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AUNTEA JENNY
沪上阿姨

Auntea Jenny (Shanghai) Industrial Co., Ltd.

滬上阿姨(上海)實業股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 02589)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Auntea Jenny (Shanghai) Industrial Co., Ltd. (the “**Company**”) hereby announces the consolidated annual results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended December 31, 2025 (the “**Reporting Period**”), together with the comparative figures for the corresponding period of 2024:

FINANCIAL PERFORMANCE HIGHLIGHTS

	For the year ended December 31,		Change (%)
	2025	2024	
	RMB'000	RMB'000	
Revenue	4,465,644	3,284,576	36.0
Gross profit	1,404,229	1,027,319	36.7
Profit for the year	501,317	328,931	52.4
Profit for the year attributable to owners of the parent	501,317	328,931	52.4
Adjusted profit for the year (a non-IFRS measure) ⁽¹⁾	570,333	418,086	36.4
Earnings per share (<i>RMB</i>)			
– Basic	4.81	3.22	49.4
– Diluted	4.81	3.22	49.4

Note:

- (1) Adjusted profit for the year represents profit for the year plus share-based payment expenses and listing expenses. This measure is not prepared in accordance with IFRS Accounting Standards. For further details, please refer to the section headed “Management Discussion and Analysis – Non-IFRS measures” in this announcement.

In this announcement, “we”, “us” or “our” refers to the Company and (as otherwise required by the context) the Group.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

		2025	2024
	Notes	RMB'000	RMB'000
REVENUE			
Cost of sales	4	<u>4,465,644</u> <u>(3,061,415)</u>	<u>3,284,576</u> <u>(2,257,257)</u>
GROSS PROFIT		1,404,229	1,027,319
Other income and gains, net		38,791	48,127
Selling and marketing expenses		(504,205)	(394,111)
Administrative expenses		(205,777)	(174,890)
Research and development expenses		(53,353)	(51,865)
Finance costs	5	<u>(4,217)</u>	<u>(5,178)</u>
PROFIT BEFORE TAX	6	675,468	449,402
Income tax expense	7	<u>(174,151)</u>	<u>(120,471)</u>
PROFIT FOR THE YEAR		<u>501,317</u>	<u>328,931</u>
Attributable to:			
Owners of the parent		<u>501,317</u>	<u>328,931</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic (RMB)	9	<u>4.81</u>	<u>3.22</u>
Diluted (RMB)	9	<u>4.81</u>	<u>3.22</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PROFIT FOR THE YEAR	<u>501,317</u>	<u>328,931</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	<u>(93)</u>	<u>31</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	<u>(93)</u>	<u>31</u>
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	<u>(11,032)</u>	–
Income tax effect	<u>2,758</u>	–
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>(8,274)</u>	–
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>(8,367)</u>	<u>31</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>492,950</u>	<u>328,962</u>
Attributable to:		
Owners of the parent	<u>492,950</u>	<u>328,962</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		42,412	42,882
Right-of-use assets		96,552	94,012
Intangible assets		13,312	11,075
Financial investments at fair value through profit or loss		4,500	3,500
Financial investments at fair value through other comprehensive income		73,968	–
Deferred tax assets		26,618	25,791
Long-term time deposits		191,479	–
Other non-current assets		23,108	20,820
Total non-current assets		471,949	198,080
CURRENT ASSETS			
Inventories		230,529	168,068
Trade receivables	<i>10</i>	25,492	1,471
Prepayments, other receivables and other assets		192,977	96,152
Prepaid income tax		4,128	985
Financial assets at fair value through profit or loss		703,081	948,140
Restricted cash		4,506	80,000
Short-term time deposits		140,410	20,228
Cash and cash equivalents		1,208,354	342,659
Total current assets		2,509,477	1,657,703
CURRENT LIABILITIES			
Trade payables	<i>11</i>	349,376	226,253
Other payables and accruals		344,850	213,016
Contract liabilities		149,817	56,826
Interest-bearing bank borrowings		2,000	29,923
Lease liabilities		38,814	41,631
Dividend payable		71,117	–
Tax payable		44,889	48,464
Total current liabilities		1,000,863	616,113
NET CURRENT ASSETS		1,508,614	1,041,590
TOTAL ASSETS LESS CURRENT LIABILITIES		1,980,563	1,239,670

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
NON-CURRENT LIABILITIES			
Contract liabilities		1,749	1,106
Lease liabilities		53,614	54,457
Deferred tax liabilities		97	21
		<hr/>	<hr/>
Total non-current liabilities		55,460	55,584
		<hr/>	<hr/>
Net assets		1,925,103	1,184,086
		<hr/>	<hr/>
EQUITY			
Equity attributable to owners of the parent			
Share capital		105,203	102,430
Reserves		1,819,900	1,081,656
		<hr/>	<hr/>
Total equity		1,925,103	1,184,086
		<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE INFORMATION

Auntea Jenny (Shanghai) Industrial Co., Ltd. (the “**Company**”) was registered in the People’s Republic of China (the “**PRC**”) as a limited liability company on 18 November 2013. The registered office of the Company is located at Room 124, Floor 1, No. 28, Shenpujing Road, Zhujing Town, Jinshan District, Shanghai.

The Company and its subsidiaries (collectively referred to as the “**Group**”) were involved in the operation of a franchised tea drink retailing network and the sale of tea drink related products in the PRC.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong on 8 May 2025.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial investments or assets at fair value through profit or loss and financial investments at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Comparative information

Certain of the prior year comparative figures in the consolidated statement of financial position and notes to financial statements have been reclassified to conform to the current year’s presentation.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 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 IAS 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 IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS 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.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency²</i>
Annual Improvements to IFRS Accounting Standards – Volume 11	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7¹</i>

- 1 Effective for annual periods beginning on or after 1 January 2026
- 2 Effective for annual/reporting periods beginning on or after 1 January 2027
- 3 No mandatory effective date yet determined but available for adoption

Further information about those IFRS Accounting Standards that are expected to be applicable to the Group is described below:

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

No operating segment information is presented as the Group's revenue and reported results during each of the year ended 31 December 2025 and 2024, and the Group's total assets as at 31 December 2025 and 2024 were derived from one single operating segment.

Geographical information

As the majority of the Group's revenues were generated in the Chinese mainland and the majority of the Group's non-current assets were in the Chinese mainland during each of the year ended 31 December 2025 and 2024, no further geographical segments are presented.

Information about major customers

No sales to a single customer accounted for more than 10% of the Group's total revenue during each of the year ended 31 December 2025 and 2024.

4. REVENUE

An analysis of revenue from contracts with customers is as follows:

(i) Disaggregated revenue information

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from self-operated stores	55,658	49,364
Revenue from franchisees:		
Sales of goods to franchisees	3,616,601	2,632,201
Franchising services	690,394	537,066
Others	102,991	65,945
Total	<u>4,465,644</u>	<u>3,284,576</u>

(ii) Timing of revenue recognition

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At a point in time	3,770,277	2,746,859
Over time	695,367	537,717
Total	<u>4,465,644</u>	<u>3,284,576</u>

Revenue recognised that was included in contract liabilities at the beginning of the reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Sales of goods to franchisees	38,077	52,475
Franchising services	12,523	42,570
Others	1,886	–
Total	<u>52,486</u>	<u>95,045</u>

(iii) Performance obligations

Information about the Group's performance obligations in relation to its principal business is summarised below:

Sales of goods to franchisees

The performance obligation is satisfied upon delivery of the goods and payment in advance is normally required, except for sales with payments by instalments and customers with credit terms, where payment is generally due within 15 to 90 days from delivery or issuance of billings. Some contracts provide customers with a right of return which gives rise to variable consideration.

Franchising services

The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

Sales from self-operated stores

The performance obligation is satisfied at the point in time when the ordered goods are delivered and accepted by the customers.

As the practical expedient, the Group does not disclose the transaction price allocated to unsatisfied performance obligations for contracts with an original expected length of one year or less. The amounts of transaction prices allocated to the remaining performance obligations as disclosed below are related to franchisee income, of which the performance obligations are to be satisfied within three years. These amounts do not include variable consideration which is constrained.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Amounts expected to be recognised as revenue:		
Within one year	26,147	17,481
After one year	1,770	10,026
Total	27,917	27,507

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on lease liabilities	3,078	4,724
Interest on interest-bearing bank borrowings	1,139	454
Total	4,217	5,178

6. PROFIT BEFORE TAX

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories sold*	2,648,781	1,931,267
Depreciation of property, plant and equipment	21,491	25,473
Depreciation of right-of-use assets	40,689	54,779
Amortisation of intangible assets	2,740	2,643
Lease payments not included in the measurement of lease liabilities	8,086	2,624
Auditor's remuneration	2,800	–
Employee benefit expenses (including directors' and supervisors' remuneration):		
Wages, salaries and allowances	409,742	320,800
Pension scheme contributions and other social welfare	63,161	55,369
Share-based payment expenses	57,368	57,782
	<u>530,271</u>	<u>433,951</u>
Impairment of property, plant and equipment**	1,337	–
Marketing and promotion expenses	197,968	148,270
Transportation expenses	169,779	132,745
Service fees	89,673	46,358
Outsourced labor expenses	7,251	2,049
Listing expenses	11,648	31,373
Bank interest income	(7,328)	(6,322)
Interest on interest-bearing bank borrowings	1,139	454
Interest on lease liabilities	3,078	4,724

* The cost of inventories sold excludes depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets, employee benefit expenses, lease expenses and transportation expenses which are included in the cost of sales in the consolidated statement of profit or loss.

** The amount is included in cost of sales in the consolidated statement of profit or loss.

7. INCOME TAX EXPENSE

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.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the EIT rate of the Group's PRC subsidiaries is 25% unless subject to tax exemption set out below.

One of the Group's PRC subsidiaries is engaged in businesses in the “Encouraged Industries in the Western Region” and eligible for the preferential EIT rate of 15%.

One of the Group's PRC subsidiaries is engaged in businesses in the Guangdong-Macao In-Depth Cooperation Zone in Hengqin and eligible for the preferential EIT rate of 15%.

Two of the Group's PRC subsidiaries are accredited as “High and New Technology Enterprises” and entitled to a preferential income tax rate of 15% during the year ended 31 December 2025.

Certain of the Group's PRC subsidiaries are qualified as small and micro enterprises and were entitled to a preferential EIT rate of 5% for the taxable income below RMB3 million during the years ended 31 December 2025 and 2024.

	2025	2024
	RMB'000	RMB'000
Current income tax	172,144	117,051
Deferred tax	2,007	3,420
	<u>174,151</u>	<u>120,471</u>
Tax charge for the year	174,151	120,471

A reconciliation of the tax expense applicable to profit before tax at the statutory rate applicable in Chinese mainland to the tax expense at the effective tax rate is as follows:

	2025	2024
	RMB'000	RMB'000
Profit before tax	675,468	449,402
Tax at the statutory tax rate of 25%	168,867	112,351
Effect of preferential tax rates of subsidiaries	(16,867)	(51)
Effect on opening deferred tax of decrease in rates	1,512	–
Adjustments in respect of current tax of previous periods	1,327	604
Super-deduction of research and development expenses and others	(6,439)	(10,547)
Expenses not deductible for tax	23,509	18,114
Tax losses not recognised	2,242	–
	<u>174,151</u>	<u>120,471</u>
Tax charge for the year	174,151	120,471

8. DIVIDENDS

On 24 March 2026, the Board recommended the distribution of a final dividend of RMB105,203,020, which is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

On 8 December 2025, the Company declared an interim dividend of RMB71,117,242 to its shareholders. Such dividend was fully paid on 4 February 2026.

On 13 May 2024, the Company declared a dividend of RMB158,766,500 to its shareholders. Such dividend was fully paid on 20 May 2024.

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

The calculation of the basic earnings per share amounts 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 104,203,809 (2024: 102,164,426) outstanding during the year.

(a) Basic

	2025	2024
Profit attributable to owners of the parent (<i>RMB'000</i>)	<u>501,317</u>	<u>328,931</u>
Weighted average number of ordinary shares used in the basic earnings per share calculation	<u>104,203,809</u>	<u>102,164,426</u>
Basic earnings per share (<i>RMB</i>)	<u>4.81</u>	<u>3.22</u>

(b) Diluted

Diluted earnings per share amounts presented are the same as the basic earnings per share amounts as there were no potentially dilutive ordinary shares outstanding for the years ended 31 December 2025 and 2024.

10. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	25,696	1,951
Impairment	<u>(204)</u>	<u>(480)</u>
Total	<u>25,492</u>	<u>1,471</u>

Payment in advance is normally required for the delivery of the goods and rendering services to franchisees. The Group's trade receivables are mainly generated from sales contracts of equipment with certain customers, instalment repayments are allowed and part of the sales consideration will be collected after one year. The credit period is generally 15 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the date of product delivery or franchising services rendering and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 month	4,444	714
1 to 3 months	14,673	537
3 months to 1 year	<u>6,375</u>	<u>220</u>
Total	<u>25,492</u>	<u>1,471</u>

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At the beginning of year	480	–
Impairment loss, net	(276)	480
At end of year	204	480

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Majority of the receivables were neither past due nor impaired and relate to diversified franchisees.

As at 31 December 2025, the expected credit losses rate for trade receivables was less than 1% (2024: 25%).

11. TRADE PAYABLES

An aging analysis of the trade payables as at the end of the reporting period, based on the transaction date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 month	318,870	203,450
1 to 3 months	25,664	21,562
3 to 6 months	3,948	1,089
Over 6 months	894	152
Total	349,376	226,253

The trade payables are non-interest-bearing and are normally settled on terms of typically 30 days.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

We are a fast-growing global multi-brand freshly-made beverage company with three major brands, namely *Auntea Jenny* (滬上阿姨), *Fallstea* (茶瀑布) and *Jenny x Coffee* (滬咖). Through our multi-brand portfolio, we are able to precisely meet the diverse consumption needs of consumers. We operate a franchise-focused business model. Our mutually beneficial franchise system is the foundation for our long-term and stable cooperation with franchisees. In terms of strategic presence, we focus on the lower-tier market. In terms of the total number of stores, we hold a strong market position among mid-priced freshly-made tea shop brands in the lower-tier market in the PRC.

Store network

As of December 31, 2025, our store network comprised 11,449 stores, representing an increase of 24.8% from 9,176 stores as of December 31, 2024, of which 26 are self-operated stores and 11,423 are franchised. Our store network covers all four centrally administered municipalities and over 300 cities in five autonomous regions and 22 provinces in China, extending northwards to Mohe, Heilongjiang Province, China and southwards to Sanya, Hainan Province, China. In 2025, we actively expanded our overseas business and opened 45 stores overseas, covering countries including the United States, South Korea, and Malaysia.

Set forth below is a breakdown of stores in our network by city tier as of December 31, 2025:

	As of December 31,			
	2025		2024	
	<i>Number of stores</i>	<i>%</i>	<i>Number of stores</i>	<i>%</i>
First-tier cities	867	7.6%	686	7.5%
New first-tier cities	2,180	19.0%	1,896	20.7%
Second-tier cities	2,328	20.3%	1,964	21.4%
Third and lower-tier cities	6,029	52.7%	4,629	50.4%
Overseas	45	0.4%	1	0.0%
Total	11,449	100.0%	9,176	100.0%

Note: The percentages may not add up to the total due to rounding.

The freshly-made tea shop market in third and lower-tier cities in China is the largest and is expected to be the fastest-growing segment from 2023 to 2028 in terms of gross merchandise volume, with significant potential for future growth according to CIC. We place great emphasis on the third and lower-tier cities and have advantages in terms of store coverage and supply chain network. As of December 31, 2025, our stores in third and lower-tier cities accounted for 52.7%, representing a 2.3 percentage points increase year on year.

Our franchise model

The core of our business model is cooperation with franchisees who are committed to our concept and highly motivated to grow our brand and store network. We have a mutually beneficial franchise model which requires low initial investment and provides comprehensive franchise support. Under our franchise arrangement, our franchisees are responsible for leasing the stores, managing the operation of the stores and hiring staff. Through our highly standardised and digitalised store management system, we provide comprehensive and lifecycle support and supervision including site selection planning and evaluation, store opening support, digitalized operation support, supervision and training support to franchisees, enabling franchisees to overcome challenges and improve operations. In addition, we continuously enhance store profitability by providing high-quality and diverse products based on consumer insights and a robust nationwide supply chain. The comprehensive franchisee support platform, the proven track record of success in the lower-tier markets and the mutually beneficial franchise model all support the sustainable expansion of our store network. As of December 31, 2025, our franchise network comprised 6,974 franchisees operating 11,423 stores.

The table below sets forth the movement of the number of our franchisees for all brands for the periods indicated:

	For the year ended December 31,	
	2025	2024
Number of franchisees at the beginning of the period	5,455	4,576
Number of franchisees onboarded during the period	2,627	1,770
Number of franchisees who ceased store operations during the period	(1,108)	(891)
	<hr/>	<hr/>
Number of franchisees at the end of the period	<u>6,974</u>	<u>5,455</u>

The table below sets forth the movement of our franchised store count for all brands for the periods indicated:

	For the year ended December 31,	
	2025	2024
Franchised store count at the beginning of the period	9,152	7,756
Number of franchised stores opened during the period	3,654	2,383
Number of franchised stores closed during the period	(1,383)	(987)
	<hr/>	<hr/>
Number of franchised stores at the end of the period	<u>11,423</u>	<u>9,152</u>

In 2025, the number of our newly opened franchised stores increased significantly compared with 2024. Particularly in the second half of 2025, leveraging the strong performance of store operations, the Company accelerated its store expansion strategy, and our franchised stores increased from 9,152 as at December 31, 2024 to 11,423 as at December 31, 2025. We also placed great emphasis on the operating quality of our stores and the operational efficiency of our channel network, and managed, supported and optimised existing stores based on their operating conditions. Adopting our store expansion strategy and upholding the principle of selective expansion and closure, we proactively optimised our network presence. Concurrent with the expansion in store scale, the number of closed franchised stores also increased. On the one hand, this was due to factors such as these franchisees being unable to operate stores at a desirable level of profitability or being unable to secure alternative locations upon expiration of lease. On the other hand, to further enhance consumer experience and quality of store operations, we proactively optimised and adjusted our store presence, and phased out certain franchised stores in an orderly manner. In the future, the Company will continually focus on improving the quality of store operations and increasing the profitability of stores, assisting franchisees in achieving stable operations and enhancing the service level.

Product development

We have established an integrated product development system and are committed to developing distinctive products and refining our existing products to exceed our customers' expectations and to attract new customers. Our products are evolved based on fresh seasonal ingredients, prevailing trends and the changing tastes of consumers. In addition to staple items such as Mango Pomelo Sago (楊枝甘露) and Thick Taro Paste Tapioca Pearl Milk Tea (厚芋泥波波奶茶) that prove popular throughout the year, we also offer seasonal products that cater to consumers' seasonal preferences and regional specialties tailored to local consumer tastes. In addition, we have enriched our product matrix to include snacks and other products to provide consumers with more varieties and cover a wider range of consumption scenarios.

In 2025, we launched a total of 213 new products. Among them, the Auntea Jenny brand, guided by the "Daily Health+" concept and upgraded through its research and development, successively introduced new products such as the Kale Series (羽衣甘藍系列) of fruit and vegetable tea and the Five-Color Nourishing Bottle Series (五色慢養瓶系列). By virtue of their appealing appearance, rich nutrition and innovative concept of nurturing both body and mind, these products precisely met consumers' demand for healthy beverages, further strengthening the brand's health-focused image in the minds of consumers. At the same time, by upgrading coffee machine equipment and coffee bean quality, we established coffee as a core product category for the brand's key promotion, broadened consumption scenarios and enhanced store operational vitality. Fallstea, with its core research and development concept of "Real Tea, Real Milk", focuses on delivering high-quality and affordable fresh milk tea with real tea leaves. By combining premium ingredients with affordable pricing, it offers a value for money experience and is widely acclaimed by consumers.

Supply chain management

Procurement

In 2025, leveraging the substantial procurement demand generated by our large scale store network, we continued to strengthen our bargaining power in the supply chain. By securing favorable procurement terms through economies of scale, we effectively reduced raw material procurement costs. The Company proactively probes into the global origin resources by establishing a direct sourcing model from origin, thereby forging deep and binding partnerships with quality suppliers and OEM manufacturers, comprehensively strengthening our upstream supply chain layout and significantly enhancing the quality stability of core product categories. At the quality control level, relying on the standardized procurement mechanism of the centralized procurement platform, we exercised stringent control throughout the entire process, from supplier admission screening and raw material order acceptance to end-user feedback, ensuring high stability in product quality and safety. By building a diversified supply system, supplemented by in-house production facilities to replenish core material supplies, we addressed market fluctuations and provided solid support for the continuity of our franchise business.

Logistics and warehousing

We support the daily operational needs and rapid expansion of our store network by establishing a nationwide supply chain network and possessing strong comprehensive management capabilities. We adopt a flexible and efficient warehousing operation model, collaborating with independent third-party professional institutions for part of our large-scale warehousing and logistics bases and all of our frontline cold-chain warehouses. This, combined with the coordinated deployment of our self-operated warehousing resources, enables resource complementarity and efficient synergy. As of December 31, 2025, our supply chain network included (i) 16 large warehousing and logistics bases; (ii) 4 equipment warehouses; (iii) 7 fresh produce warehouses; and (iv) 11 frontline cold-chain storage warehouses. In 2025, we further focused on adjusting our warehouse network structure and continuously optimised the distance between warehouses and stores to reduce delivery costs and improve delivery timeliness. We continuously advanced digital and intelligent transformation across the entire chain, and upgraded warehousing and distribution services. Relying on ample transport capacity reserves, we efficiently managed peak periods driven by festive promotions and concentrated orders, providing solid support for the stable operation and scalable expansion of our store network.

Production

We currently have one production facility in Haiyan County, Zhejiang Province, the PRC (“**Haiyan Facility**”). Our Haiyan Facility commenced commercial production in 2022, with an aggregate area of over 10,000 sq.m. Our Haiyan Facility is able to produce and process certain ingredients used in the preparation of our beverages, primarily including tapioca pearls, taro balls, taro paste and tea leaves.

Marketing and promotion

Our marketing and promotional efforts are designed to strengthen our brand image and awareness, attract new customers and promote customer recognition and stickiness. In 2025, we continuously enhanced our brand image and awareness through digital marketing, celebrity endorsement, and IP co-branding, while also achieving significant results in driving the sales of new products. (1) Digital marketing. We have established Xiaohongshu, Douyin, Kuaishou, Weixin and Weibo accounts to interact with our customers and the public. We also conduct a variety of promotional activities on social media platforms to enhance our brand recognition and attract customers. (2) Celebrity endorsements. In 2025, the Company collaborated with several artists on brand image partnerships to further enhance brand reputation and market heat, effectively boosting the sales of core product series. (3) IP co-branding. Closely following market trends and consumer aesthetic preferences, we continuously shape and optimize our brand image and connotation. Through IP co-branding, we further strengthen consumer recognition and identification with our brand, continuously enhancing our brand's market appeal.

While our products were well-received, we effectively enhanced user stickiness and repurchase willingness through our membership program, which consumers can register for and access via various online platforms such as WeChat Mini Programs, Alipay Mini Programs, and Douyin. As of December 31, 2025, our WeChat Mini Program had 154 million registered members, with an average of 17.4 million quarterly active members and a quarterly repurchase rate of 42.5%.

Outlook

1. Channel Diversification: Expanding stores in an orderly manner, and improving single-store profitability

We will scientifically screen regional presence grids, implement our store expansion strategy by stages, precisely cater to the needs of different market segments, continuously improve single-store profitability and return on investment, and shorten the investment payback period for franchisees. We will adhere to our philosophy of “building mutually beneficial partnership”, improve the franchisee management system, and attract and retain high-quality franchisees with premium products and efficient services.

2. Product Innovation: Keeping pace with consumption trends, and promoting the integration of tea and coffee

We will continuously strengthen our research and development capabilities, closely track consumption trends and industry dynamics, and leverage our deep understanding of consumer preferences to create more blockbuster products. At the same time, we will accelerate the launch of our coffee drinks, innovate in consumption scenarios and sales models, and promote the integrated innovation in coffee and tea beverages to activate diversified consumption demands.

3. Supply Chain Upgrade: Enhancing the logistics network and improving supply efficiency

We will further strengthen cooperation with high-quality suppliers in China and beyond, increase supply sources, and enhance bargaining power. By optimising supply plans and resource allocation structures, strengthening the coordination of warehousing and distribution, and integrating store expansion plans with the existing warehouse network, we will continuously expand the coverage of our cold-chain logistics network, streamline the connection between warehousing and distribution, speed up supply chain responses, and improve cost control, in a bid to provide stable and efficient supply support for stores nationwide.

4. Brand Building: Implementing a differentiated multi-brand strategy, and continuously boosting brand competitiveness

We will continue to deepen our multi-brand strategy. Relying on the differentiated positioning of our brands, we will penetrate different market segments and increase our market share with diversified products, flexible pricing, and various consumption scenarios. Concurrently, we will strengthen brand building and market promotion, continuously enhance brand image and awareness, and boost our brand competitiveness.

5. Digitalisation: Strengthening full-process digitalisation, and persistently optimising operations and food safety control

We will continuously step up investments in information technology and digitalisation, and integrate digitalisation throughout the entire business process. Specifically, through data analysis, we will improve manpower allocation, operational processes, and decision-making efficiency. Additionally, efforts will be made to leverage digital means to strengthen food safety control, reduce operating costs, and promote the full-chain upgrade to ensure overall efficient operation and compliance.

FINANCIAL REVIEW

Revenue and gross profit

For the year ended December 31, 2025, the Group recorded a revenue of RMB4,465.6 million, representing a 36.0% year-on-year increase compared to RMB3,284.6 million, and a gross profit of RMB1,404.2 million, representing a 36.7% year-on-year increase compared to RMB1,027.3 million. During the Reporting Period, the Group's revenue was primarily driven by product sales to franchisees, with overall growth supported by an increase in store count and higher average daily sales per store. The Group's gross profit margin for the year ended December 31, 2025 was 31.4%, remaining stable compared with the same period last year.

Other income and gains, net

For the year ended December 31, 2025, the Group recorded other income and gains, net of RMB38.8 million, representing a 19.4% year-on-year decrease compared to RMB48.1 million, primarily due to the losses on disposal of property, plant and equipment and losses on lease deposits.

Selling and marketing expenses

During the Reporting Period, the Group recorded selling and marketing expenses of RMB504.2 million for the year ended December 31, 2025, representing a 27.9% year-on-year increase compared to RMB394.1 million, primarily due to the increase in employee remuneration and increase in advertising and promotion expenses.

Administrative expenses

For the year ended December 31, 2025, the Group's administrative expenses amounted to RMB205.8 million, representing a 17.7% year-on-year increase compared to RMB174.9 million, primarily due to the increase in employee remuneration of the Group.

Research and development expenses

For the year ended December 31, 2025, the Group's research and development expenses amounted to RMB53.4 million, representing a 2.9% year-on-year increase compared to RMB51.9 million, showing no significant fluctuation.

Income tax expense

For the year ended December 31, 2025, the Group's income tax expenses amounted to RMB174.2 million, representing a 44.6% year-on-year increase compared to RMB120.5 million, primarily due to the increase in taxable income.

Profit for the year

Based on the above changes, for the year ended December 31, 2025, the Group recorded a profit of RMB501.3 million, representing a 52.4% increase compared to RMB328.9 million for the year ended December 31, 2024.

Non-IFRS measures

To supplement our consolidated financial statements that are presented in accordance with IFRS Accounting Standards, we also use adjusted profit for the year (a non-IFRS measure) and adjusted net profit margin (a non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with IFRS Accounting Standards. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period by eliminating potential impact of certain items. We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated financial statements in the same manner as they help our management. However, our presentation of adjusted profit for the year (a non-IFRS measure) and adjusted net profit margin (a non-IFRS measure) may not be comparable to similar item measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our consolidated financial statements or financial condition as reported under IFRS Accounting Standards. We define adjusted profit for the year (a non-IFRS measure) as profit for the year adjusted by adding the share-based payment expenses and listing expenses. We define adjusted net profit margin (a non-IFRS measure) as adjusted profit for the year (a non-IFRS measure) as a percentage of total revenues.

	For the year ended	
	December 31,	
	2025	2024
	RMB'000	RMB'000
Profit for the year	501,317	328,931
Add:		
Share-based payment expenses	57,368	57,782
Listing expenses	11,648	31,373
Adjusted profit for the year (a non-IFRS measure)	570,333	418,086
Adjusted net profit margin (a non-IFRS measure)	12.8%	12.7%

Notes:

- (1) Share-based payment expenses relate to the share rewards we granted to our employees, which is a non-cash item.
- (2) Listing expenses represent the fees incurred in relation to the Global Offering.

Cash and cash equivalents

As of December 31, 2025, the Group's cash and cash equivalents amounted to RMB1,208.4 million, representing an increase of RMB865.7 million from RMB342.7 million as of December 31, 2024, primarily due to (1) the receipt of proceeds from the Global Offering; and (2) the increase in cash generated from operating activities in line with business growth.

Inventories

As of December 31, 2025, the Group's inventories amounted to RMB230.5 million, representing an increase of RMB62.4 million from RMB168.1 million as of December 31, 2024. The increase in inventories was generally in line with our revenue growth. Our inventory turnover days shortened from 26 days in 2024 to 24 days in 2025, remaining generally stable overall.

Trade receivables

As of December 31, 2025, the Group's trade receivables amounted to RMB25.5 million, representing an increase of RMB24.0 million from RMB1.5 million as of December 31, 2024. Such increase was primarily due to the expansion in the scale of credit sales business.

Property, plant and equipment

As of December 31, 2025, the Group's property, plant and equipment amounted to RMB42.4 million, representing a decrease of RMB0.5 million from RMB42.9 million as of December 31, 2024, primarily due to the depreciation of property, plant and equipment.

Trade payables

As of December 31, 2025, the Group's trade payables amounted to RMB349.4 million, representing an increase of RMB123.1 million from RMB226.3 million as of December 31, 2024, primarily due to the continuous increase in procurement of raw materials to meet franchisees' order demands. Our trade payables turnover days decreased slightly from 36 days in 2024 to 34 days in 2025.

Bank borrowings

As of December 31, 2025, the Group's bank borrowings amounted to RMB2.0 million, reflecting a decrease of RMB27.9 million from RMB29.9 million as of December 31, 2024.

Contract liabilities

As of December 31, 2025, the Group's contract liabilities including current portion and non-current portion amounted to RMB151.6 million, representing an increase of RMB93.7 million from RMB57.9 million as of December 31, 2024. The growth was primarily attributable to (1) the increased advance payments from franchisees for goods and equipment sales; and (2) the higher franchising services income resulting from the expansion of franchised stores.

Lease liabilities

As of December 31, 2025, the Group's lease liabilities including current portion and non-current portion amounted to RMB92.4 million, representing a decrease of RMB3.7 million from RMB96.1 million as of December 31, 2024, primarily due to the payment of rent.

Foreign exchange risk

The Group primarily operates in the PRC, and as the proceeds from the Global Offering are denominated in Hong Kong dollar and as the Group is gradually expanding into selected overseas markets, therefore, the Group is exposed to certain foreign exchange risk. During the Reporting Period, the Group did not conduct any foreign exchange hedging related activity. The management of the Group will continue to monitor foreign exchange risk and will consider appropriate hedging measures in the future should the need arise.

Contingent liabilities

As of December 31, 2025, the Group had no significant contingent liabilities.

Capital commitments

As of December 31, 2025, the Group's capital commitments amounted to RMB5.6 million, representing an increase of RMB3.2 million from RMB2.4 million as of December 31, 2024, and was mainly used for purchase of property, plant and equipment and other intangible assets.

Material acquisitions and disposals and significant investments

For the year ended December 31, 2025, the Group did not have any material acquisitions or disposals of subsidiaries, nor consolidate any affiliated or associated companies. As at December 31, 2025, the Group did not have any significant investments.

Future plans for material investments or capital assets

As of December 31, 2025, the Group had no future plans for other material investments or capital assets save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and further explained in the section "Use of Proceeds from the Global Offering" below.

Pledge of assets

As at December 31, 2025, no assets of the Group were pledged.

Liquidity and capital resources

For the year ended December 31, 2025, the Group generated cash from operating activities of RMB753.0 million, compared to RMB420.5 million for the year ended December 31, 2024.

As at December 31, 2024, the Group's cash and bank deposits, including cash and cash equivalents, restricted cash, and short-term time deposits, amounted to RMB442.9 million, while totaling RMB1,353.3 million as at December 31, 2025, comprising RMB1,208.4 million in cash and cash equivalents, RMB140.4 million in short-term time deposits and RMB4.5 million in restricted cash.

As at December 31, 2025, the Group's interest-bearing bank and other borrowings amounted to RMB2.0 million, all of which were due within one year. The decrease of RMB27.9 million from RMB29.9 million as at December 31, 2024 was entirely due to the full repayment of matured principal on schedule. All borrowings are denominated in RMB and bear interest at fixed rates. The Group had no interest rate hedging policies in place. The Group pursues a prudent cash management policy and actively manages its liquidity position to meet the Group's day-to-day operation and future development funding requirements. The Group's primary sources of funding include cash flows from operations and proceeds from the Global Offering. The Group has sufficient liquidity to meet its day-to-day liquidity management and capital expenditure requirements.

Capital structure

As at December 31, 2025, the Group had net assets amounting to RMB1,925.1 million, compared to RMB1,184.1 million as at December 31, 2024. As at December 31, 2025, the Group's total current assets amounted to RMB2,509.5 million, total non-current assets amounted to RMB471.9 million, total current liabilities amounted to RMB1,000.9 million, and total non-current liabilities amounted to RMB55.5 million.

As at December 31, 2025 and December 31, 2024, the Group's cash and cash equivalents were primarily denominated in RMB.

The Group's gearing ratio, which is calculated as total liabilities divided by total assets and multiplied by 100%, was 35.4% as at December 31, 2025 (December 31, 2024: 36.2%).

Employees and remuneration policies

As of December 31, 2025, we had 1,682 full-time employees. For the year ended December 31, 2025, employee benefit expenses (including remuneration for directors and chief executive) comprised wages and salaries, contributions to pension schemes, and social welfare costs, amounting to approximately RMB530.3 million.

We recruit our employees primarily from the open market through recruitment advertisements, agencies, online platforms and referrals. We attract and retain suitable personnel by offering competitive wages and benefits. The remuneration and benefits of the Group's employees are determined with reference to market benchmarks as well as their respective qualifications and competencies. Performance-based incentive schemes, such as bonuses, are also in place.

We encourage every individual within the Company to pursue career development opportunities. To support this, we provide ongoing training and career development programmes to facilitate their growth and career progression. We offer a range of professional development training and place strong emphasis on employees' occupational health and safety. At the end of each year, we conduct performance reviews for our employees, providing feedback and guidance. Based on their performance and role requirements, we offer advancement opportunities and further training.

For the purposes of rendering improvement to the Company’s incentive mechanism, inspiring key employees to contribute their enthusiasm and creativity, facilitating sustainable growth of the Group’s performance, and bringing value-added benefits to the eligible participants while enhancing the Group’s value, so as to achieve the common development for both eligible participants and the Group, upon consideration and approval thereof at the general meeting of the Company held on September 30, 2020, the Company adopted the Pre-IPO Employee Incentive Scheme, and established a limited partnership serving as a Pre-IPO Employee Incentive Platform. For more details of the Pre-IPO Employee Incentive Scheme, please refer to “Statutory and General Information – Employee Incentive Schemes” in Appendix IV to the Prospectus.

The H Share Incentive Scheme was approved by the shareholders of the Company (the “**Shareholders**”) at the extraordinary general meeting held on December 8, 2025, which is intended (i) to promote the achievement of the Company’s long-term sustainable development and performance targets; (ii) to improve the Company’s incentive mechanism to attract, motivate and retain the talent needed for the achievement of the Company’s strategic objectives; and (iii) to closely link the interests of the incentive participants with those of the Shareholders, the investors and the Company, seek a balance between operations and executive management and supervision, enhance the Company’s cohesion and promote the maximization of the Company’s value. For details, please refer to the circular of the Company dated November 17, 2025.

USE OF PROCEEDS FROM GLOBAL OFFERING

The H Shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on May 8, 2025 (the “**Listing Date**”). The Company issued 2,773,020 new shares at an offer price of HK\$113.12 per share. After deducting the underwriting commissions, fees and other expenses in connection with the Global Offering, the net proceeds from the Global Offering amounted to approximately HK\$233.9 million (the “**Net Proceeds**”), including the net proceeds from the full exercise of the over-allotment options. The proceeds from the Global Offering will be utilized in accordance with the plans disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus, with details as follows:

Intended Use of Net Proceeds	Percentage of total Net Proceeds	Allocation of Net Proceeds from Global Offering <i>(HK\$ million)</i>	Utilized Net Proceeds as at the end of the Reporting Period <i>(HK\$ million)</i>	Unutilized Net Proceeds as at the end of the Reporting Period <i>(HK\$ million)</i>	Expected timetable for full utilization
Enhancing our digitalization capabilities	25%	58.5	35.9	22.6	December 2027
Research and development to improve the quality of our raw materials and ingredients, create hit products, expand our product offerings and upgrade our equipment and machines	20%	46.8	8.4	38.4	December 2027

Intended Use of Net Proceeds	Percentage of total Net Proceeds	Allocation of Net Proceeds from Global Offering (HK\$ million)	Utilized Net Proceeds as at the end of the Reporting Period (HK\$ million)	Unutilized Net Proceeds as at the end of the Reporting Period (HK\$ million)	Expected timetable for full utilization
Strengthening our supply chain capabilities by enhancing our production, processing, warehousing, logistics and distribution capabilities	20%	46.8	17.8	29.0	December 2027
Enhancing our brand awareness and further expand and empower our store network	15%	35.0	18.2	16.8	December 2027
Investing in various marketing activities	10%	23.4	23.4	–	December 2027
Working capital and other general corporate purposes	10%	23.4	23.4	–	December 2027
Total	100%	233.9	127.1	106.8	

Notes:

1. Due to rounding, there may be a difference between the sum of the individual sub-values and the total amount.
2. The expected timetable for utilising the Net Proceeds from the Global Offering is based on the Company's best estimation of the future market conditions and is subject to changes according to our actual business operations.

EVENTS AFTER THE REPORTING PERIOD

Proposed Participation in the Plan of H Share Full Circulation by the Company and Proposed Amendments to the Articles of Association

Reference is made to the announcement of the Company dated July 4, 2025, in relation to, among others, the proposed participation in the plan of H share full circulation by the Company and proposed amendments to the articles of association (the "**Articles of Association**"). On July 4, 2025, the Board has considered and approved the proposed implementation of conversion of no more than 35,255,992 domestic unlisted shares of the Company held by certain Shareholders of the Company into H shares of the Company (the "**H Share Full Circulation**"). The final number of the Company's domestic unlisted shares to be converted into H shares shall be subject to the filing with the China Securities Regulatory Commission and approvals from the Stock Exchange. In addition, on the same day, the Board has considered and approved certain proposed amendments to the Articles of Association to reflect the share capital structure of the Company upon the completion of the H Share Full Circulation in the future. As at the date of this announcement, the participation in the H Share Full Circulation plan is still in progress. The Company will make further announcement(s) on the progress of the H Share Full Circulation and the conversion and listing in accordance with the requirements of the Listing Rules.

Save as disclosed above, there are no other material events after the Reporting Period undertaken by the Group after December 31, 2025 and up to the date of this announcement.

FINAL DIVIDEND

The Board held a meeting on March 24, 2026 and adopted the relevant resolution to recommend the payment of a final dividend of RMB10 per 10 shares (inclusive of tax), aggregating to approximately RMB105.2 million, which is subject to the approval of the Shareholders at the forthcoming annual general meeting (the “**AGM**”). As the shares will be repurchased and held as treasury shares (if any) by the Company from time to time, the actual aggregate amount of the final dividend to be paid will be based on the total number of shares (excluding the treasury shares) on the record date for the payment of the final dividend, which will be announced separately by the Company in due course. The proposed final dividend shall be denominated and declared in Renminbi and paid in Hong Kong dollars to the H Shareholders. The final dividend payable in Hong Kong dollars will be converted based on the average benchmark exchange rate for Renminbi to Hong Kong dollars as announced by the People’s Bank of China for the five business days prior to the AGM convened to consider and approve the distribution of the final dividend. Final dividends payable to domestic holders of unlisted shares will be distributed in Renminbi. All treasury shares held by the Company (if any) are not entitled to the final dividend.

AGM

The AGM is scheduled to be held on Wednesday, June 24, 2026. A notice of the AGM will be published in due course and dispatched to Shareholders who have indicated their preference in receiving this notice in printed version.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, June 18, 2026 to Wednesday, June 24, 2026 (both days inclusive) for determining the entitlement of Shareholders to attend and vote at the AGM, during which period no transfers of shares will be registered. To be eligible to attend the AGM, all properly completed transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Wednesday, June 17, 2026. Shareholders whose names appear on the register of members of the Company at the record date on Wednesday, June 24, 2026 are entitled to attend and vote at the AGM.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Group has adopted the corporate governance code set out in Appendix C1 (the “**Corporate Governance Code**”) to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the “**Listing Rules**”) as its own code of corporate governance. During the period from the Listing Date and up to December 31, 2025, to the best knowledge of the directors, except for the deviation from code provision C.2.1 of part 2 of the Corporate Governance Code below, the Company has fully complied with all applicable code provisions in the Corporate Governance Code.

Pursuant to code provision C.2.1 of part 2 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. During the Reporting Period, the roles of chairman of the Board and chief executive officer of the Company were performed by Mr. Shan Weijun, who was primarily responsible for the brand strategy, major development plans and corporate culture values implementation of our Group. Our Board believes that, in view of his experience, personal profile and his roles in our Company as mentioned above, Mr. Shan is the Director best suited to identify strategic opportunities and focus of the Board due to his extensive understanding of our business as our chief executive officer. The Board also believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring the consistent leadership within our Group and enables more effective and efficient overall strategic planning of our Group. Besides, with three independent non-executive Directors out of a total of seven Directors in our Board, there will be sufficient independent voice within our Board to protect the interests of our Company and our Shareholders as a whole. Therefore, 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 Board will continue to review and consider splitting the roles of chairperson of the Board and the chief executive officer of the Company at a time when it is appropriate by taking into account the circumstances of the Group as a whole.

COMPLIANCE WITH THE MODEL CODE

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the “**Model Code**”) as the code of conduct for securities transactions by Directors. As the Model Code is not applicable before the Listing Date, having made specific enquiry of all Directors, each of the Directors acknowledged that he/she had complied with the Model Code during the period from the Listing Date to December 31, 2025.

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

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company or sold or transferred any treasury shares (as defined in the Listing Rules). As at December 31, 2025, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three Directors, namely Mr. Chung Chong Sun, Mr. Han Ding-Gwo and Ms. Yu Fang Jing. The primary duties of the Audit Committee are to inspect, review and supervise the financial data and financial data reporting process of the Company. The Audit Committee has reviewed the consolidated annual results of the Group for the year ended December 31, 2025. The Audit Committee has also reviewed the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters.

PROCEDURES PERFORMED BY AUDITOR ON THIS RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed by Ernst & Young, the independent auditor of the Company (the "Auditor"), with respect to the amounts set out in the Group's consolidated financial statements for the year ended December 31, 2025. The work performed by the Auditor in this respect did not constitute an audit, review or other assurance engagement and consequently no opinion has been expressed by the Auditor on this announcement.

PUBLICATION OF 2025 ANNUAL RESULTS AND 2025 ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (<https://ir.hsay.com>). The annual report of the Company for the year ended December 31, 2025 will be made available on the above websites and will be dispatched to the Shareholders who have requested the printed copy in due course.

By order of the Board
Auntea Jenny (Shanghai) Industrial Co., Ltd.
Mr. Shan Weijun
Chairperson of the Board and Executive Director

Hong Kong, March 24, 2026

As at the date of this announcement, the Board comprises: (i) Mr. Shan Weijun, Ms. Zhou Rongrong, Mr. Zhou Tianmu and Mr. Wang Jiaying as executive Directors; and (ii) Mr. Han Ding-Gwo, Mr. Chung Chong Sun and Ms. Yu Fang Jing as independent non-executive Directors.