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## **China Golden Classic Group Limited**

**中國金典集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8281)**

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

#### **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “Directors”) of China Golden Classic Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## ANNUAL RESULTS

The board of directors (the “Board”) of the Company announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 (the “Year”), together with the comparative audited figures for the year ended 31 December 2024 (the “Last Corresponding Period”) as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Revenue	3	<b>268,625</b>	261,297
Cost of sales		<b>(167,278)</b>	(171,811)
Gross profit		<b>101,347</b>	89,486
Other income and gain, net	4	<b>6,013</b>	4,656
Selling and distribution costs		<b>(42,026)</b>	(38,756)
Administrative expenses		<b>(53,158)</b>	(52,196)
Finance costs	5	<b>(71)</b>	(181)
Profit before tax		<b>12,105</b>	3,009
Income tax expenses	6	<b>(1,889)</b>	(40)
Profit for the year	7	<b>10,216</b>	2,969
Other comprehensive (expense) for the year <i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation of foreign operations		<b>(232)</b>	(535)
Total comprehensive income for the year		<b>9,984</b>	2,434
Earnings per share			
– Basic and diluted ( <i>RMB cents</i> )	9	<b>1.02</b>	0.30

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		2025	2024
	Notes	RMB'000	RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		127,271	138,336
Right-of-use assets		17,303	19,580
Intangible assets		–	–
Deposits paid for acquisition of property, plant and equipment		3,045	371
Deferred tax assets		274	447
		<u>147,893</u>	<u>158,734</u>
<b>Current assets</b>			
Inventories		33,312	29,566
Trade and other receivables	10	62,685	63,968
Financial assets at fair value through profit or loss (“FVTPL”)		–	–
Pledged bank deposits		1,500	725
Cash and cash equivalents		90,812	82,120
		<u>188,309</u>	<u>176,379</u>
<b>Current liabilities</b>			
Trade and other payables	11	39,673	37,298
Contract liabilities	11	21,362	25,882
Lease liabilities		1,854	1,958
Tax payable		1,013	805
Bank borrowing		–	5,000
		<u>63,902</u>	<u>70,943</u>
Net current assets		<u>124,407</u>	<u>105,436</u>
<b>Total assets less current liabilities</b>		<u>272,300</u>	<u>264,170</u>

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Non-current liability</b>		
Lease liabilities	—	1,854
	<b>272,300</b>	262,316
<b>Capital and reserves</b>		
Share capital	<b>8,606</b>	8,606
Reserves	<b>263,694</b>	253,710
	<b>272,300</b>	262,316

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	PRC statutory reserves RMB'000	Translation reserve RMB'000	Retained profits RMB'000	Total RMB'000
At January 2025	8,606	65,586	15	42,898	2,684	142,527	262,316
Profit for the year	-	-	-	-	-	10,216	10,216
Other comprehensive expense for the year							
Exchange difference arising on translations of foreign operations	-	-	-	-	(232)	-	(232)
Total comprehensive (expense) income for the year	-	-	-	-	(232)	10,216	9,984
As 31 December 2025	<u>8,606</u>	<u>65,586</u>	<u>15</u>	<u>42,898</u>	<u>2,452</u>	<u>152,743</u>	<u>272,300</u>
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	PRC statutory reserves RMB'000	Translation reserve RMB'000	Retained profits RMB'000	Total RMB'000
At January 2024	8,606	69,386	15	42,898	3,219	139,558	263,682
Profit for the year	-	-	-	-	-	2,969	2,969
Other comprehensive expense for the year							
Exchange difference arising on translations of foreign operations	-	-	-	-	(535)	-	(535)
Total comprehensive (expense) income for the year	-	-	-	-	(535)	2,969	2,434
Dividend recognised as distribution (Note 8)	-	(3,800)	-	-	-	-	(3,800)
As 31 December 2024	<u>8,606</u>	<u>65,586</u>	<u>15</u>	<u>42,898</u>	<u>2,684</u>	<u>142,527</u>	<u>262,316</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 1. GENERAL

China Golden Classic Group Limited (the “Company”) is an investment holding company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in the manufacture and trading of oral care, leather care and household hygiene products.

The Company was incorporated in the Cayman Islands on 29 July 2015 as an exempted company with limited liability under the Cayman Companies Law, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of its registered office and principal place business is Flat B, 19/F, Times Media Centre, 133 Wan Chai Road, Wan Chai, Hong Kong. The Company’s share were listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The immediate holding company and the ultimate controlling party of the Company is ChongBo Mary Investment Limited, a company incorporated in the British Virgin Islands (the “BVI”) and Ms. Li Qiuyan (“Ms. Li”), an executive director of the Company, respectively.

The functional currency of the Company and the Group’s principal subsidiaries is Renminbi (“RMB”). As the Group mainly operates in the People’s Republic of China (the “PRC”), the directors of the Company consider that it is appropriate to present the consolidated financial statements in RMB.

## 2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARD

In the current year, the Group has applied, for its first time, the following amendments to HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are effective for the Group’s financial year beginning on 1 January 2025:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial performance and position for the current and prior years and/or on disclosures set out in these consolidated financial statements.

### New and amendments to HKFRS Accounting Standard issued but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standard that have been issued but are not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>1</sup>
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

The directors of the Company anticipate that the application of the new and amendments to HKFRS Accounting Standard will have no material impact on the results and the financial position of the Group.

## ***HKFRS 18 – Presentation and Disclosure in Financial Statements***

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of the HKFRS 18 is not expected to have material impact on the financial position of the Group. The directors are in the process of making an assessment of the impact of HKFRS 18, but is not yet in a position to state whether the adoption would have a material impact on the presentation and disclosures of consolidated financial statements of the Group.

### **3. REVENUE AND SEGMENT INFORMATION**

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments are as follows:

- (1) Oral care products segment reports manufacture and sales of oral care products including functional toothpaste, mouthwash, oral spray and toothbrush.
- (2) Leather care products segment reports manufacture and sales of leather care products including leather shoe care products and leather clothing care products.
- (3) Household hygiene products segment reports manufacture and sales of household hygiene products including surface cleaners, laundry care products, toilet care products and mould proof products.

#### **Segment revenue and results**

Segment revenue represents revenue derived from the sales of oral care, leather care and household hygiene products.

The following are analysis of the Group's revenue and results by reportable and operating segments:

	<b>Oral care products</b> <i>RMB'000</i>	<b>Leather care products</b> <i>RMB'000</i>	<b>Household hygiene products</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
<b>For the year ended 31 December 2025</b>				
Segment revenue from external customers	<u>58,450</u>	<u>11,732</u>	<u>198,443</u>	<u>268,625</u>
Segment profit	<u>21,298</u>	<u>4,300</u>	<u>75,749</u>	<u>101,347</u>
Unallocated income				<b>6,013</b>
Unallocated expenses				<b>(95,184)</b>
Finance costs				<u>(71)</u>
Profit before tax				<u><u>12,105</u></u>
<b>For the year ended 31 December 2024</b>				
Segment revenue from external customers	<u>65,015</u>	<u>13,909</u>	<u>182,373</u>	<u>261,297</u>
Segment profit	<u>24,340</u>	<u>4,368</u>	<u>60,778</u>	<u>89,486</u>
Unallocated income				4,656
Unallocated expenses				(90,952)
Finance costs				<u>(181)</u>
Profit before tax				<u><u>3,009</u></u>

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 2. Segment profit represents the profit earned by each segment without allocation of selling and distribution costs, administrative expenses, other income and gain and finance costs. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

## Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>SEGMENT ASSETS</b>		
Jointly-shared by sales of oral care products, leather care products and household hygiene products segments	<b>185,213</b>	185,876
Unallocated	<b>150,989</b>	149,237
Total assets	<b>336,202</b>	335,113
<b>SEGMENT LIABILITIES</b>		
Jointly-shared by sales of oral care products, leather care products and household hygiene products segments	<b>58,966</b>	67,797
Unallocated	<b>4,936</b>	5,000
Total liabilities	<b>63,902</b>	72,797

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain property, plant and equipment, certain right-of-use asset, bank balances and cash and financial asset at FVTPL as these assets are managed on a group basis; and
- all liabilities are allocated to operating segments other than certain other payables, dividend payable, bank borrowings, tax payable and lease liabilities as these liabilities are managed on a group basis.

The Group's CODM is of the view that the Group's principal assets and liabilities are jointly used and shared by oral care products, leather care products and household hygiene products segments.

#### 4. OTHER INCOME AND GAIN, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Rental income from properties ( <i>Note i</i> )	1,781	1,950
Rental income from equipment	310	310
Bank interest income	1,379	1,360
Exchange (loss) gain	(651)	335
Government grants ( <i>Note ii</i> )	2,191	710
Loss on disposal of property, plant and equipment, net	(16)	(33)
Fair value changes on financial assets at FVTPL ( <i>Note iii</i> )	–	(1,075)
Others	1,019	1,099
	<u>6,013</u>	<u>4,656</u>

*Notes:*

- (i) No material outgoings had been incurred for the rental income.
- (ii) These government grants were awarded to the Group by the local government agencies as incentives primarily to encourage the development of the Group and the contribution to the local economic development with no unfulfilled conditions.
- (iii) The financial assets at FVTPL was matured and fully impaired in 2024. No realised gain of the financial assets at FVTPL during the year ended 31 December 2024.

#### 5. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank borrowing	59	154
Interest on lease liabilities	12	27
	<u>71</u>	<u>181</u>

#### 6. INCOME TAX EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current tax</b>		
PRC Enterprise Income Tax	1,716	257
<b>Deferred tax</b>	173	(217)
	<u>1,889</u>	<u>40</u>

## 7. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Auditor's remuneration	580	600
Depreciation of property, plant and equipment	16,541	19,392
Depreciation of right-of-use assets	2,277	2,318
Cost of inventories recognised as expenses*	167,278	171,811
Research and development costs recognised as an expense**	10,875	10,206
(Reversal of impairment) impairment loss on inventories (included in cost of sales)	(1,033)	369
Emoluments of directors and chief executive	1,910	1,993
Other staff costs:		
Salaries and allowances	30,180	23,298
Contributions to retirement benefits schemes	3,658	3,817
Total staff costs	<u>35,748</u>	<u>29,108</u>

\* Cost of inventories recognised as expenses for the year ended 31 December 2025 included staff costs of approximately RMB9,139,000 (2024: RMB9,806,000) which had been included in the total staff costs disclosed above.

\*\* Research and development costs recognised as an expense for the year ended 31 December 2025 included staff costs of approximately RMB6,074,000 (2024: RMB5,762,000) which were also included in the total staff costs disclosure above.

## 8. DIVIDEND

Dividend recognised as distribution during the year:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
2025 nil (2024: 2023 Final dividend RMB0.38 cents) per share	<u>–</u>	<u>3,800</u>

During the year ended 31 December 2024, the shareholders of the Company approved to declare a final dividend of RMB0.38 cents per share for 2023, amounting to RMB3,800,000 at the general meeting of the Company. Approximately RMB3,917,000 of dividend was paid during the year ended 31 December 2024.

No dividend was paid or proposed for shareholders of the Company during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period.

## 9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

### Earnings

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings for the purpose of basic and diluted per share	<u>10,216</u>	<u>2,969</u>

### Number of shares

	2025 '000	2024 '000
Number of ordinary shares for the purpose of basic and diluted earnings per share	<u>1,000,000</u>	<u>1,000,000</u>

Since there are no potential dilutive shares in issue during the years ended 31 December 2025 and 2024, basic and diluted earnings per share are the same for both years.

## 10. TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables		
– third parties	39,833	33,983
Less: allowance for impairment of trade receivables	<u>(223)</u>	<u>(223)</u>
	<u>39,610</u>	<u>33,760</u>
Deposits and other receivables	2,442	2,098
Advances to employees	18	21
Loan to an employee	242	258
Less: allowance for impairment of other receivables	<u>(660)</u>	<u>(660)</u>
	<u>2,042</u>	<u>1,717</u>
Prepayments	21,396	28,854
Less: allowance for impairment of prepayments	<u>(363)</u>	<u>(363)</u>
	<u>21,033</u>	<u>28,491</u>
	<u>62,685</u>	<u>63,968</u>

As at 31 December 2025, the gross amount of trade receivables arising from contracts with customers amounted approximately RMB39,833,000 (2024: RMB33,983,000).

The Group does not hold any collateral over its trade receivables, deposits and other receivables.

The Group allows a credit period of 0 to 60 days to its trade customers. The following is an aged analysis of trade receivables presented based on the invoice dates, which approximated the respective revenue recognition dates, at the end of the reporting period.

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
0 – 30 days	<b>36,309</b>	31,672
31 – 60 days	<b>1,523</b>	819
61 – 90 days	<b>250</b>	41
Over 3 months but less than 6 months	<b>305</b>	377
Over 6 months but less than 1 year	<b>1,223</b>	851
	<b>39,610</b>	33,760

#### 11. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade and bills payables ( <i>Note i</i> )	<b>26,435</b>	24,529
Accruals and other payables ( <i>Note ii</i> )	<b>12,742</b>	11,921
Payables for acquisition of property, plant and equipment	<b>496</b>	848
	<b>39,673</b>	37,298
Contract liabilities	<b>21,362</b>	25,882

*Notes:*

- (i) As at 31 December 2025 and 2024, bills payables were secured pledged bank deposits of RMB1,500,000 (2024: RMB725,000).
- (ii) Included in accruals and other payables, there was accrued director's remuneration of approximately RMB40,000 as at 31 December 2024 (2025: nil).

Revenue recognised during the year ended 31 December 2025 that was included in the contract liabilities as at 1 January 2025 was approximately RMB25,869,000 (2024: RMB24,981,000). Almost all of the contract liabilities as at 31 December 2024 and 2025 were recognised as revenue within one year.

The following is an aged analysis of trade and bills payables presented based on the invoice date.

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
0 – 30 days	<b>16,426</b>	14,520
31 – 60 days	<b>4,410</b>	5,247
61 – 90 days	<b>1,922</b>	1,171
Over 3 months but less than 6 months	<b>1,381</b>	2,249
Over 6 months but less than 1 year	<b>843</b>	582
Over 1 year but less than 2 years	<b>766</b>	298
Over 2 years but less than 5 years	<b>687</b>	462
	<b>26,435</b>	24,529

The average credit period on purchase of goods is 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

## 12. CAPITAL COMMITMENT

As at 31 December 2025 and 2024, the Group has the following capital commitment in respect of acquisition of property, plant and equipment:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Contracted but not provided for	<b>2,187</b>	2,918

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

During the Year and up to the date of this announcement, the Group had been principally engaged in the manufacturing and trading of oral care, household hygiene and leather care products in China and overseas.

For the Year, the Group recorded a turnover of approximately RMB268.6 million, representing an increase by approximately 2.8% as compared to the Last Corresponding Period (2024: approximately RMB261.3 million). The net profit for the Year was approximately RMB10.2 million, representing an increase by approximately 244.1% as compared to the Last Corresponding Period (2024: approximately RMB3.0 million). Net profit margin for the Year was approximately 3.8%, representing an increase by approximately 2.7% as compared to the Last Corresponding Period (2024: approximately 1.1%).

The increase in profit for the Year mainly stemmed from higher sales volume and gross profit margin of household hygiene products.

### **FINANCIAL REVIEW**

#### **Turnover**

Turnover of the Group increased by approximately 2.8% from approximately RMB261.3 million for the Last Corresponding Period to approximately RMB268.6 million for the Year. The increase in the Group's total turnover was mainly attributable to the higher sales volume of household hygiene products. The turnover from oral care products segment decreased by approximately RMB6.6 million or 10.1% from approximately RMB65.0 million for Last Corresponding Period to approximately RMB58.5 million for the Year. Such decrease was mainly due to the drop in offline sales volume.

Turnover from household hygiene products segment recorded an increase of approximately RMB16.1 million or approximately 8.8% from approximately RMB182.4 million for the Last Corresponding Period to approximately RMB198.4 million for the Year. Such increase mainly stemmed from the company's years of in-depth cultivation in product technology and sales channels for household hygiene products.

The Directors are optimistic about the turnover from household hygiene products segment since the following reasons:

- (1) the new type of surfactant developed in collaboration with Jiangnan University will be fully incorporated into the Group's laundry products, further enhancing their performance.

- (2) The enterprise and even industry standards, which will be released for new heavy-duty kitchen degreasers, will provide a data basis for the claims of such products and raise the industry entry threshold.
- (3) kitchen degreaser products have become one of the most popular products in Northwestern part of China.

The turnover from our leather care products segment decreased by approximately RMB2.2 million or 15.7%, from approximately RMB13.9 million for the Last Corresponding Period to approximately RMB11.7 million for the Year. Such decrease was mainly due to the decreased promotion efforts on leather care products.

Details of the segment revenue, cost and profit for the Year and the Last Corresponding Period are summarised as follows:

	For the year ended 31 December 2025				For the year ended 31 December 2024			
	Oral care products RMB'000	Leather care products RMB'000	Household hygiene products RMB'000	Total RMB'000	Oral care products RMB'000	Leather care products RMB'000	Household hygiene products RMB'000	Total RMB'000
Segment revenue	58,450	11,732	198,443	268,625	65,015	13,909	182,373	261,297
Segment cost	37,152	7,432	122,694	167,278	40,675	9,541	121,595	171,811
Segment profit	21,298	4,300	75,749	101,347	24,340	4,368	60,778	89,486
Unallocated income				6,013				4,656
Unallocated expense				(95,184)				(90,952)
Finance cost				(71)				(181)
Profit before tax				12,105				3,009

### Cost of sales

Cost of sales decreased from approximately RMB171.8 million for the Last Corresponding Period to approximately RMB167.3 million for the Year, representing a decrease of approximately 2.6%. The change was mainly due to the implementation of cost-reduction measures for procurement via the adoption of optimized supplier management practices. During the Year, the Group appointed outstanding management personnel, who had served for many years in the quality and supplier management functions of the Chinese production bases of major multinational daily chemical giants, as heads of relevant departments of the Group.

## **Gross profit and gross profit margin**

Gross profit of the Group increased by approximately 13.3% from approximately RMB89.5 million for the Last Corresponding Period to approximately RMB101.3 million for the Year. The increase was mainly attributable to the increase in the sales of household hygiene products.

In addition, our gross profit margin increased by approximately 3.5% from approximately 34.2% for the Last Corresponding Period to approximately 37.7% for the Year.

## **Selling and distribution costs**

Selling and distribution costs increased by approximately RMB3.3 million or 8.4% from approximately RMB38.8 million for the Last Corresponding Period to approximately RMB42.0 million for the Year. The increase was mainly attributable to the increase in advertising and promotion expenses as well as transportation expenses.

## **Administrative expenses**

Administrative expenses increased by approximately RMB1.0 million or 1.8% from approximately RMB52.2 million for the Last Corresponding Period to approximately RMB53.2 million for the Year. Such increase was mainly due to higher expenditure on research and development and plant maintenance.

## **Finance costs**

Finance costs incurred for the Year, which mainly represent interest expenses, was approximately RMB0.1 million. It decreased by approximately RMB0.1 million as compared to approximately RMB0.2 million in the Last Corresponding Period. The decrease was mainly attributable to the decrease in average loan amount.

## **Income tax expenses**

Income tax expenses incurred for the Year were, approximately RMB1.9 million, representing an increase by approximately RMB1.8 million as compared to RMB0.04 million for the Last Corresponding Period, or an increase of approximately 4,622.5%. The reason for this increase is due to the higher profit in the Year as compared to the Corresponding Period.

## **Profit for the Year**

As a result of the foregoing, our net profit for the Year was approximately RMB10.2 million, which represents an increase by approximately 244.1% as compared with the profit of approximately RMB3.0 million for the Last Corresponding Period. Net profit margin was approximately 3.8%, representing an increase by approximately 2.7% as compared to the Last Corresponding Period (2024: approximately 1.1%).

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

The capital of the Group only comprises of ordinary shares and there was no change in the capital structure of the Group during the Year.

The total shareholders' equity of the Group as at 31 December 2025 was approximately RMB272.3 million (31 December 2024: approximately RMB262.3 million). The Group had current assets of approximately RMB188.3 million (31 December 2024: approximately RMB176.4 million) and current liabilities of approximately RMB63.9 million (31 December 2024: approximately RMB70.9 million). The current ratio was approximately 2.95 and 2.49 as at 31 December 2025 and 2024 respectively.

During the Year, the Group generally financed its operations with internally generated cash flow and credit facilities provided by its principal banker in China. As at 31 December 2025, the Group had no outstanding bank borrowings (31 December 2024: approximately RMB5.0 million). As at 31 December 2025, the Group maintained bank balances and cash of approximately RMB90.8 million (31 December 2024: approximately RMB82.1 million). The Group's net cash-to-equity ratio (total bank borrowings net of cash and cash equivalents over shareholders' equity) was approximately 0.33 and 0.29 as at 31 December 2025 and 2024, respectively.

The Directors believe that with the current capital and the available banking facilities, the Group possesses sufficient cash to meet its commitments and working capital requirements.

### **CAPITAL COMMITMENT**

The Group had approximately RMB2.2 million of capital commitments as at 31 December 2025 (31 December 2024: approximately RMB2.9 million). The capital commitments mainly arose from the acquisition of equipment and construction in progress.

### **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

Save as disclosed in the Company's prospectus dated 30 June 2016 (the "Prospectus") and this announcement, the Group did not have other plans for material investments and capital assets as at 31 December 2025.

### **GEARING RATIO**

As at 31 December 2025, the Group's gearing ratio was approximately 23.5% (31 December 2024: approximately 27.8%), based on total debt of approximately RMB63.9 million and total equity of approximately RMB272.3 million. The decrease is mainly attributable to the decrease in liabilities.

*Note:* Gearing ratio is calculated as the total debt divided by total equity. Total debt includes bank and other borrowings.

## **SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS**

There have been no significant investments, material acquisitions or disposals of subsidiaries, associates or affiliated companies of the Group for the Year.

## **CONTINGENT LIABILITIES**

As at 31 December 2025, the Group had no material contingent liabilities (2024: nil).

## **FOREIGN EXCHANGE EXPOSURE**

Most of the sales and cost of production of the Group are settled in Renminbi (“RMB”). There are only limited sales and administrative expenses denominated in United States Dollars (“US\$”) and Hong Kong Dollars (“HK\$”). Therefore, the Group was not exposed to material foreign exchange risks. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. However, the Directors will continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2025, the Group had a total of approximately 291 employees (2024: 272). The Group’s staff cost for the Year amounted to approximately RMB35.7 million (2024: approximately RMB29.1 million). The increase was mainly due to the growth in the number of employees, most notably the expansion of the e-commerce team. The Group’s remuneration policies are inline with the prevailing market practice and are determined on the basis of performance, qualification and experience of the individual employee. The Group recognises the importance of maintaining a good relationship with its employees. The remuneration payable to its employees includes salaries and allowance.

In the PRC, the Group’s employees have participated in various security insurance schemes including social insurance prescribed by the Social Insurance Law of PRC\* (中華人民共和國社會保險法) and housing provident fund prescribed by the Regulations on Management of Housing Provident Fund\* (住房公積金管理條例).

## **SUBSEQUENT EVENT**

Since the end of the Year and up to the date of this announcement, there was no material event or change in the operation or financial conditions of the Group.

## **RETIREMENT BENEFITS PLANS**

Pursuant to the applicable PRC laws and regulations, the Group contributes to various security insurance including social insurance and housing provident fund.

No forfeited contributions are available to reduce the contribution payable by the Group in future years.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

### **Foreign exchange risk**

Foreign exchange rate risk refers to the risk that movement in foreign currency exchange rates will affect the Group's financial results and cash flows. Since the Group's sales and productions are primarily in China, the Group is not expected to incur a significant amount of sales, assets and liabilities denominated in a currency other than RMB. However, certain administrative expenses relating to legal and professional fees are denominated in Hong Kong dollars, and certain foreign trade transactions are denominated in US dollars. In this case, the Group would be exposed to risks related to the exchange rate and the currency in which the Group's assets and liabilities is denominated. A depreciation of the RMB would require the Group to use more RMB funds to settle the same amount of foreign currency liabilities, or a depreciation of foreign currency against RMB would result in receipts from receivables substantially less than the contractual amounts in terms of RMB at the settlement date. The Group neither has a formal foreign currency hedging policy nor engages in hedging activities designed or intended to manage such exchange rate risk during the Year. Since RMB is not freely convertible, the Group's ability to reduce foreign exchange rate risk is limited.

### **Credit risk**

The Group is exposed to credit risk primarily arising from trade receivables, other receivables, advances to employees and independent third parties loans to employees and bank balances. Trade receivables are substantially from customers with good collection track records with the Group. For trade receivables, the Group delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts and to mitigate credit risks. No reversal on impairment loss on trade receivables under the expected credit loss model ("ECL") for both Years. The remaining amounts are still considered recoverable because there were subsequent settlements or no historical default of payments by the respective customers.

The Group is also subject to concentration of credit risk arising from its trade receivables as approximately 8% (2024: approximately 21%) and approximately 23% (2024: approximately 38%) of these receivables are due from the Group's largest customer and the top five customers respectively for the year ended 31 December 2025.

The credit risk for bank balances is considered minimal as such amounts are placed with banks with high credit ratings assigned by international credit-rating agencies or with good reputation.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as of the end of each reporting period in relation to each class of recognised financial assets was the carrying amounts of those assets as stated on the Group's consolidated statements of financial position.

### **Liquidity risk**

The Group's financial liabilities of approximately RMB36.4 million are all falling due within the next 12 months from the end of the Year. As at 31 December 2025, the Group had net current assets and net assets of approximately RMB124.4 million and RMB272.3 million, respectively. As a result, the Group is not exposed to liquidity risk. The Group manages the liquidity risk by maintaining sufficient cash and banking facilities to enable the Group to meet the Group's normal operating and capital commitments.

### **Interest rate risk**

The Group's interest rate risk relates primarily to the Group's bank balances as well as bank borrowings. The Group currently has not entered into any interest rate swaps to hedge against the Group's exposure to changes in fair values of the Group's borrowings. It is the Group's policy to maintain an appropriate level between the Group's borrowings so as to balance the fair value and cash flow interest rate risk. In addition, to the extent that the Group may need to raise debt financing in the future, upward fluctuations in interest rates will increase the cost of new debts. Fluctuations in interest rates can also lead to significant fluctuations in the fair values of the Group's debt obligations. The Group currently does not use any derivative instruments to manage the Group's interest rate risk. To the extent the Group decides to do so in the future, there can be no assurance that any future hedging activities will protect the Group from fluctuations in interest rates.

## **ENVIRONMENTAL POLICIES AND PERFORMANCE**

The Group has implemented environmental protection measures, including procedures and programs related to noise control and waste discharge management, including waste water, solid waste and gases. The Group has sought to optimise the production procedure by adopting low energy consumption and pollution control techniques, implementing legally compliant waste disposal management measures and enhancing the environmental awareness of our employees through regular training. To ensure compliance with applicable regulations, the Group has dedicated staff responsible for supervising and monitoring compliance with statutory regulations and the internal standards relating to environmental protection. Ms. Li Qiuyan, the chairman and executive Director of the Company, has the overall responsibility for environmental protection matters within the Group. The Group's operations were in compliance in all material respects with currently applicable national and local environmental protection laws and regulations in the PRC during the Year. For further details, please refer to the Environmental, Social and Governance Report.

## CONNECTED TRANSACTIONS

On 25 November 2022, Jiangsu Snow Leopard Daily Chemical Co., Limited\* (江蘇雪豹日化有限公司) (“Jiangsu Snow Leopard”), being an indirect wholly-owned subsidiary of the Company, and Shanghai Fumeizi Biotechnology Co., Limited\* (上海復美姿生物科技有限公司) (“Shanghai Fumeizi”) entered into lease agreement (the “Lease Agreement”), pursuant to which Shanghai Fumeizi has agreed to lease to Jiangsu Snow Leopard the Property, for a fixed term of two years commencing from 1 December 2022 to 30 November 2024 (both days inclusive). Pursuant to the Lease Agreement, the quarterly rent shall be RMB480,000 (exclusive of utilities charges and management fee), and the Property shall be for office use, research and development, e-commerce and warehousing.

As at the date of the Lease Agreement, Shanghai Fumeizi is wholly-owned by Mr. Tong Huaizhou, who is the son of Ms. Li Qiuyan (being an executive Director and the chairman of the Company), a family member of Mr. Tong Xing (being an executive Director and the chief executive of the Company) and a relative of Ms. Du Yongwei (being an executive Director). Accordingly, Shanghai Fumeizi is a connected person of the Company and the transactions contemplated under the Lease Agreement constitute a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. For further details, please refer to the announcement of the Company dated 25 November 2022.

Since the expiry of the Lease Agreement, Jiangsu Snow Leopard and Shanghai Fumeizi also entered into a lease agreement dated 1 December 2024 in relation to the Property for a term of two (2) months from 1 December 2024 to 31 January 2025 (both days inclusive) and the rent for the lease agreement amounted to RMB320,000. During the Year, Jiangsu Snow Leopard and Shanghai Fumeizi entered into a lease agreement dated 22 January 2025 pursuant to which Shanghai Fumeizi has agreed to lease to Jiangsu Snow Leopard the Property for a fixed term of two (2) years commencing from 1 February 2025 to 31 January 2027 (both days inclusive) for a rent of RMB470,000 per quarter (exclusive of utilities charges and management fee). For details, please refer to the announcement of the Company dated 22 January 2025.

During the Year, save as disclosed above, there were no connected transactions or continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules which are required to comply with any of the reporting, announcement or independent shareholders’ approval requirements under the GEM Listing Rules. Details of significant related party transactions undertaken in the usual course of business for the Year are set out in note 30 to the consolidated financial statements. Save as disclosed above, none of these related party transactions constitute a connected transaction under the GEM Listing Rules. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

## **COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS**

As far as the Board and the management are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

## **RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS**

The Group understands the importance of maintaining a good relationship with its suppliers and customers to meet its immediate and long-term goals. The Group has maintained a good relationship with suppliers and customers. During the Year, there was no material and significant dispute between the Group and its suppliers and/or customers. Firstly, comprehensive training was provided to employees to enhance their abilities to cope with customers. Secondly, the production and defective rate of our products were strictly controlled to ensure product quality and prevent product shortages. Thirdly, we encouraged our customers to participate in designing new products. We have maintained years of cooperation with our major suppliers as we strive to grow with our suppliers.

## **OUTLOOK**

In the context of the Group, 2026 is a year replete with promise.

First, in 2025, the Group's OEM business for well-known domestic and international brands achieved substantial growth. To further strengthen its core competitiveness in the OEM sector, the Group will continue to improve the functions of its Shanghai headquarters, add supporting services such as reception and product exhibition, strive to increase the market share of this business segment.

Second, the solvent-free, skin-friendly oil cleaner developed by the Group based on carbon dot surfactant technology has successfully passed the technical appraisal organized by China National Light Industry Council\* (中國輕工業聯合會), with an appraisal conclusion of domestically leading technical level, and won the third prize awarded by the council. Going forward, the Group will prioritize promoting such high-tech products through online channels to expand market influence. In the future, the Group will further deepen industry-university-research cooperation with Jiangnan University, Qilu University of Technology and other universities, continuously strengthen product technology barriers, and enhance core competitiveness.

Third, the cosmetics workshop originally planned to be put into use in 2025 will be officially put into operation in 2026. The new workshop will further expand production capacity and optimize production processes, provide OEM customers with a richer selection of contract-manufactured products, and help the Group expand into the beauty and cosmetics contract manufacturing market.

In addition, the Group will continue to strengthen its e-commerce business layout. Through diversified marketing models such as livestreaming sales and expert promotion, the Group will adopt a combination of measures and go all out to drive a recovery in sales performance of oral care products and unlock growth potential for this business segment.

Meanwhile, the Group will also face numerous challenges in its development in 2026.

First, since the end of February 2026, the escalating situation in Iran has led to a sharp rise in international crude oil prices. If the situation cannot be effectively eased in the short term, the Group's raw material procurement costs will increase significantly, thereby exerting certain pressure on the Group's overall profit level.

Second, to adapt to the rapid development of the e-commerce industry, the Group established a branch in Hangzhou in 2025, specializing in e-commerce operations, livestreaming sales and other related businesses. Despite the early layout, if the Group fails to rapidly improve the comprehensive competitiveness of its online business, optimize operational efficiency and brand influence, it will still adversely affect the improvement of the Group's overall competitiveness.

Facing the development situation with both opportunities and challenges, the directors of the Group will fulfill their duties diligently, go all out to actively respond to various risks and challenges, focus on the development of core businesses, and make every effort to create sustainable and stable value returns for all shareholders.

## **AUDIT COMMITTEE**

The Company established the Audit Committee on 17 June 2016 with written terms of reference which are in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules and code provision D.3.3 and D.3.7 of the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules (the "Code"). The primary duties of the Audit Committee are to make recommendations to the Board on appointment or reappointment and removal of external auditors; review financial statements of the Company and judgments in respect of financial reporting; and oversee internal control procedures and risk management system of the Company. As at 31 December 2025, the Audit Committee is chaired by Mr. Tang Wai Yau (an independent non-executive Director), and consists of two other independent non-executive Directors, namely Mr. Ye Jingzhong and Mr. Pan Qingwei. None of them acted as former partner of the Company's existing auditing firm within 2 years immediately prior to their respective date of appointment. All of them do not have any material interest in any principal business activity of the Group, nor is or was any of them involved in any material business dealing with the Group or with any core connected persons of the Group within 1 year immediately prior to their respective date of appointment.

During the Year, the Audit Committee had reviewed the Group's unaudited interim results for the six months ended 30 June 2025 as well as audited annual results for the year ended 31 December 2024 and the Group's internal controls for the Year. The Group's results for the Year had been reviewed by the Audit Committee before submission to the Board for approval. The Audit Committee had also reviewed this announcement, and confirmed that this announcement complies with the GEM Listing Rules.

The Audit Committee held 2 meetings during the Year.

### **SCOPE OF AUDITOR'S WORK ON FINAL RESULTS ANNOUNCEMENT**

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 31 December 2025 as set out in this announcement have been agreed by the Group's auditor SHINEWING (HK) CPA Limited ("SHINEWING"), to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by SHINEWING in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by SHINEWING on this announcement.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Year and up to the date of this announcement.

### **DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS**

Each of the Directors or the controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) has confirmed that none of them had any business or interest in any company that competes or may compete with the business of the Group or any other conflict of interests with the interests of the Group during the Year and up to the date of this announcement.

### **FINAL DIVIDEND**

The Board does not recommend the payment of a final dividend for the Year.

## **CORPORATE GOVERNANCE PRACTICES**

The Board recognises the value and importance of achieving high corporate governance standards and is committed to upholding good corporate standards and procedures for the best interest of the Shareholders.

During the Year, the Company has complied with all the applicable code provisions in the Code. The principles of the Code have been applied throughout in order to enable the Shareholders to evaluate how the principles have been applied.

Pursuant to the code provision C.2.1 of the Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer is clearly established and set out in writing. To ensure a balance of power and authority, the Company has been fully supportive of the division of responsibility between the chairman and the chief executive officer. The roles of the chairman and the chief executive officer have been segregated and performed by Ms. Li Qiuyan and Mr. Tong Xing, respectively. Ms. Li Qiuyan has been primarily responsible for making sure that adequate information about the Company's business is provided to the Board on a timely basis, and that all Directors were properly briefed on issues arising at Board meetings. Apart from providing information, Ms. Li Qiuyan has also been providing leadership for the Board, ensuring that all issues are discussed in a timely manner, and good corporate governance practices and procedures has been established, and encouraging all directors to make full and active contribution to the Board's affairs to ensure it acts in the best interests of the Company. Ms. Li Qiuyan has also been promoting a culture of openness and debate by facilitating effective contribution of all Directors. Also, she has been ensuring that appropriate steps have been taken to provide effective communication with Shareholders and that their views have been communicated to the Board as a whole.

## **SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted as the code of conduct regarding securities transactions by Directors in respect of the shares of the Company (the "Code of Conduct") the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors confirmed that they have complied with the Code of Conduct during the Year and up to the date of this announcement.

## **PUBLIC FLOAT**

Based on the information that is publicly available to the Company and to the best knowledge, information and belief of the Directors, the Company has maintained sufficient public float since the Listing Date and up to the date of this announcement as required under the GEM Listing Rules.

## **AGM AND CLOSURE OF THE REGISTER OF MEMBERS**

The forthcoming annual general meeting (“AGM”) of the Company will be held on 25 June 2026 (Thursday) at Conference Room, No. 35 Yingbin Road, Xuxiake Town, Jiangyin City, Jiangsu Province, the PRC. The notice of the AGM shall be published and despatched to the Shareholders in the manner prescribed by the GEM Listing Rules.

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 18 June 2026 to Thursday, 25 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for the entitlement to attend and vote at the AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 17 June 2026. Shareholders whose names appear on the register of members of the Company on Thursday, 25 June 2026 are entitled to attend and vote at the AGM or any adjournment thereof.

## **PUBLICATION ON THE COMPANY AND STOCK EXCHANGE’S WEBSITES**

This annual results announcement is published on the websites of the Company (<http://www.goldenclassicbio.com>) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) respectively. The annual report of the Company for the Year will be despatched to shareholders of the Company and available on the same websites in due course.

By order of the Board  
**China Golden Classic Group Limited**  
**Li Qiuyan**  
*Chairman*

Hong Kong, 30 March 2026

*As at the date of this announcement, the executive Directors are Ms. Li Qiuyan, Mr. Tong Xing and Ms. Du Yongwei; and the independent non-executive Directors are Mr. Ye Jingzhong, Mr. Pan Qingwei and Mr. Tang Wai Yau.*

*This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting. This announcement will also be posted on the website of the Company at [www.goldenclassicbio.com](http://www.goldenclassicbio.com).*

\* *English names are translated for identification purpose only*