

The performance obligation is satisfied upon delivery of the goods or upon confirmation from customers. Payment is generally settled once the goods are delivered or receipts are confirmed, except for franchisees and distributors, where payment in advance is normally required.

Franchise fees of retail stores

The performance obligation is satisfied over time as services are rendered and advances are normally required before rendering the services. Generally, franchise fee contracts are for periods of more than one year, and the franchise fees are billed according to the contracts.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Amounts expected to be recognised as revenue:		
Within one year	30,760	39,331
After one year	2,875	5,480
Total	<u>33,635</u>	<u>44,811</u>

4. REVENUE, OTHER INCOME AND GAINS, NET (continued)

An analysis of other income and gains, net is as follows:

	<i>Notes</i>	<u>2025</u> RMB'000	<u>2024</u> RMB'000
<u>Other income</u>			
Interest income		32,767	50,046
Government grants related to assets ⁽ⁱ⁾		3,079	2,283
Government grants related to income ⁽ⁱⁱ⁾		<u>10,353</u>	<u>18,428</u>
		<u>46,199</u>	<u>70,757</u>
<u>Gains/(losses) net</u>			
Fair value gain/(loss) on other financial assets measured at FVTPL		144	(33,000)
Gain/(loss) on disposal of items of property, plant and equipment, net		276	(94)
Gain on modification of lease, net	<i>10</i>	5,325	5,110
Impairment of right-of-use assets	<i>10</i>	(3,585)	(13,354)
Gain/(loss) on foreign exchange differences, net		963	(8,655)
Others		<u>1,836</u>	<u>991</u>
		<u>4,959</u>	<u>(49,002)</u>
Total		<u>51,158</u>	<u>21,755</u>

- i. The Group has received certain government grants related to the investments in production plants. The grants related to assets were recognised in the profit or loss over the useful lives of relevant assets.
- ii. There were no unfulfilled conditions and other contingencies attaching to the government grants that had been recognised.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	<u>2025</u> RMB'000	<u>2024</u> RMB'000
Interest on bank borrowings	822	2,223
Interest on lease liabilities	<u>10,566</u>	<u>10,232</u>
Total	<u>11,388</u>	<u>12,455</u>

6. PROFIT BEFORE TAX

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

	<i>Notes</i>	<u>2025</u>	<u>2024</u>
		RMB'000	RMB'000
Cost of inventories sold		1,076,712	1,059,140
Depreciation of property, plant and equipment		115,675	114,805
Depreciation of right-of-use assets	<i>10(c)</i>	166,387	201,300
Depreciation of investment property		328	109
Amortisation of other intangible assets		3,980	5,630
Auditor's remuneration		2,400	2,400
Minimum lease payments under short term leases in respect of stores and plant premises	<i>10(c)</i>	124,722	106,556
Employee benefit expense (including directors' and chief executive's remuneration)			
Wages and salaries		394,103	423,114
Pension scheme contributions		68,149	71,661
Equity-settled share-based payment expense		6,471	(4,113)
Other welfare		24,712	27,000
		<u>493,435</u>	<u>517,662</u>
Share of profits and losses of associates		(6,692)	3,497
Interest income	<i>4</i>	(32,767)	(50,464)
(Gain)/loss on disposal of items of property, plant and equipment, net	<i>4</i>	(276)	94
Gain on modification of lease, net	<i>4</i>	(5,325)	(5,110)
Impairment of right-of-use assets	<i>4</i>	3,585	13,354
Impairment of trade receivables		1,590	2,357
Government grants related to assets	<i>4</i>	(3,079)	(2,283)
Government grants related to income	<i>4</i>	(10,353)	(18,428)

7. INCOME TAX

The major components of income tax expense are as follows:

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Current – PRC profits tax	66,121	101,443
Current – HK profits tax	181	18
	<u>66,302</u>	<u>101,461</u>
Deferred tax	<u>12,651</u>	<u>(50,598)</u>
Total tax charge for the year	<u>78,953</u>	<u>50,863</u>

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The provision for current income tax in the PRC is based on a statutory rate of 25% (2024: 25%) of the assessable profits of the subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

8. DIVIDENDS

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Interim-nil per ordinary share (2024: nil)	<u>–</u>	<u>–</u>
Final-HK\$0.09 (equivalent to RMB0.08 per share) per ordinary share (2024: HK\$0.05 (equivalent to RMB0.05 per share))	<u>168,020</u>	<u>102,368</u>

The proposed final dividend for the year is subject to the approval of the Group's shareholders at the forthcoming annual general meeting.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,029,006,502 (2024: 2,195,460,423) in issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent of RMB156,692,000 (2024: RMB98,204,000). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares of 2,029,008,369 (2024: RMB2,195,743,458) in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

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

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	<u>156,692</u>	<u>98,204</u>
	<u>Number of shares</u>	
	<u>2025</u>	<u>2024</u>
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	<u>2,029,006,502</u>	2,195,460,423
Effect of dilution – weighted average number of ordinary shares:		
Restricted share unit scheme	<u>1,867</u>	<u>283,035</u>
Total	<u>2,029,008,369</u>	<u>2,195,743,458</u>
Earnings per share:		
Basic (RMB)	<u>0.08</u>	<u>0.04</u>
Diluted (RMB)	<u>0.08</u>	<u>0.04</u>

10. LEASE

The Group as a lessee

The Group has lease contracts for various items of properties used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of properties generally have lease terms between 12 months and 7 years. Motor vehicles generally have lease terms of less than 12 months and/or are individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. There are certain lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

(a) *Right-of-use assets*

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	<u>Leasehold land</u>	<u>Properties</u>	<u>Total</u>
	RMB'000	RMB'000	RMB'000
As at 1 January 2024	118,312	266,901	385,213
Additions	–	171,092	171,092
Depreciation charge	(2,856)	(198,863)	(201,719)
Revision of a lease term arising from other changes in the non-cancellable period of a lease	–	(21,157)	(21,157)
Impairment	–	(13,354)	(13,354)
	<u>115,456</u>	<u>204,619</u>	<u>320,075</u>
As at 31 December 2024 and 1 January 2025	115,456	204,619	320,075
Additions	837	173,114	173,951
Depreciation charge	(2,856)	(163,950)	(166,806)
Revision of a lease term arising from other changes in the non-cancellable period of a lease	–	14,355	14,355
Impairment	–	(3,585)	(3,585)
	<u>113,437</u>	<u>224,553</u>	<u>337,990</u>
As at 31 December 2025	<u>113,437</u>	<u>224,553</u>	<u>337,990</u>

The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by senior management. The discount rate applied to the cash flow projections is 14% (2024: 14%).

The Group's leasehold land is located in Wuhan City of Hubei Province, Dongguan City of Guangdong Province, Chengdu City of Sichuan Province, Nantong City of Jiangsu Province, Cangzhou City of Hebei Province and Qianjiang City of Hubei Province, the PRC, with lease periods of 50 years.

During the year, an amount of RMB419,000 (2024: RMB419,000) of the prepaid land lease payments was capitalised as part of the construction costs of the factory in Qianjiang City.

10. LEASES (continued)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Carrying amount at 1 January	214,198	282,819
New leases	173,114	169,899
Accretion of interest recognised during the year	10,566	10,232
Payments	(179,463)	(222,485)
Revision of a lease term arising from other changes in the non-cancellable period of a lease	9,030	(26,267)
	<u>227,445</u>	<u>214,198</u>
Carrying amount at 31 December	<u>227,445</u>	<u>214,198</u>
Analysed into:		
Current portion	127,240	132,427
Non-current portion	100,205	81,771
	<u>227,445</u>	<u>214,198</u>
Total	<u>227,445</u>	<u>214,198</u>

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Interest on lease liabilities	10,566	10,232
Depreciation charge of right-of-use assets	166,387	201,300
Expense relating to short-term leases (included in cost of sales and selling and distribution expenses)	59,782	33,537
Variable lease payments not included in the measurement of lease liabilities (included in cost of sales and selling and distribution expenses)	64,940	73,019
Gain on modification of lease, net	(5,325)	(5,110)
Impairment of right-of-use assets	3,585	13,354
	<u>299,935</u>	<u>326,332</u>
Total amount recognised in profit or loss	<u>299,935</u>	<u>326,332</u>

10. LEASES (continued)

The Group as a lessee (continued)

(d) Variable lease payments

The Group leased a number of retail stores and premises which contain variable lease payment terms that are based on the Group's turnover generated from the retail stores and premises in the shopping malls. The following provides information on the Group's variable lease payments, including the magnitude in relation to fixed payments:

2025	Fixed payments	Variable payments	Total
	RMB'000	RMB'000	RMB'000
Fixed rent payment	170,642	–	170,642
Variable rent with minimum payment	68,603	12,362	80,965
Variable rent only	–	52,578	52,578
Total	<u>239,245</u>	<u>64,940</u>	<u>304,185</u>
2024	Fixed payments	Variable payments	Total
	RMB'000	RMB'000	RMB'000
Fixed rent payment	219,382	–	219,382
Variable rent with minimum payment	36,640	15,112	51,752
Variable rent only	–	57,907	57,907
Total	<u>256,022</u>	<u>73,019</u>	<u>329,041</u>

11. INVESTMENTS IN ASSOCIATES

	2025	2024
	RMB'000	RMB'000
Share of net assets	<u>617,446</u>	<u>627,848</u>

11. INVESTMENTS IN ASSOCIATES (continued)

Particulars of the Company's material associates are as follows:

Name	Place of incorporation	Ownership interest	Percentage of Voting power	Profit sharing	Principal activity
Shenzhen Tiantu Xingnan Investment Partnership (Limited Partnership) (“ Shenzhen Tiantu Xingnan ”) (Note a)	PRC	25.00%	40.00%	25.00%	Investment fund
Shanghai Zhi Yi Enterprise Development (“ Shanghai Zhi Yi ”) (Note b)	PRC	49.90%	49.90%	49.90%	Investment holding
Hainan Tiantu Xingzhou Investment Partnership (Limited Partnership) (“ Hainan Tiantu Xingzhou ”) (Note c)	PRC	31.64%	25.00%	31.64%	Investment fund
Hubei Dwelling Foods Co., Ltd. (“ Hubei Dwelling ”) (Note d)	PRC	20.00%	20.00%	20.00%	Warehousing Business
ACCF Ginkgo Capital I L.P. (“ ACCF Ginkgo ”) (Note e)	Cayman Island	39.47%	33.33%	39.47%	Investment fund
Sichuan Zhou Hei Ya Food Technology Co., Ltd (“ Sichuan Food Technology ”) (Note f)	PRC	44.00%	44.00%	44.00%	Food development

- (a) In March 2018, the Group, through an indirect-wholly-owned subsidiary, entered into a partnership agreement with Shenzhen Tiantu Capital Management Centre (Limited Partnership) and Shenzhen Tiantu Xing'an Investment Enterprise (Limited Partnership) to jointly form Shenzhen Tiantu Xingnan, an investment fund, as a limited partner with an initial capital commitment of RMB500,000,000, representing 50.00% of the total commitment capital of RMB1,000,000,000 of this fund.

The Investment Committee of Shenzhen Tiantu Xingnan comprised of five directors, of which two of them are appointed by the Group and the remaining three directors were appointed by the other shareholders of Shenzhen Tiantu Xingnan. The resolution of the board of directors of Shenzhen Tiantu Xingnan requires approval by simple majority. As such, the Group can exercise significant influence over Shenzhen Tiantu Xingnan's financial or operating policies and, accordingly, the Group accounts for Shenzhen Tiantu Xingnan as an associate.

As of 31 December 2025, the total paid-up capital of this fund was RMB784,608,000 as a result of the capital distribution to investors of RMB48,945,000 in April 2025 and July 2025. The Group's paid-in contribution of RMB196,071,000 (2024: RMB208,368,000), represented 25.00% (2024: 25.00%) of the total paid-up capital of this fund.

- (b) In April 2021, the Group, through an indirect wholly-owned subsidiary, entered into an agreement with Shanghai Bofu Business Service Office (Limited Partnership) to jointly form Shanghai Zhi Yi, with an initial subscription amount of RMB29,940,000, representing 49.90% of the total initial subscription amount of this associate.

As of 31 December 2025, the total paid-up capital of this fund was RMB31,918,000 as same as 31 December 2024. the Group's paid-in contribution of RMB15,927,000 (2024: RMB15,927,000) represented 49.90% (2024: 49.90%) of the total paid-up capital of Shanghai Zhi Yi.

11. INVESTMENTS IN ASSOCIATES (continued)

- (c) In October 2021, the Group, through an indirect wholly-owned subsidiary, entered into a partnership agreement with Shenzhen Tiantu Capital Management Centre (Limited Partnership) and Shenzhen Tiantu Investment Management Co.,Ltd to jointly form Hainan Tiantu Xingzhou, an investment fund, as a limited partner with an initial subscription amount of RMB500,000,000, representing 50.00% of the total initial subscription amount of this fund.

The Investment Committee of Hainan Tiantu Xingzhou comprised of four directors, of which one of them is appointed by the Group and the remaining three directors were appointed by other shareholders of Hainan Tiantu Xingzhou. The resolution of the board of directors of Hainan Tiantu Xingzhou requires approval by simple majority. As such, the Group can exercise significant influence over Hainan Tiantu Xingzhou's financial or operating policies and, accordingly, the Group accounts for Hainan Tiantu Xingzhou as an associate.

As of 31 December 2024, the total paid-up capital of this fund was RMB788,136,000, being the additional capital injection of RMB30,000,000 by independent third institutional investors and RMB10,000,000 by Shenzhen Tiantu Capital Management Centre (Limited Partnership), and the distribution was made to investors of RMB1,864,000 in December 2024. The Group's paid-in contribution of RMB249,391,000 (2023: RMB250,000,000) represented 31.64% (2023: 33.33%) of the total paid-up capital of Hainan Tiantu Xingzhou.

As of 31 December 2025, the total paid-up capital of this fund was RMB772,487,000, as a result of the capital distribution to investors of RMB15,649,000 in May 2025. The Group's paid-in contribution of RMB244,439,000 (2024: RMB249,391,000) represented 31.64% (2024: 31.64%) of the total paid-up capital of Hainan Tiantu Xingzhou.

- (d) In November 2021, the Group, through an indirect wholly-owned subsidiary, disposed of 80.00% ownership of Hubei Dwelling, and the remaining 20.00% of equity interest in Hubei Dwelling was accounted for investment in an associate.

As of 31 December 2024, the Group's paid-in contribution of RMB16,080,000 (2023: RMB16,080,000) represented 20.00% (2023: 20.00%) of the total paid-up capital of Hubei Dwelling.

As of 12 December 2025, the Group's paid-in contribution of RMB16,080,000 (2024: RMB16,080,000) represented 20.00% (2024: 20.00%) of the total paid-up capital of Hubei Dwelling.

- (e) In June 2022, the Company entered into a partnership agreement with Advantage China Consumer Fund (ACCF Capital) and Ginkgo Future Ltd. to jointly form ACCF Ginkgo Capital I L.P, as a limited partner, with an initial subscription amount of USD30,000,000, representing 49.50% of the total initial subscription amount of the fund.

The Investment Committee of ACCF Ginkgo comprised of three directors, of which one of them is appointed by the Group and the remaining two directors were appointed by the other shareholders of ACCF Ginkgo. The resolution of the board of directors of ACCF Ginkgo requires approval by simple majority. As such, the Group can exercise significant influence over ACCF Ginkgo's financial or operating policies and, accordingly, the Group accounts for ACCF Ginkgo as an associate.

In June 2023, Max Bloom Group Limited joined the partnership, as a limited partner, with an initial subscription amount of USD2,500,000.

As of 31 December 2024, the Group's paid-in contribution of USD10,000,000 (2023: USD10,000,000) represented 41.61% (2023: 41.61%) of the total paid-up capital of USD24,033,000.

As of 31 December 2025, the Group's paid-in contribution of USD10,000,000 (2024: USD10,000,000) represented 39.47% (2024: 41.61%) of the total paid-up capital of USD25,333,000.

11. INVESTMENTS IN ASSOCIATES (continued)

- (f) In September 2024, the Group entered into a joint venture agreement with Jin Li, Sichuan Shentang Food Technology Co., Ltd., and Chen Jinshan to establish Sichuan Zhouheiya Food Technology Co., Ltd. With an initial subscription amount of 2,200,000, the Group's represented 44% of the total initial subscription of the company. As of 31 December 2025, the Group's paid in contribution of RMB2,200,000 represented 44% of the total paid up capital of RMB 5,000,000.

12. TRADE RECEIVABLES

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Trade receivables	112,929	84,807
Less: Impairment provision	(14,407)	(16,882)
	<u>98,522</u>	<u>67,925</u>
Total	<u>98,522</u>	<u>67,925</u>

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the fact that the Group's trade receivables related to various diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Within 3 months	91,002	41,419
3 to 12 months	7,264	26,443
Over 1 year	256	63
	<u>98,522</u>	<u>67,925</u>
Total	<u>98,522</u>	<u>67,925</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	<u>2025</u>	<u>2024</u>
	<u>RMB'000</u>	<u>RMB'000</u>
At beginning of year	16,882	16,999
Write-off of impairment loss	(4,065)	(2,474)
Impairment losses	1,590	2,357
	<u>14,407</u>	<u>16,882</u>
At end of year	<u>14,407</u>	<u>16,882</u>

The Group applies the simplified approach to provide for expected credit losses prescribed in HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group overall considers the characteristics of the shared credit risk and the days past due of the trade receivables to measure the expected credit losses. Majority of the receivables were neither past due nor impaired and relate to diversified customers for whom there was no recent history of default and in general, the Group recognises a loss allowance based on a 12-month ECLs at each reporting date. The Directors are of the opinion that the credit risk was minimal in view of there has not been a significant change in credit quality.

13. STRUCTURED DEPOSITED AND OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Current:		
Other financial assets at FVTPL		
Structured deposits products	100,427	100,734
Private equity fund	–	87,000
Money Market Fund	24,484	26,032
	<u>124,911</u>	<u>213,766</u>
Total	<u>124,911</u>	<u>213,766</u>

14. TRADE AND BILLS PAYABLES

	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Trade payables	80,693	57,060
Bills payables	11,018	–
	<u>91,711</u>	<u>57,060</u>
Total	<u>91,711</u>	<u>57,060</u>

The ageing analysis of the outstanding trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Within 3 months	75,281	52,628
3 to 6 months	3,007	2,021
6 to 12 months	974	1,234
Over 12 months	1,431	1,177
	<u>80,693</u>	<u>57,060</u>
Total	<u>80,693</u>	<u>57,060</u>

Bills payable

	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Within 6 months	11,018	–
	<u>11,018</u>	<u>–</u>
Total	<u>11,018</u>	<u>–</u>

The trade payables are non-interest-bearing.

15. INTEREST-BEARING BANK BORROWINGS

	31 December 2025			31 December 2024		
	Effective Interest rate (%)	Maturity	RMB'000	Effective Interest rate (%)	Maturity	RMB'000
Bank borrowings – unsecured	0.65-0.85	2026.1-2026.5	170,000	0.65-1.24	2025.1-2025.3	150,000
			170,000			150,000

16. SHARE CAPITAL

	2025 RMB'000	2024 RMB'000
Authorised: 50,000,000,000 shares of USD0.000001 each (2024: 50,000,000,000 shares of USD0.000001 each)	306	306
Issued and fully paid: 2,159,709,500 shares of USD0.000001 each (2024: 2,267,985,500 shares of USD0.000001 each)	14	15

A summary of movements in the Company's share capital is as follows:

	Numbers of shares in issue	Share capital RMB'000	Treasury shares RMB'000
At 31 December 2023 and 1 January 2024	2,383,140,500	16	(350,181)
Repurchase of shares	–	–	(316,806)
Cancellation of shares	(115,155,000)	(1)	183,514
Exercise of share-based awards	–	–	24,881
At 31 December 2024	2,267,985,500	15	(458,592)
At 31 December 2024 and 1 January 2025	2,267,985,500	15	(458,592)
Repurchase of shares	–	–	(179,000)
Cancellation of shares	(108,276,000)	(1)	167,324
Exercise of share-based awards	–	–	11,268
At 31 December 2025	2,159,709,500	14	(459,000)

17. EVENTS AFTER THE REPORTING PERIOD

As at the date of approval of the consolidated financial statements, no material events were undertaken by the Group subsequent to 31 December 2025.

OTHER INFORMATION

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

During 2025, the Company repurchased a total of 93,785,500 Shares (the “**Shares Repurchased**”) on the Hong Kong Stock Exchange at an aggregate consideration of HK\$194,177,669.46. No Shares Repurchased were held as treasury shares of the Company. Particulars of the Shares Repurchased are summarized as follows:

Month of Repurchase	No. of Shares Repurchased	Price paid per Share		Aggregate Consideration ⁽¹⁾
		Highest	Lowest	
		HK\$	HK\$	HK\$
January 2025	20,157,500	1.72	1.49	32,350,298.29
February 2025	25,597,500	1.92	1.66	45,940,422.89
March 2025	1,903,000	1.82	1.73	3,353,903.05
April 2025	7,711,000	2.53	1.93	17,462,193.77
May 2025	15,965,500	2.69	2.47	41,277,584.28
June 2025	19,793,000	2.62	2.37	49,349,266.18
July 2025	–	–	–	–
August 2025	–	–	–	–
September 2025	–	–	–	–
October 2025	–	–	–	–
November 2025	–	–	–	–
December 2025	2,658,000	1.76	1.58	4,444,001.00
Total	<u>93,785,500</u>			<u>194,177,669.46</u>

(1): Including handling charges.

During 2025, a total of 49,686,500 Shares repurchase from September 9, 2024 to January 2, 2025 (except for Shares repurchased from November 25, 2024 to November 29, 2024, December 5, 2024, December 6, 2024, and December 20, 2024 to December 31, 2024) have been cancelled on January 27, 2025, and a total of 58,589,500 Shares repurchased from November 25, 2024 to November 29, 2024, December 5, 2024 to December 6, 2024, December 20, 2024 to December 31, 2024, January 3, 2025 to March 28, 2025 have been cancelled on April 9, 2025. As at December 31, 2025, the total number of Shares in issue was 2,159,709,500.

Save as disclosed above and the purchase of Shares through a designated trustee in accordance with the RSU Scheme, the Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company (including sales of treasury shares) in 2025. As at December 31, 2025, the Company did not hold any treasury shares.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK\$0.09 per ordinary share of the Company (adopting an exchange rate of HK\$1=RMB0.88357, equivalent to RMB0.08 per share) (the “**2025 Final Dividend**”) and payable in Hong Kong dollars, amounting to approximately a total of RMB168,020,000 (calculated based on the total issued shares of the Company as of the date of this announcement, which was 2,112,896,500), representing approximately 107.2% of the Group’s net profit for the year ended December 31, 2025.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determination of eligibility to attend and vote at the annual general meeting of the Company (the “**AGM**”), the register of members of the Company will be closed from Friday, June 5, 2026 to Wednesday, June 10, 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. The record date will be Wednesday, June 10, 2026. In order to be entitled to attend and vote at the forthcoming AGM to be held on June 10, 2026, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on Thursday, June 4, 2026.

Subject to the approval of the declaration of the 2025 Final Dividend at the forthcoming AGM, the register of members of the Company will also be closed from Tuesday, June 16, 2026 to Thursday, June 18, 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed 2025 Final Dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on Monday, June 15, 2026. The 2025 Final Dividend, if approved by the Company’s shareholders at the forthcoming AGM, will be paid on or about Tuesday, June 30, 2026 to those shareholders whose name appear on the register of member of the Company on Thursday, June 18, 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Save for the deviation from code provision C.2.1 as set of in part 2 of the Corporate Governance Code (the “**Code**”), which is explained in the following paragraph, in 2025, the Company has complied with the applicable code provisions in part 2 of the Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”).

Pursuant to code provision C.2.1 in part 2 of the Code, the responsibilities between the chairman and chief executive officer of a listed issuer should be separate and should not be performed by the same individual. Mr. Zhou Fuyu has served as both the chairman of the Board (the “**Chairman**”) and the chief executive officer of the Company (the “**Chief Executive Officer**”) since June 12, 2024, and such practice deviates from the code provision C.2.1 in part 2 of the Code. The Company is currently undergoing an important period of strategic change, and the Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the founder of the Group can effectively promote the implementation of the Group’s key strategies, ensure consistent leadership to advance long-term strategies, and further optimize the operating efficiency of the Group and enhance the operating quality of the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Company will continue to enhance its corporate governance practice which is appropriate to the conduct and growth of its business.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the Code and maintaining a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code for the year ended December 31, 2025.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the Code. The Audit Committee comprises three members, namely Mr. Chen Chen, Mr. Chan Kam Ching, Paul and Mr. Lu Weidong, our independent non-executive Directors. Mr. Chen Chen is the chairman of the Audit Committee, and is our independent non-executive Director possessing the appropriate professional qualifications.

The Audit Committee has reviewed and discussed the annual results for the year ended December 31, 2025. The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed by the Group’s auditor, Ernst & Young, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and that of the Company (www.zhouheiya.cn). The annual report will be dispatched to the shareholders of the Company (if requested) and will be available on the website of the Stock Exchange and that of the Company in due course.

By order of the Board
Zhou Hei Ya International Holdings Company Limited
ZHOU Fuyu
Chairman, Chief Executive Officer

Hong Kong, March 26, 2026

As at the date of this announcement, the executive Directors of the Company are Mr. ZHOU Fuyu, Mr. LYU Hanbin and Ms. WANG Yali; and the independent non-executive Directors of the Company are Mr. CHAN Kam Ching, Paul, Mr. LU Weidong and Mr. CHEN Chen.