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TSINGTAO BREWERY COMPANY LIMITED

(a Sino-foreign joint stock limited company established in the People's Republic of China)

(Stock Code: 168)

2025 ANNUAL RESULTS ANNOUNCEMENT

The board of directors (the “Board”) of Tsingtao Brewery Company Limited (the “Company”) hereby presents the preliminary consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 (the “Reporting Period”), extracted from the Group’s audited consolidated financial statements made pursuant to China Accounting Standards for Business Enterprises.

I. FINANCIAL INFORMATION

(All amounts in RMB Yuan unless otherwise stated)

Consolidated Balance Sheet

ASSETS	Notes	31 December 2025	31 December 2024
Current assets			
Cash at bank and on hand		12,859,566,861	17,978,772,896
Financial assets held for trading		6,228,400,545	2,021,804,089
Accounts receivable	2	126,983,141	102,420,347
Advances to suppliers		134,631,742	241,896,760
Other receivables		69,681,772	83,284,378
Inventories		3,236,740,516	3,576,387,537
Current portion of non-current assets		48,213,397	51,713,930
Other current assets		1,499,563,254	1,132,635,624
Total current assets		24,203,781,228	25,188,915,561
Non-current assets			
Long-term equity investments		372,338,347	391,873,803
Other non-current financial assets		2,471,993,300	2,498,379,750
Investment properties		53,320,573	41,138,918
Fixed assets		12,860,857,041	11,817,650,634
Construction in progress		630,084,165	630,874,619
Right-of-use assets		120,054,467	115,672,625
Intangible assets		2,596,199,354	2,684,120,584
Goodwill		1,307,103,982	1,307,103,982
Long-term prepaid expenses		72,832,144	85,702,449
Deferred tax assets		1,963,115,004	1,930,039,528
Other non-current assets		5,479,906,093	4,728,913,379
Total non-current assets		27,927,804,470	26,231,470,271
TOTAL ASSETS		52,131,585,698	51,420,385,832

Consolidated Balance Sheet (continued)

LIABILITIES AND SHAREHOLDERS' EQUITY	<i>Notes</i>	31 December 2025	31 December 2024
Current liabilities			
Notes payable		125,586,924	217,159,673
Accounts payable	3	3,050,359,193	3,053,514,829
Contract liabilities		7,674,071,543	8,312,560,682
Employee benefits payable	4	1,595,109,102	1,766,787,700
Taxes payable		442,764,137	392,937,002
Other payables		3,337,758,688	3,269,711,751
Current portion of non-current liabilities		36,713,618	42,063,828
Other current liabilities		338,211,423	467,595,834
Total current liabilities		16,600,574,628	17,522,331,299
Non-current liabilities			
Lease liabilities		77,752,524	68,236,710
Long-term payables		–	16,090,646
Long-term employee benefits payable		705,061,917	747,148,699
Deferred income		2,975,490,394	2,947,288,445
Deferred tax liabilities		260,510,358	259,748,022
Total non-current liabilities		4,018,815,193	4,038,512,522
Total liabilities		20,619,389,821	21,560,843,821
Shareholders' Equity			
Share capital		1,364,195,121	1,364,196,788
Capital surplus		4,198,492,389	4,198,108,121
Less: Treasury stock		–	1,501,239
Other comprehensive income		(153,741,746)	(153,540,393)
Surplus reserve		1,400,704,380	1,400,704,380
General reserve		301,761,292	301,761,292
Undistributed profits	5	23,537,536,867	21,950,655,578
Total equity attributable to shareholders of the Company		30,648,948,303	29,060,384,527
Non-controlling interests		863,247,574	799,157,484
Total shareholders' equity		31,512,195,877	29,859,542,011
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		52,131,585,698	51,420,385,832

Consolidated Income Statement

	<i>Notes</i>	2025	2024
I. Revenue	6	32,473,493,664	32,137,830,111
Less: Cost of sales	6	18,885,149,805	19,209,915,823
Taxes and surcharges	7	2,357,583,939	2,328,256,391
Selling and distribution expenses		4,483,945,021	4,602,519,864
General and administrative expenses		1,463,706,116	1,406,578,781
Research and development expenses		121,846,041	102,766,675
Finance expenses		(401,589,168)	(567,771,603)
Including: Interest expenses		11,645,392	21,837,054
Interest income		423,517,234	616,771,200
<i>Add: Other income</i>		382,968,257	501,406,284
Investment income		72,970,854	117,791,880
Including: Share of profit of associates and a joint venture		25,684,794	48,272,283
Profits arising from changes in fair value (Losses are listed with “-”)		106,446,168	199,524,435
Credit impairment losses (Losses are listed with “-”)		(1,620,448)	340,927
Asset impairment losses (Losses are listed with “-”)		(16,146,304)	(35,776,310)
Gains on disposals of assets (Losses are listed with“-”)	8	110,634,678	4,267,451
II. Operating profit		6,218,105,115	5,843,118,847
<i>Add: Non-operating income</i>		77,717,609	73,143,904
<i>Less: Non-operating expenses</i>		4,766,265	34,769,751
III. Total profit		6,291,056,459	5,881,493,000
<i>Less: Income tax expenses</i>	9	1,573,639,892	1,389,716,314
IV. Net profit		4,717,416,567	4,491,776,686

Consolidated Income Statement (continued)

	<i>Notes</i>	2025	2024
Classified by continuity of operations			
Net profit from continuing operations		4,717,416,567	4,491,776,686
Net profit from discontinued operations		–	–
Classified by ownership of the equity			
Attributable to shareholders of the Company		4,588,101,137	4,344,983,858
Attributable to non-controlling interests		129,315,430	146,792,828
V. Other comprehensive income, net of tax		<u>(781,687)</u>	<u>(72,106,537)</u>
Other comprehensive income attributable to shareholders of the Company, net of tax		(201,353)	(72,479,048)
Items that will not be subsequently reclassified to profit or loss		5,264,000	(73,618,000)
Changes in remeasurement of defined benefit plan		5,264,000	(73,618,000)
Items that will be subsequently reclassified to profit or loss		(5,465,353)	1,138,952
Shares of other comprehensive income of investees accounted for using the equity method that will be subsequently reclassified to profit or loss		402,372	(164,887)
Currency translation differences		(5,867,725)	1,303,839
Other comprehensive income attributable to noncontrolling interests, net of tax		(580,334)	372,511
VI. Total comprehensive income		<u>4,716,634,880</u>	<u>4,419,670,149</u>
Attributable to shareholders of the Company		4,587,899,784	4,272,504,810
Attributable to non-controlling interests		128,735,096	147,165,339
VII. Earnings per share	<i>10</i>		
Basic earnings per share		3.363	3.191
Diluted earnings per share		3.363	3.187

Notes:

1 Basis of preparation

The Group implements enterprise accounting standards and related regulations issued by the Ministry of Finance. The Group also discloses relevant financial information in accordance with the “Rules Governing the Preparation of Information Disclosure by Publicly Offered Companies No. 15 – General Requirements for Financial Reporting (Revised in 2023)”. In addition, the financial statements include relevant disclosures required by the Hong Kong Companies Ordinance and the Listing Rules of the Stock Exchange of Hong Kong Ltd.

The Group assessed its ability to continue as a going concern for the period of 12 months from 31 December 2025 and did not notice any events or circumstances that may cast significant doubt upon its ability to continue as a going concern. The financial statements have been prepared on a going concern basis.

Significant change in accounting policies

There were no significant changes in accounting policies during the year.

2 Accounts receivable

	31 December 2025	31 December 2024
Accounts receivable	169,903,034	269,289,669
<i>Less: Provision for bad debts</i>	42,919,893	166,869,322
	<u>126,983,141</u>	<u>102,420,347</u>

The majority of the Group’s sales are made by advances from customers or bank acceptances. The remainders are settled by providing credit terms from 30 to 100 days.

2 Accounts receivable (continued)

The ageing of accounts receivable based on their recording dates is analyzed as below:

	31 December 2025	31 December 2024
Within 1 year	126,807,751	102,495,602
1 to 2 years	948,469	1,111
2 to 3 years	195	–
3 to 4 years	–	38,202
4 to 5 years	–	–
Over 5 years	42,146,619	166,754,754
	<u>169,903,034</u>	<u>269,289,669</u>

Accounts receivable are mainly recorded based on the dates of transaction. The ageing of accounts receivable represented on their recording date is basically the same as the ageing represented on the dates of invoice.

3 Accounts payable

The ageing of accounts payable based on their recording dates is analyzed as below:

	31 December 2025	31 December 2024
Within 1 year	3,038,846,282	3,046,919,946
1 to 2 years	8,189,751	2,676,232
2 to 3 years	1,960,508	1,402,482
Over 3 years	1,362,652	2,516,169
	<u>3,050,359,193</u>	<u>3,053,514,829</u>

Accounts payable are mainly recorded based on the dates of transaction. The ageing of accounts payable represented on their recording date is basically the same as the ageing represented on the dates of invoice.

4 Employee benefits payable

	31 December 2025	31 December 2024
Short-term employee benefits	1,484,035,437	1,545,440,415
Defined contribution plans (<i>Note</i>)	22,739,057	22,713,634
Termination benefits	88,334,608	198,633,651
	<u>1,595,109,102</u>	<u>1,766,787,700</u>

Note: The Group pays the basic pension and unemployment insurance to the local labor and social security departments monthly, following the demanding proportion and base. There are no forfeited contributions can be deducted against amounts due for employees in the current and future periods.

5 Dividends

Pursuant to the resolution at the Annual General Meeting dated 20 May 2025, the Company approved a cash dividend of RMB2.20 per share (tax inclusive) to the shareholders of the Company for the year of 2024, based on a total number of cash dividend amounting to a total of RMB3,001,232,934 was distributed. On 13 November 2025, due to 1,667 restricted shares not meeting the conditions for release, the Company reversed a profit distribution of RMB13,086 and treasury shares of RMB13,086. (2024: cash dividend of RMB2.00 per share (tax inclusive) to the shareholders of the Company for the year of 2023, based on a total number of 1,364,196,788 shares. Cash dividend amounting to a total of RMB2,728,393,576 was distributed).

Pursuant to the resolution at the Board dated 26 March 2026, the Board proposes a cash dividend of RMB2.35 per share (tax inclusive) to the shareholders of the Company, based on a total number of 1,364,195,121 shares as at 31 December 2025. A cash dividend totaling RMB3,205,858,534 is proposed to be distributed. The above proposal is pending approval at the Annual General Meeting.

6 Revenue and cost of sales

	2025	2024
Revenue from main operation	31,829,668,346	31,578,857,295
Revenue from other operations	643,825,318	558,972,816
	<u>32,473,493,664</u>	<u>32,137,830,111</u>

6 Revenue and cost of sales (continued)

	2025	2024
Cost of main operation	18,551,056,405	18,911,276,253
Cost of other operations	334,093,400	298,639,570
	<u>18,885,149,805</u>	<u>19,209,915,823</u>

7 Taxes and surcharges

	2025	2024
Consumption tax	1,720,492,905	1,718,332,621
City maintenance and construction tax	259,495,461	245,190,377
Education surcharges	192,646,963	181,741,977
Real estate tax	80,179,958	78,644,927
Land use tax	58,779,844	57,939,803
Stamp duty	34,890,828	35,678,483
Others	11,097,980	10,728,203
	<u>2,357,583,939</u>	<u>2,328,256,391</u>

8 Gains (Losses) on disposals of assets

	2025	2024
Gains (Losses) on disposals of intangible assets	107,855,659	(2,975,241)
Gains on disposals of fixed assets	1,969,972	5,093,794
Gains on disposals of right-of-use assets	809,047	2,148,898
	<u>110,634,678</u>	<u>4,267,451</u>

9 Income tax expenses

	2025	2024
Current income tax calculated according to tax laws and related regulations		
– PRC enterprise income tax	1,591,667,614	1,279,245,875
Current profits tax calculated according to tax laws and related regulations		
– Hong Kong profits tax	13,990,175	1,666,736
Current profits supplemental tax calculated according to tax laws and related regulations – Macau profits supplemental tax	453,764	441,189
Deferred income tax	(32,471,661)	108,362,514
	<u>1,573,639,892</u>	<u>1,389,716,314</u>
Reconciliation of income tax expenses to accounting profit is as follows:		
	2025	2024
Total profit	<u>6,291,056,459</u>	<u>5,881,493,000</u>
Income tax expenses calculated at applicable tax rates (25%)	1,572,764,115	1,470,373,250
Effect of different tax rates applied by subsidiaries	(7,005,687)	(2,766,678)
Effect of non-taxable income	(12,327,583)	(18,508,512)
Effect of non-deductible costs, expenses and losses	20,998,121	15,521,259
Effect of utilizing deductible losses and deductible temporary differences not recognized for deferred tax assets for prior period	(50,401,260)	(155,696,486)
Effect of deductible losses and deductible temporary differences not recognized for deferred tax assets	71,919,406	104,768,342
Super deduction of R&D expenses	(22,307,220)	(23,974,861)
Income tax expenses	<u>1,573,639,892</u>	<u>1,389,716,314</u>

9 Income tax expenses (continued)

(1) PRC enterprise income tax

For the year, the applicable enterprise income tax rate for the Company and other subsidiaries incorporated and operated in mainland China is 25%, except for: Nanning Tsingtao Brewery Co., Ltd., a subsidiary of the Company, which is subject to an enterprise income tax rate of 15%; and certain subsidiaries incorporated and operated in mainland China that are Micro and Small Enterprises, which are subject to an enterprise income tax rate of 20%.

(2) Hong Kong profits tax, Macau profits supplemental tax and Vietnam corporate income tax

Tsingtao Brewery Hong Kong Trading Co., Ltd., Asia Brewery (Macau) Co., Ltd. and Tsingtao Brewery Vietnam Co., Ltd., the Company's subsidiaries, were established in Hong Kong, Macau and Vietnam, applying Hong Kong profits tax, Macau profits supplemental tax and Vietnam corporate income tax respectively.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the year. Macau profits supplemental tax is imposed on the estimated taxable profit for the year at a progressive rate scale ranging from 3% to 12%. Vietnam corporate income tax has been provided at the rate of 20% on the estimated assessable profit for the year.

10 Earnings per share

(1) Basic earnings per share

	2025	2024
Consolidated net profit attributable to shareholders of the Company	4,588,101,137	4,344,983,858
Less: Cash dividends of restricted shares expected to be vested in the future	–	193,334
Consolidated net profit attributable to ordinary shareholders of the Company	4,588,101,137	4,344,790,524
Weighted average number of outstanding ordinary shares of the Company	1,364,147,621	1,361,588,923
Basic earnings per share	<u>3.363</u>	<u>3.191</u>
Including:		
– Basic earnings per share from continuing operations:	3.363	3.191

Basic earnings per share is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares of the Company.

10 Earnings per share *(continued)*

(2) *Diluted earnings per share*

	2025	2024
Consolidated net profit attributable to shareholders of the Company	4,588,101,137	4,344,983,858
Weighted average number of outstanding ordinary shares of the Company	1,364,147,621	1,361,588,923
Increase in weighted average number of ordinary shares as a result of share-based payments	33,900	1,884,961
Weighted average number of outstanding ordinary shares after dilution	<u>1,364,181,521</u>	<u>1,363,473,884</u>
Diluted earnings per share	<u>3.363</u>	<u>3.187</u>

Including:

– Diluted earnings per share from continuing operations:	3.363	3.187
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Diluted earnings per share is calculated by dividing net profit attributable to ordinary shareholders of the Company adjusted based on the dilutive potential ordinary share by the adjusted weighted average number of outstanding ordinary shares.

11 Segment reporting

(1) *Basis for determining reporting segments and related accounting policies*

As the Group is mainly engaged in the production and distribution of beer, the reportable segments of the Group are business units operating in different regions. Different region requires different marketing strategies, and the Group, therefore, separately manages the production and operation of each reportable segment and evaluates their operating results respectively, in order to make decisions on resources allocation to these segments and to assess their performance.

Tsingtao Brewery Finance LLC. (“Finance Company”), the Group’s subsidiary, is principally engaged in the financial businesses of wealth management and agency collection and payment for its members. Due to the unique business characteristics of Finance Company, the Group manages its operation independently and evaluates its operating results separately, to determine its resources allocation and assess its performance.

11 Segment reporting *(continued)*

(1) Basis for determining reporting segments and related accounting policies (continued)

The Group identified seven reportable segments as follows:

- Shandong region segment, responsible for the production and distribution in Shandong region and surrounding regions
- South China region segment, responsible for the production and distribution in South China region
- North China region segment, responsible for the production and distribution in North China region
- East China region segment, responsible for the production and distribution in East China region
- Southeast China region segment, responsible for the production and distribution in Southeast China region
- Hong Kong, Macau and other overseas region segment, responsible for the distribution in Hong Kong SAR, Macau SAR and other overseas regions
- Finance Company segment, engaged in the financial businesses of wealth management and agency collection and payment for its members

Inter-segment transfer pricing is based on mutually-agreed prices.

Assets are allocated based on the operation of the segments and the physical location of the assets. Liabilities are allocated based on the operation of the segments.

11 Segment reporting (continued)

(2) Financial information of the reporting segments

2025

Items	Shandong region	South China region	North China region	East China region	Southeast China region	Hong Kong, Macau and other overseas	Finance Company	Unallocated amount	Inter-segment offsetting	Total
Revenue from external customers	20,522,403,317	2,658,966,675	5,759,981,851	2,288,300,288	663,460,148	568,107,264	292,413	11,981,708	-	32,473,493,664
Inter-segment revenue	3,288,776,317	883,932,666	2,325,444,826	405,583,572	14,751,680	272,826,042	30,937,734	111,370,105	(7,333,622,942)	-
Cost of sales	15,071,074,951	2,353,352,557	5,559,784,954	1,904,131,422	541,546,240	647,987,775	77,362,443	122,156,959	(7,392,247,496)	18,885,149,805
Selling and distribution expenses	2,997,947,311	346,077,018	557,563,211	363,313,661	143,912,874	75,105,906	25,040	-	-	4,483,945,021
Interest income	38,159,324	11,892,441	20,493,301	6,638,285	841,462	9,546,899	286,737,264	130,230,297	(81,022,039)	423,517,234
Interest expenses	85,608,178	2,403,720	1,392,121	7,219,360	2,162,782	129,399	4,750	-	(87,274,918)	11,645,392
Share of profits of associates and a joint venture	-	-	-	-	-	1,378,459	-	24,306,335	-	25,684,794
Credit impairment gains (losses)	21,045,615	(93,551)	(2,607)	-	-	(250,069)	(22,319,836)	62,000,000	(62,000,000)	(1,620,448)
Asset impairment losses	(15,686,256)	-	(148,139)	(311,909)	-	-	-	-	-	(16,146,304)
Depreciation and amortization expenses	610,398,642	136,194,190	237,202,803	135,951,758	34,401,037	6,129,633	1,800,876	132,936,177	(965,148)	1,294,049,968
Total profits (losses)	4,297,242,832	484,613,242	1,389,668,006	195,902,235	(66,621,651)	121,236,529	256,717,038	(395,041,379)	7,339,607	6,291,056,459
Income tax expenses	976,473,128	98,552,118	345,665,319	53,131,982	91,283	42,296,494	60,233,510	-	(2,803,942)	1,573,639,892
Net profits (losses)	3,320,769,704	386,061,124	1,044,002,687	142,770,253	(66,712,934)	78,940,035	196,483,528	(395,041,379)	10,143,549	4,717,416,567
Total assets	26,520,550,435	4,552,025,191	8,677,370,093	3,150,139,000	736,608,196	979,655,423	14,063,476,500	7,077,744,108	(15,589,098,252)	50,168,470,694
Total liabilities	19,397,710,093	1,697,099,005	4,269,927,515	2,082,899,786	456,308,022	54,348,243	9,274,979,993	208,001,335	(17,082,394,529)	20,358,879,463
Non-cash expenses other than depreciation and amortization expenses	11,433,876	47,791	1,938,628	89,572	6,392	-	11,570	1,413,988	-	14,941,817
Long-term equity investments in associates and a joint venture	-	-	-	-	-	-	-	372,338,347	-	372,338,347
Additions (Reductions) of non-current assets (<i>Note</i>)	2,517,413,749	170,037,813	170,957,199	144,799,664	14,569,974	(598,186)	3,338,387	130,748,193	-	3,151,266,793

Note: Non-current assets do not include financial assets, long-term equity investments and deferred tax assets.

11 Segment reporting (continued)

(2) Financial information of the reporting segments (continued)

2024

Items							Hong Kong,	Finance Company	Unallocated amount	Inter-segment offsetting	Total
	Shandong region	South China region	North China region	East China region	Southeast China region	Macau and other overseas					
Revenue from external customers	20,296,043,089	2,653,836,478	5,687,545,798	2,287,053,480	673,197,305	527,373,681	250,035	12,530,245	-	32,137,830,111	
Inter-segment revenue	3,297,513,302	849,114,873	2,248,300,459	314,107,550	8,567,940	224,981,923	6,248,877	170,159,815	(7,118,994,739)	-	
Cost of sales	15,352,385,767	2,351,380,265	5,524,783,841	1,851,303,155	534,086,219	578,334,645	180,453,623	181,257,429	(7,344,069,121)	19,209,915,823	
Selling and distribution expenses	3,098,612,633	331,607,756	578,970,076	365,831,334	150,662,947	76,835,118	-	-	-	4,602,519,864	
Interest income	72,837,682	29,655,851	54,870,215	10,425,004	2,359,114	5,104,631	477,170,246	144,636,582	(180,288,125)	616,771,200	
Interest expenses	10,014,295	2,845,142	1,375,877	6,809,409	2,312,012	387,267	195,024,467	-	(196,931,415)	21,837,054	
Share of profits of associates and a joint venture	-	-	-	-	-	571,694	-	47,700,589	-	48,272,283	
Credit impairment gains (losses)	176,540	(147,108)	193,094	(1,515,174)	-	(80,090)	1,713,665	2,600,000	(2,600,000)	340,927	
Asset impairment losses	(13,926,387)	(5,476,022)	(5,256,989)	(7,602,180)	(2,317,423)	(12,205)	(22,867)	(1,162,237)	-	(35,776,310)	
Depreciation and amortization expenses	566,341,971	143,045,002	241,545,333	134,545,975	33,038,570	7,155,044	1,723,077	113,418,754	-	1,240,813,726	
Total profits (losses)	3,672,581,149	485,037,115	1,252,644,978	102,880,323	(63,765,164)	93,726,655	501,053,820	(223,072,151)	60,406,275	5,881,493,000	
Income tax expenses	854,312,233	117,544,590	242,867,016	33,071,832	1,668,517	23,574,244	122,497,468	-	(5,819,586)	1,389,716,314	
Net profits (losses)	2,818,268,916	367,492,525	1,009,777,962	69,808,491	(65,433,681)	70,152,411	378,556,352	(223,072,151)	66,225,861	4,491,776,686	
Total assets	22,548,264,844	4,321,016,711	8,222,704,351	3,452,819,786	782,979,428	578,211,520	18,792,797,464	6,365,999,118	(15,574,446,918)	49,490,346,304	
Total liabilities	14,363,849,239	1,682,158,167	4,635,664,452	2,304,801,109	452,811,029	55,439,960	13,840,801,688	195,412,364	(16,229,842,209)	21,301,095,799	
Non-cash expenses other than depreciation and amortization expenses	32,602,523	2,389,596	5,615,788	2,348,948	511,970	273,083	235,321	2,171,001	-	46,148,230	
Long-term equity investments in associates and a joint venture	-	-	-	-	-	-	-	391,873,803	-	391,873,803	
Additions of non-current assets (Note)	6,247,936,730	101,072,181	209,028,058	199,955,567	40,095,212	12,164,730	759,504	191,570,604	6,172,791	7,008,755,377	

Note: Non-current assets do not include financial assets, long-term equity investments and deferred tax assets.

11 Segment reporting (continued)

(3) Revenue from external transactions

Revenue from external transactions	2025	2024
Mainland China	31,848,080,839	31,565,199,458
Hong Kong and Macau SAR	178,464,764	185,549,504
Other overseas countries and regions	446,948,061	387,081,149
	<u>32,473,493,664</u>	<u>32,137,830,111</u>

(4) Total non-current assets by geographical location

Total non-current assets	31 December 2025	31 December 2024
Mainland China	18,156,534,651	17,193,176,736
Hong Kong and Macau SAR	13,508,720	17,725,846
	<u>18,170,043,371</u>	<u>17,210,902,582</u>

In the regional information above, non-current assets are attributed to the region in which the assets are located. Total non-current assets exclude financial assets and deferred tax assets.

II. DISCUSSION AND ANALYSIS MADE BY THE MANAGEMENT

(I) Business Performance Review during the Reporting Period

During the Reporting Period, the Company faced a myriad of challenges, such as the ongoing adjustment and recovery of consumer demand and the pressure on beer consumption growth. Under the leadership of the Board, the Company's management accelerated reform and innovation, solidly promoted high-quality development, and achieved steady progress in the beer business, realizing reasonable growth in volume and effective improvement in quality. During the Reporting Period, the Company achieved a product sales volume of 7.648 million kiloliters, a year-on-year increase of 1.5%; realized operating revenue of RMB 32.47 billion, a year-on-year increase of 1%; and achieved net profit attributable to shareholders of the listed company of RMB 4.59 billion, a year-on-year increase of 5.6%.

During the Reporting Period, the Company focused on “new products, new channels, new demographics, new scenarios, and new demands” to develop room for growth, create new systems, mechanisms, and market operation models, optimize resource allocation, and continuously cultivate and expand domestic and foreign markets. Notably, the Company implemented refined operations for traditional and advantageous markets along the Yellow River, further consolidating its market advantage. The Company witnessed continuous enhancements in its market share and profitability, with the contiguous development effect in the northern market increasingly evident. In the southern market, by accumulate experiencing along positive directions, the Company continued to steadily optimize and upgrade the product structure, focused on breakthroughs in regional and channel expansion, and achieved quality development. In overseas markets, the Company carried out product innovation, regional expansion, brand reinforcement, model breakthroughs, and strategic upgrades, steadily advancing the “one arc, three wings, multiple points” market layout. For the first time, it achieved localized production and sales in international markets, continuously enhancing its influence as a global brand.

During the Reporting Period, the Company continued to drive marketing integration, connecting marketing resources across multiple channels and business formats. It reinforced its position in traditional channels through refined operations, accelerated the expansion into emerging channels such as online and instant retail, and deepened the implementation of innovative operational models represented by fresh beer delivery service. The Company achieved growth in both volume and profit for 13 consecutive years in online channels. By fostering synergy and two-way empowerment between traditional and emerging channels, the Company precisely addressed diverse consumer needs.

During the Reporting Period, the Company adhered to its branding strategy of promoting “Tsingtao Beer as the primary brand and Laoshan Beer as the nationwide secondary brand.” Focusing on sports and music marketing, the Company capitalized on major sporting events, popular music festivals, and variety shows to enhance consumer emotional experiences across diverse consumption scenarios, deepen consumer engagement, and drive the upgrading and expansion of product consumption.

The Company accelerated the implementation of the “1+1+1+2+N” product strategy under the Tsingtao brand, driving brand optimization and product structure upgrades while expediting the development of key products and innovative categories. During the Reporting Period, Tsingtao Beer’s core brands achieved total sales of 4.494 million kiloliters, a year-on-year increase of 3.5%. Notably, sales of mid-to-high-end and above products reached 3.318 million kiloliters, up 5.2% year-on-year. Sales of Tsingtao Beer’s Classic series, White Beer, and ultra-premium series continued to hit record highs, with White Beer registering rapid sales growth and securing the top spot in the industry’s white beer segment.

During the Reporting Period, the Company further unleashed its momentum in technological innovation, yielding significant results in the commercialization of breakthroughs. Advancing product innovation in response to new consumer demands, the Company upgraded and expanded its category and product matrix on all fronts. New products, such as Tsingtao Beer’s “Light Dry,” “Super Dry,” “All-Malt Guochao,” “All-Malt Yipin,” “Jasmine White Beer,” “Blossom White Beer,” “All-Malt Dark Beer,” and “Hazy IPA,” set the trend in health-conscious, personalized, and diversified consumer demand. Tsingtao Beer’s Light Dry products, while retaining the classic Tsingtao Beer flavor, filled a gap in the low-sugar, low-carb market segment.

The Company actively harnessed digital and green technologies to transform and upgrade traditional industries, fueling the growth of new productive forces. During the Reporting Period, the Company’s greenhouse gas emission intensity fell by 13.5% year-over-year, while its comprehensive energy consumption per unit of output decreased by 3.1%. Renewable energy accounted for 91% of the electricity used across its production facilities, with 36 plants operating on 100% renewable electricity. As of the end of the Reporting Period, the Company had established 30 national-level “Green Factories.”

(II) Core Competitiveness Analysis during the Reporting Period

The Company’s Tsingtao Beer brand enjoys significant influence and high visibility in both domestic and international markets. In 2025, Tsingtao Beer, with a brand value of RMB 280.355 billion, maintained its position as the top brand in the Chinese beer industry, making it to the list of the world’s top 500 brands. Collectively, the value of the brands represented by Tsingtao Beer and Laoshan Beer, owned by the Company, exceeded RMB 463.3 billion (Source: World Brand Laboratory). The Company has shaped a product matrix covering nine series and some 100 categories, ranking among the top in the industry in terms of both brand recognition and reputation.

As the longest-standing beer manufacturer in China, the Company always puts product quality and food safety at the center of its business. It maintains strict control and robust assurance for product quality by establishing a whole-chain control system, covering the sourcing of raw materials, production process, technology applications, and operation procedures. In recent years, Tsingtao Beer has consistently secured top honors in both domestic and international quality competitions, earning widespread recognition from consumers worldwide. By promoting the development of high-end, intelligent, and green chemical factories in recent years, the Company has empowered the whole production flow with intelligent technologies, ensuring food safety and high product quality while improving consistency in product flavors. With the charm of its product quality, the Company deeply aligns with diverse consumer demands to reinforce market trust.

Backed by world-class R&D and innovation platforms, top-tier research teams, and advanced capabilities in fundamental research, the Company continues to deepen its expertise in key areas, such as fermentation strains, flavor control, green and low-carbon technologies, and product innovation. These efforts have resulted in a portfolio of proprietary core technologies, reinforcing the Company’s technological leadership in the domestic beer market. By precisely decoding consumer demand, the Company has rolled out a range of distinctive, market-responsive new products in recent years, including the “Century Legend” series, “Augerta A” series, premium fresh beer, the health-oriented “Zero” series, “Light Dry Zero Sugar”, and the fruit-flavored series. By delivering high-quality offerings, the Company is shaping new consumer demand, further elevating its brand image. Meanwhile, the Company is making early-stage investments in frontier fields such as biotechnology and the high-value utilization of by-products, establishing a solid technological foundation for expansion into diverse businesses.

The Company has actively advanced comprehensive digital transformation, building a digital operations system offering key functions, including marketing, manufacturing, supply chain, finance, and human resources. This has improved responsiveness and operational efficiency across the entire chain, providing strong support for efficient corporate decision-making. Focusing on the integration of advanced manufacturing and modern services, the Company has fostered an open and reciprocal cultural tourism ecosystem, leveraging diversified “beer+” experiences to enable its high-quality development. Cultural tourism complexes such as The World of Tsingtao, TSINGTAO 1903 Bar, and Craft Beer Garden have been continuously upgraded to enrich the consumer experience, allowing visitors to immerse themselves in the history, culture, and exceptional quality of Tsingtao Beer and significantly enhancing the brand’s influence and reputation.

The Company boasts production bases all over China and a comprehensive supply chain system, as well as a network that covers major markets in China with a global reach. Tsingtao Beer is available in over 120 countries and regions worldwide. The Company has continued to strengthen marketing, deepen the development of its sales network, promote collaborative operations between manufacturers, and improve the sales value chain. It has steadily strengthened its ability to maintain and serve end customers, consolidated and enhanced its competitive edge in the base market, raised its growing market share, and pushed for continual improvement in its market operations and profitability.

(III) Future Prospects

(I) Structure and Trend of the Industry

China’s beer industry has entered a phase of stable development. At present, the top five beer enterprises in China hold a combined market share of over 90%, reflecting increasing market concentration and a gradually stabilizing competitive landscape. In 2025, beer companies above a designated size in the industry achieved a total beer output of 35.36 million kiloliters, a year-on-year decrease of 1.1% (Source: National Bureau of Statistics; statistical basis: all industrial corporate entities with annual main business revenue of RMB 20 million or more).

In terms of brand competition, the market is evolving into a pyramid structure. At the base are local brands competing on quality and price, anchoring regional demand for cost-effectiveness. The middle tier consists of leading national brands that deliver large-scale products to meet demand for value for money. At the top, the premium segment is divided between national and global leaders, vying for dominance in quality and brand. As the market continues to mature, the entry of distinctive global brands, combined with consumers' growing appetite for diverse, personalized options, will drive further segmentation across tiers and price points.

China's beer industry is accelerating its evolution, marked by distinct new trends and characteristics. The trend of "self-pleasing" consumption is becoming increasingly prominent. Consumer needs are shifting from mere functional satisfaction to spiritual experience and self-expression. While seeking high-end, health-oriented, personalized, and scene-based products, consumers are placing greater emphasis on the synergy between value-for-money and emotional resonance. Their pursuit of high-quality products continues to intensify — they are drawn to practical options that offer both quality and affordability, while also being willing to pay for products that align with their personal aesthetics and lifestyle. In response to this core shift, the beer industry is undergoing corresponding changes in product offerings, channels, production models, marketing strategies, branding, and market development. Guided by consumer demand and adapting comprehensively to evolving consumer expectations, these changes are opening up new opportunities for industry growth.

(II) The Company's Development Strategy

The Company will remain steadfast in implementing a brand-led strategy for high-quality development, concentrating resources on strengthening and enhancing its core beer business. It will continue advancing the "1+1+1+2+N" product strategy, and remain focused on cultivating strategic mid-to-high-end and ultra-premium major products. It will also optimize consumer experiences, strengthen brand communication, and drive a shift from broad to deep brand engagement.

The Company will actively pursue expansion in both domestic and international markets, with a focus on "new products, new channels, new demographics, new scenarios, and new demands." In the domestic market, it will pursue proactive growth strategies to reinforce its position in traditional and advantageous markets, drive breakthroughs in regional markets, and achieve high-quality growth. In overseas markets, it will accelerate expansion, advance the "one arc, three wings, multiple points" strategic framework, and enhance product coverage to steadily strengthen its global brand presence.

Guided by technological innovation, the Company will build a new development paradigm, accelerate digital transformation, and drive high-quality growth through innovation. It will steadily advance related diversification while actively exploring and cultivating new growth drivers. With a strategic focus on frontier areas such as "beer + biology + health," the Company will develop new categories and growth tracks — including all-malt products, craft beer, zero-sugar low-carb options, and non-alcoholic or low-alcohol beverages — to set new consumption trends, strengthen its core competitiveness, and secure sustainable long-term growth.

(III) Business Plan

The Company will continue to focus on the beer business as its core business, leveraging Tsingtao Beer's strengths in brand, quality, and distribution to actively expand its market presence while further deepening its regionally tiered operations in the domestic market. It will reinforce its stronghold in the northern base market by driving volume growth and optimizing structure. In the strategic markets of southern China, the Company will pursue key breakthroughs and deepen its footprint in priority regions, steadily increasing market share through team restructuring, management innovation, and network optimization. In overseas markets, it will explore international expansion through diverse partnership models, steadily elevating its global brand presence.

The Company will continue to execute its brand strategy of "Tsingtao Beer as the core brand and Laoshan Beer as the second brand," while further optimizing and upgrading its product portfolio to drive growth through product innovation. It will firmly implement the "1+1+1+2+N" product strategy, concentrating resources on enhancing the competitiveness of its major products, including the Classic, Draft, and White Beer series, while accelerating the development of new growth tracks such as all-malt, fresh beer, zero-sugar low-carb, craft, and non-alcoholic or low-alcohol products. With a focus on product innovation and upgrading, the Company aims to achieve full category coverage across multiple channels to meet diverse consumer needs.

The Company will fully advance its "Five New" initiatives to unlock new growth opportunities. It will strengthen its presence in emerging channels such as e-commerce and instant retail, drive refined operations in offline channels, expand high-value-added consumption scenarios, and optimize its fresh beer delivery service. The Company will focus on building a dual matrix that refreshes classic products while excelling in trendsetting offerings. By targeting new demographics, including Gen Z, women, and the next generation of seniors, the Company will achieve a deep alignment among target audiences, products, and scenarios through product functionalization and scenario-based development.

The Company will accelerate systemic innovation driven by technological advancement and fully tap into the radiating and leading role of its world-class R&D innovation platform at the science and technology research center. With the three-tiered technological innovation system, the Company will continue to deepen its expertise in key technological areas, such as the development of beer fermentation strains, digital intelligent brewing, low-carbon and green processes, biomanufacturing, and healthy beverage development. By achieving breakthroughs in core technologies, the Company aims to build a unique competitive edge for its products and brands, empowering full-category innovation and industrial upgrading. Furthermore, the Company will expand along the upstream and downstream of the beer industry chain, explore new growth tracks in biotechnology, and promote the high-value utilization and industrial application of by-products. Through these efforts, the Company will achieve deeper integration of technological and industrial innovation at a higher level, driving industry transformation and quality improvement through continuous technological upgrading.

The Company will accelerate its digital transformation, leveraging digital technologies to drive business evolution in all aspects. It will continue building an integrated “Digital Tsingtao Beer” ecosystem that encompasses whole sensing, full connectivity, omni-scenario applications, and comprehensive data. The Company will deepen digital applications in marketing, manufacturing, supply chains, and finance to improve operational efficiency and decision-making precision across the entire chain.

Entering 2026, the Company continues to face multiple challenges, including intensifying market competition and weak consumer demand. However, with the country embarking on the new phase of the 15th Five-Year Plan, industrial integration, technological innovation, green development, and the ongoing expansion of a robust domestic market, along with the steady release of consumption potential, are presenting unprecedented favorable opportunities for the Company. Under the leadership of the Board, the Company will maintain its strategic focus, strengthen its confidence in development, and remain firmly committed to strengthening and optimizing its beer business towards high-quality growth.

(IV) Potential Business Risks

The growth of the domestic beer market may be affected by a combination of uncertainties, such as the pace of future consumer market recovery, climate change, and structural shifts in the beer-consuming population due to an aging demographic.

With the entry of new channels, new business formats, and new competitors in the beer industry, cross-industry and market competitions are expected to intensify further, driving sustained increases in market expenditures such as advertising and promotions. Fluctuations in the prices of key raw materials, as well as volatility in supply chain and logistics costs amid a complex international landscape, may also become uncertain factors affecting the Company’s future sales, revenue, and profitability.

III. SHARE CAPITAL

Neither the Company nor its subsidiaries purchased, sold, or redeemed any of the Company’s listed securities during the Reporting Period, with the exception of the repurchase and cancellation of restricted shares as described in , “Significant Events” of this announcement.

IV. FINAL DIVIDEND DISTRIBUTION PROPOSAL

The Board proposes the distribution of the final dividend of the Company for the year ended 31 December 2025, and the amount shall be RMB 2.35 per share in cash (taxes inclusive). Any dividend distribution proposal shall be subject to the consideration and approval at the Company’s 2025 Annual General Meeting, and the final dividend is expected to be distributed to the shareholders on 10 August 2026. Information in relation to the period for the closure of register of members for H-share shareholders of the Company would be set out in the notice of annual general meeting to be published by the Company separately.

V. CORPORATE GOVERNANCE

The Company is committed to maintaining a high level of corporate governance. During the Reporting Period, the Company had always complied with the Code Provisions of the Corporate Governance Code contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for deviation from Code Provisions B.2.2 and C.2.1 of the Corporate Governance Code.

Pursuant to code provision B.2.2, among other things, every director (including those appointed for a specific term) should be subject to retirement by rotation at least once every three years. As disclosed in the announcement of the Company dated 21 June 2024, the terms of office of the tenth session of the Board and the supervisory committee of the Company have expired on 28 June 2024. As the nomination of candidates for the new session of the Board and the supervisory committee of the Company had not been completed, in order to maintain the continuity and stability of the work related to the Board and the supervisory committee of the Company, the re-election and appointment of the tenth session of the Board and the supervisory committee of the Company was postponed and the term of office of the tenth session of each specialized Board committee has been correspondingly extended. On 20 May 2025, members of the new session of the Board were appointed or re-elected at the annual general meeting of the Company held on the same date, and the supervisory committee of the Company has been abolished, hence the Company has complied with code provision B.2.2 since that date.

Pursuant to code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since 25 December 2024, Mr. Jiang Zong Xiang, an executive director of the Company, has assumed the roles and duties of the Chairman and continues to act as the President of the Company. From 20 May 2025, Mr. Jiang Zong Xiang, the Chairman of the Company, has acted on behalf of the President of the Company. Although the relevant arrangement deviates from code provision C.2.1, the Board considers that under the supervision of other existing members of the Board, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

Details of the corporate governance practices of the Company will be set out in the annual report for 2025.

VI. AUDITOR’S SCOPE OF WORK

Scope of work of Deloitte Touche Tohmatsu Certified Public Accountants LLP

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Deloitte Touche Tohmatsu Certified Public Accountants LLP (“Deloitte”), to the amounts set out in the audited consolidated financial statements of the Group for the year ended 31 December 2025 as approved by the Board on 26 March 2026. The work performed by Deloitte in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Deloitte on the preliminary announcement.

VII. AUDIT AND INTERNAL CONTROL COMMITTEE

The Board has established an Audit and Internal Control Committee to comply with the provisions of Article 3.21 of the Listing Rules. The audited financial statements of the Group for the year ended 31 December 2025 have been reviewed by the Audit and Internal Control Committee.

VIII. SIGNIFICANT EVENTS

(I) Unlocking and Listing of Restricted Shares under the Incentive Plan

At the first meeting of the 11th Board held by the Company on 20 May 2025, the “Proposal on Fulfillment of the Unlocking Conditions for the Third Unlocking Period under the Reserved Grant of the Restricted Shares under the Restricted A Share Incentive Plan” was reviewed and approved. The third unlocking period under the reserved grant under the incentive plan has expired and the corresponding conditions for unlocking the restricted shares under the incentive plan have been fulfilled. It is therefore agreed that the Company shall deal with the unlocking matters in relation to the 32 qualified participants with a total of 95,000 restricted shares. The listing and circulation time of the unlocked shares is 30 May 2025.

For details of the unlocking and listing of restricted shares under the incentive plan, please refer to the relevant announcements issued by the Company on 20 May 2025 and 26 May 2025.

(II) Repurchase and Cancellation of Restricted Shares under the Incentive Plan

Pursuant to the authorization granted by the Annual General Meeting and the Class Shareholders' Meeting, the Company held the second meeting of the 11th Board on 26 August 2025, at which the "Proposal on the Repurchase and Cancellation of Certain Restricted A Shares under the Incentive Plan" was reviewed and approved. The Board approved the repurchase and cancellation of the restricted A shares held by one participant who resigned for personal reasons — shares that had been granted but not yet lifted from restrictions. On 26 August 2025, the Company initiated the creditor notification process in connection with the repurchase and cancellation of certain restricted A shares and the corresponding reduction in registered capital. On 13 November 2025, the Company completed the repurchase and cancellation of 1,667 restricted shares held by the participant — shares that had been granted but not yet lifted from restrictions — with China Securities Depository and Clearing Corporation Limited Shanghai Branch.

For details of the repurchase and cancellation of restricted shares under the incentive plan, please refer to the relevant announcements issued by the Company on 26 August 2025 and 11 November 2025.

(III) Other Significant Events during the Reporting Period

1. Progress of the new and expansion projects of the subsidiaries

- 1.1 The one million kiloliter draft beer production base project of Tsingtao Beer Plant II was reviewed and approved by the Board on 22 March 2023. The investment budget of the project is approximately RMB 666.65 million, which was allocated by the Company. The brewing workshop was put into production with raw materials in July 2025, and the packaging workshop officially commenced production in October 2025.
- 1.2 The 600,000 kiloliter relocation and new construction project of Tsingtao Brewery (Weifang) Manufacturing Co., Ltd. was reviewed and approved by the Board on 27 December 2023, with an investment budget of approximately RMB 849.23 million. The construction funds were supported by the government, and any shortfall would be covered by the registered capital of the new company. As of the end of 2025, the joint workshop, the packaging workshop, the refrigeration station, the office building, and the staff canteen had been inspected, accepted, and put into use. The project began producing beer in December 2025.
- 1.3 The relocation and new construction project of Tsingtao Brewery (Anshan) Co., Ltd., with a designed capacity of 300,000 kiloliters, was reviewed and approved by the Board on 26 March 2024, with an estimated investment of approximately RMB 441 million. As of the end of 2025, construction of the joint workshop and equipment installation for the raw materials, saccharification, and fermentation workshops had been completed.

- 1.4 The expansion project of Tsingtao Beer Malt Plant was reviewed and approved by the Board on 25 August 2022. As of December 2025, the project had been completed, inspected, and accepted; the installation of the malting tower equipment, along with the integrated commissioning and trial runs with materials, had been completed. The project is now in operation.
- 1.5 The biomanufacturing project of Tsingtao Brewery was reviewed and approved by the Board on 28 March 2025, with an estimated total investment of approximately RMB 421 million. Tsingtao Brewery Biotech Co., Ltd. was incorporated on 6 May 2025, obtained the construction land planning permit on 28 September 2025, and secured the construction permit on 20 November 2025. The project groundbreaking ceremony was held on 21 November 2025, and civil foundation work is currently underway.
- 1.6 The relocation and new construction project of Nanning Tsingtao Brewery Co., Ltd., with a designed capacity of 200,000 kiloliters, was reviewed and approved by the Board on 30 June 2025, with an estimated total investment of approximately RMB 589.57 million. As of the end of 2025, the project was in the preliminary stage, with discussions ongoing regarding the project plan and general layout.
- 1.7 The high-end specialty beer production base project of Tsingtao Brewery No. 5 was reviewed and approved by the Board on 22 March 2023. As of the end of 2025, 70% of the civil works for the main structure of the joint workshop had been completed; the roof slab pouring of the refrigeration station had been finished; the fabrication and installation of fermentation tanks had commenced; and on-site prefabrication of saccharification equipment was underway.

After completion of the new and expansion projects mentioned above, the Company's supply capacity for high-end products will be further improved by digitalization and intelligence upgrading of the plants, therefore meeting the increasing demands for personalized products of the market and consumers.

(IV) Others

During the Reporting Period, the Company did not involve in any material litigation or arbitration.

There are no important events affecting the Company and its subsidiaries which have occurred after the end of the Reporting Period and up to the date of this announcement.

On behalf of the Board
Tsingtao Brewery Company Limited
JIANG Zong Xiang
Chairman

Qingdao, the People's Republic of China
26 March 2026

Directors of the Company as at the date of this announcement are:

Executive Directors: Mr. JIANG Zong Xiang (Chairman), Mr. LIU Fu Hua and Mr. HOU Qiu Yan

Employee Director: Ms. SUN Jing

Independent Non-executive Directors: Mr. XIAO Geng, Mr. SHENG Lei Ming, Ms. Rania ZHANG, Mr. ZHAO Chang Wen and Ms. ZHAO Hong