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Hongxing Coldchain (Hunan) Co., Ltd.
紅星冷鏈(湖南)股份有限公司

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

(Stock Code: 01641)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025 AND
CHANGE OF JOINT COMPANY SECRETARY**

The board (the “**Board**”) of directors (the “**Directors**”) of Hongxing Coldchain (Hunan) Co., Ltd. (the “**Company**”, and its subsidiary, the “**Group**” or “**our**”) is pleased to announce the annual consolidated results of the Group for the year ended 31 December 2025 (the “**Reporting Period**”) prepared under the IFRS Accounting Standards, together with the comparative figures for the corresponding period in 2024 (“**FY2024**”).

Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus of the Company dated 31 December 2025 (the “**Prospectus**”).

FINANCIAL HIGHLIGHTS

- Revenue increased by approximately 1.3% to approximately RMB236.5 million for the Reporting Period (FY2024: approximately RMB233.6 million).
- Gross profit increased by approximately 0.3% to approximately RMB123.8 million for the Reporting Period (FY2024: approximately RMB123.4 million).
- Profit for the year decreased by approximately 7.9% to approximately RMB76.3 million for the Reporting Period (FY2024: approximately RMB82.9 million).
- As a non-IFRS measure, the adjusted net profit (excluding listing expense) decreased by approximately 6.7% to approximately RMB77.3 million for the Reporting Period (FY2024: approximately RMB82.9 million).
- The earnings per share attributable to ordinary equity holders of the parent was RMB1.02 for the Reporting Period (FY2024: RMB1.11).
- The Board proposed the distribution of a final cash dividend of RMB0.3053 per share (inclusive of tax), amounting to RMB30 million for the Reporting Period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
REVENUE	4	236,507	233,576
Cost of sales		<u>(112,700)</u>	<u>(110,197)</u>
Gross profit		123,807	123,379
Other income and gains		6,286	9,652
Selling and marketing expenses		(364)	(641)
Administrative expenses		(18,358)	(19,980)
Research and development costs		(1,428)	(1,109)
Impairment losses/(reversal of impairment losses) on financial assets, net		(456)	1,216
Other expenses		(2,021)	(120)
Finance costs		<u>(4,199)</u>	<u>(1,166)</u>
PROFIT BEFORE TAX	5	103,267	111,231
Income tax expense	6	<u>(26,950)</u>	<u>(28,351)</u>
PROFIT FOR THE YEAR		<u>76,317</u>	<u>82,880</u>
Attributable to:			
Owners of the parent		<u>76,317</u>	<u>82,880</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RMB)	8	<u>1.02</u>	<u>1.11</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>76,317</u>	<u>82,880</u>
Attributable to:			
Owners of the parent		<u>76,317</u>	<u>82,880</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

		31 December 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		702,347	733,363
Investment properties		214,299	223,838
Right-of-use assets		127,490	131,117
Other intangible assets		295	393
Deferred tax assets		3,811	3,836
Other non-current assets		—	42,177
		<hr/>	<hr/>
Total non-current assets		1,048,242	1,134,724
		<hr/>	<hr/>
CURRENT ASSETS			
Inventories		368	348
Trade and operating lease receivables	9	15,280	6,727
Prepayments, deposits and other receivables		66,254	3,316
Time deposits		—	30,817
Cash and cash equivalents		93,830	36,021
		<hr/>	<hr/>
Total current assets		175,732	77,229
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade payables	10	1,692	1,536
Other payables and accruals		99,566	114,030
Advance from lessees		3,818	7,434
Income tax payable		6,615	6,812
Interest-bearing bank borrowings		10,539	5,131
		<hr/>	<hr/>
Total current liabilities		122,230	134,943
		<hr/>	<hr/>
NET CURRENT ASSETS/(LIABILITIES)		53,502	(57,714)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,101,744	1,077,010
		<hr/>	<hr/>

	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT LIABILITIES		
Other payables and accruals	13,832	13,507
Deferred income	33,420	35,744
Interest-bearing bank borrowings	193,766	203,350
	<hr/>	<hr/>
Total non-current liabilities	241,018	252,601
	<hr/>	<hr/>
Net assets	860,726	824,409
	<hr/>	<hr/>
EQUITY		
Equity attributable to owners of the parent		
Share capital	75,000	75,000
Reserves	785,726	749,409
	<hr/>	<hr/>
Total equity	860,726	824,409
	<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION

Hongxing Coldchain (Hunan) Co., Ltd., formerly known as Hunan Hongxing Frozen Food Co., Ltd., was incorporated as a limited liability company on 16 October 2006. The registered office of the Company is located at No 21, Part 1, Huanbao East Road, Yuhua District, Changsha, Hunan Province, the People's Republic of China (“**PRC**”). On 30 June 2019, the Company was converted into a joint stock company with limited liability.

The Company's shares were listed on the Stock Exchange of Hong Kong Limited (“**H shares**”) on 13 January 2026.

During the year, the Group was mainly involved in the following principal activities:

- frozen food storage services;
- loading services; and
- provision of property rental services.

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations) as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to 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 currency of the subsidiary incorporated in the PRC were exchangeable, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and services and only has one reportable operating segment.

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the general manager of the Group. As a result of this evaluation, the CODM considers that the Group's operations are managed as a single segment. Accordingly, no segment information is presented.

Geographical information

All operating entities are domiciled in the PRC. All the non-current assets of the Group are physically located in Chinese Mainland. The geographical location of customers is based on the location at which the customers operate, and all of the revenue of the Group was derived from operations in Chinese Mainland during the year ended 31 December 2025.

Information about major customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for the year ended 31 December 2025 (31 December 2024: Nil).

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers	188,944	191,197
Revenue from other sources		
Gross rental income from investment property operating leases:		
Leasing services	<u>47,563</u>	<u>42,379</u>
Total	<u>236,507</u>	<u>233,576</u>

Revenue from contracts with customers

(a) *Disaggregated revenue information*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Types of services		
Frozen food storage services	161,906	160,018
Loading services	23,825	25,805
Others	<u>3,213</u>	<u>5,374</u>
Total	<u>188,944</u>	<u>191,197</u>
Geographical market		
Chinese Mainland	<u>188,944</u>	<u>191,197</u>
Timing of revenue recognition		
Services transferred over time	161,906	160,018
Goods or services transferred at a point in time	<u>27,038</u>	<u>31,179</u>
Total	<u>188,944</u>	<u>191,197</u>

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

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Storage and loading services	<u><u>158</u></u>	<u><u>99</u></u>

(b) *Performance obligations*

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

Frozen food storage services

The performance obligation from providing the frozen food storage services is satisfied over the scheduled period on a straight-line basis and payment is generally within 5 days according to the services scheduled.

Loading services

The performance obligation from loading services is satisfied upon completion of the services completed and payment is generally within 5 days after the completion of services.

All the contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction prices allocated to these unsatisfied performance obligations are not disclosed.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Other income		
Interest income	1,865	4,473
Government grants*	4,012	3,627
Refund of property tax and land use tax	—	1,447
Others	399	94
	<hr/>	<hr/>
Total other income	<u>6,276</u>	<u>9,641</u>
Gains		
Gain on disposal of property, plant and equipment	<u>10</u>	<u>11</u>
	<hr/>	<hr/>
Total other income and gains	<u>6,286</u>	<u>9,652</u>

* Government grants mainly represent incentives received from local governments for the purpose of compensation for local economic contribution and purchases of items of property, plant and equipment. There are no unfulfilled conditions or contingencies relating to these grants.

5. PROFIT BEFORE TAX

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

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Cost of services provided	36,904	33,579
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	551	1,235
Depreciation of property, plant and equipment	38,150	31,490
Depreciation of investment properties	9,539	9,069
Depreciation of right-of-use assets	3,627	3,629
Amortisation of intangible assets*	113	150
Research and development costs	1,428	1,109
Listing expenses	997	—
Auditor's remuneration	1,302	—
Employee benefit expenses (excluding directors', chief executive's and supervisors' remuneration):		
Wages, salaries and other allowances	36,903	37,908
Pension scheme contributions and social welfare**	2,863	2,727
	<u>39,766</u>	<u>40,635</u>
Total	<u>39,766</u>	<u>40,635</u>
Impairment losses/(reversal of impairment losses) on financial assets, net	456	(1,216)
Gain on disposal of items of property, plant and equipment	14	75
	<u>14</u>	<u>75</u>

* The amortisation of intangible assets is included in "Cost of sales" in profit or loss.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

6. INCOME TAX

The income tax expense for the year is analysed as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current — Chinese Mainland		
Charge for the year	26,925	28,867
Deferred	25	(516)
	<hr/>	<hr/>
Total tax charge for the year	<u>26,950</u>	<u>28,351</u>

7. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Dividends declared	<u>40,000</u>	<u>140,000</u>

On 27 June 2024, the Company declared dividends of RMB40,000,000 to its shareholders, which were paid in July 2024.

On 27 December 2024, the Company declared dividends of RMB100,000,000 to its shareholders, which were fully paid in December 2024 and January 2025, respectively.

On 27 June 2025, the Company declared dividends of RMB40,000,000 to its shareholders, which were fully paid in July 2025.

On 27 March 2026, the Board proposed the cash dividend of RMB0.3053 per share (inclusive of tax), a total cash dividend of RMB30,000,000 to holders of the Company, which is subject to the approval of the Company's shareholders at the annual general meeting.

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

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity owners of the parent, and the weighted average number of ordinary shares of 75,000,000 (2024: 75,000,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

The calculation of basic earnings per share is based on:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Earnings		
Profit for the year attributable to ordinary equity owners of the parent, used in the basic earnings per share calculation	<u>76,317</u>	<u>82,880</u>
	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation (<i>in thousand shares</i>)	<u>75,000</u>	<u>75,000</u>

9. TRADE AND OPERATING LEASE RECEIVABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	12,997	6,491
Lease receivables	3,087	590
Impairment	<u>(804)</u>	<u>(354)</u>
Net carrying amount	<u>15,280</u>	<u>6,727</u>

The Group's trade and operating lease receivables arise from the storage and loading services and the provision of property rental services. A credit period of generally 5 days is granted to the customers. 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 and credit limits attributed to customers are reviewed once a month. Trade and operating lease receivables are non-interest-bearing.

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 2 months	13,185	6,727
In 3–12 months	2,095	—
	<hr/>	<hr/>
Total	<u>15,280</u>	<u>6,727</u>

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At the beginning of the year	354	212
Impairment losses	456	142
Amount written off as uncollectible	(6)	—
	<hr/>	<hr/>
At the end of the year	<u>804</u>	<u>354</u>

10. TRADE PAYABLES

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 90 days	<u>1,692</u>	<u>1,536</u>

Trade payables are non-interest-bearing and are normally settled on 90-day terms.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

We are a frozen food storage services and frozen food space leasing services provider, operating a business model that combines frozen food storage facilities with frozen food space leasing, enabling us to connect wholesalers and retailers within the frozen food supply chain.

Our frozen food storage services

We operate automated temperature-controlled warehouses providing professional frozen food storage services to frozen food wholesalers and retailers. Our facilities feature 24/7 maintenance and support systems, ensuring optimal preservation conditions for our customers' frozen products.

Our frozen food storage facilities feature automation capabilities that enable efficient warehouse management. We provide frozen food storage capacity, related warehouse management services such as goods sorting, categorization and packaging, inventory counting and tracking, inbound and outbound recording, as well as fire safety and environmental risk management, to frozen food wholesalers and retailers. Our warehouses are equipped with electric counterbalance forklifts, standing forklifts and electric hydraulic trucks, among others, for semi-automated frozen food storage and retrieval, and twin-screw compressors for safe and efficient frozen food storage. We utilize our system to ensure seamless processing from receipt and inbound storage to outbound delivery. All frozen food storage information is tracked through our management system. We also equip warehousing staff to manage key steps from receipt and inbound storage to outbound delivery, such as recording and checking storage information, conducting material handling and sorting, and performing quality control procedures for inventories, among others. We are responsible for the utility, repair and maintenance costs of frozen food storage warehouses. To ensure the availability of daily storage capacity, we primarily focus on (1) conducting proactive capacity planning based on predictive analytics trends to prevent shortage of storage capacity, and should the analysis forecast a potential capacity shortage, we then (2) implement layout optimizations to maximize spatial efficiency, for instance, we leverage underutilized or previously unused corner spaces in our warehouses.

Unmanned operations were enabled through the integration of our warehouse management system and transport management system. Key automated processes include automated stacker cranes that autonomously store and retrieve goods, and a continuous loop conveyor system that seamlessly transports items throughout the facility. This automation approach, combined with our customer-centric management philosophy, helps our customers streamline their operations and facilitates their business growth.

Auxiliary Services and Transportation Resources

In connection with our frozen food storage services, we also provide certain auxiliary services to support our customers' operations, primarily including loading services and transportation services.

- *Loading services.* Loading services primarily include unloading goods, transferring inventory, stacking goods within warehouses, relocating stocks for daily operations and loading goods on vehicles. Our customers are required to use our loading and unloading services. All machinery and devices used in providing loading and unloading services are owned by us. In addition to our own employees responsible for loading services, we also engage third-party service providers who primarily deliver services of unloading goods, and assist in warehouse stacking and vehicle loading. Our own employees handle inspection, invoicing, warehousing, transfer, storage adjustments, and outbound shipping. The operations of transfer and storage adjustments encompass the re-handling and repositioning of goods to fulfill customer-directed goals such as first-in-first-out, improved outbound efficiency, or enhanced warehouse utilization.
- *Transportation resources.* We have connected our customers with various third-party providers since 2018 to provide temperature-controlled transportation services to expand the reach of our customers' operation while ensuring the optimal quality and freshness of products. We select transportation service partners based on their trucks' temperature control system and hygienic conditions, personnel qualifications, and compliance with safety and regulatory standards. We regularly assess their operational efficiency, safety record and customer feedback to ensure reliable frozen food transportation while maintain frozen food quality and hygiene. In addition, we also launched frozen food sorting and dispatch services in March 2025. Our frozen food logistics sorting and dispatch services combine sorting, temperature-controlled packaging, and last-mile distribution to deliver products directly to final destinations.
- *Inventory management consulting services.* Leveraging data analytics, we also provide inventory management consulting services for our frozen food storage customers to help them optimize stock levels, reduce carrying costs, and improve overall operational efficiency. These services include primarily warehouse layouts optimization and storage safety protocols implementation. We provide inventory management consulting services as part of our frozen food storage services and do not separately charge our customers for such services.

Our frozen food space leasing services

The premises for our frozen food space leasing services serve as a central hub for various participants in the frozen food industry, including frozen food wholesalers and retailers. With over 18 years' experience in China's cold chain service industry, we have established ourselves as a go-to choice for frozen food trading in Changsha, Hunan province.

Our premises for frozen food space leasing services connect upstream frozen food wholesalers and retailers with downstream retailers and consumers, serving as a regional hub for frozen food distribution, with customers distributing frozen food products to supermarkets, processing plants and farmers' markets in various provinces. We leased out trading space to our customers. In addition, we also provide ancillary leasing services to support their operations, including offices, dormitories, advertising space, temporary venues and EV charge stations. For trading space leasing, we charge rental fees from our customers. We neither participate in any customer transactions or settlements nor charge any commissions from transactions that take place at our market place. We charge our space leasing customers rental fees for trading space leasing, including monthly trading space rental fees and monthly premium. The prices of our monthly trading space rental fees are mainly based on the floor where the space is located and the specific locations of the space on each floor. Depending on the specific location of the trading space, we generally also charge customers a monthly premium in addition to the monthly trading space rental fees. Our customers are prohibited from assigning or subletting trading space without our consent.

To maintain sufficient leasing space, we primarily focus on (1) implementing dynamic space management protocols to maximize utilization efficiency of existing trading spaces, (2) conducting annual reviews of our customer portfolio to optimize trading space allocation, and (3) performing regular capacity-demand analyzes to proactively identify and address potential space constraints.

Automation technology and Information network

We aim to implement automation frozen food storage technologies to accelerate our internal digitalization, building an operating chain that empowers each step of our operations. We believe that more modern and consistently maintained facilities enhance prospects of winning new customers, retaining existing customers, driving more efficient operations, and improving profitability. In August 2024, we completed the construction of the automated frozen food storage warehouses under our expansion project, the Phase V Expansion Project, at our southern base in Changsha, featuring advanced automated storage infrastructure, professional and reliable service capabilities and top-notch equipment. Leveraging automatic conveyor lines, high-bay racks and stackers, our system can automatically plan storage paths based on product type and weight, significantly improving warehousing efficiency.

We place strong emphasis on data as the foundation of our digital operations. We have developed a warehouse management system, which utilizes data, such as inbound and outbound volume and type of frozen food products, to conduct data analysis, improving the efficiency of our operations and reducing costs through refined operations management. The system also records financial data relating to our frozen food storage services and frozen food space leasing, enabling continuous tracking of expenses and identification of improvement opportunities. In addition, we have also developed a transportation management system which tracks the entire process from customer transportation orders to the delivery of their frozen food products, achieving closed-loop control and management.

OUTLOOK

2026 is the first year after the successful listing of our H Shares (the “**H Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Looking forward, we will continue to pursue the following strategies which will drive further growth.

Expand and Enhance Our Service Offerings

Looking ahead, the Group will continue to expand and enhance our service offerings to address our customers’ evolving demands. We plan to expand into frozen food processing services to drive greater value and market growth by constructing a new processing plant to provide value-added services such as cutting, portioning, thawing, quick-freezing, sterilization and vacuum packaging of unprocessed frozen food into semi-finished or finished products. Operating a frozen food processing business does not require specialized expertise beyond an experienced workforce, and we believe this expansion is a natural extension of our frozen food storage expertise, enabling additional value-added services and strengthening our competitiveness.

We are pursuing this expansion because it is a natural and strategic extension of our frozen food storage services and frozen food space leasing services, driven by market opportunities. Among our over 700 frozen food storage customers, many have indicated their need for processing services. With the new facilities located near our existing storage and trading spaces, the three facilities will operate collaboratively to simplify logistics, reduce coordination needs and lower operation costs. To execute this strategy, we will construct a new processing plant and expand our southern base, increasing total usable storage capacity by approximately 8.7%, with construction expected to be completed by the end of 2028 and full equipment deployment by the end of 2029.

Invest in AI Technology to Empower Our Operations and Customers

We believe AI technology is transforming the cold chain industry by improving precision, automation and intelligence, and we plan to upgrade our equipment, IT infrastructure and software to enhance efficiency and reduce manual labor while providing customers with digital tools for better operational visibility.

We plan to recruit engineers and technicians to support these upgrades, which will include a cloud system combining on-site and online data storage, industrial-grade 5G and enhanced Wi-Fi, AGV forklift robots, sorting and palletizing machines, AI-powered cameras and alerts, and automated data analysis systems to track equipment performance, storage level and energy use. To benefit our customers, we plan to develop a mobile app for order and storage management and implement live dashboards for monitoring storage conditions and shipment status, aiming to streamline processes, improve service quality and drive innovation in the industry.

Pursue Strategic Acquisitions and Partnerships to Enhance Industry Integration

We plan to pursue strategic acquisitions and partnerships to enhance our industry integration and strengthen our position within the cold chain ecosystem. By forming alliances with upstream logistics service providers and downstream prepared food manufacturers, we aim to extend our vertical integration capabilities and improve supply chain control. Over the next four years, we intend to select two to three acquisition targets with at least ten years of operating history and enterprise values between RMB100 million and RMB200 million, generally acquiring majority interests in the targets. We believe there are sufficient potential targets in the market, with over 100 candidates meeting our criteria.

Expand Our Market Reach

We plan to integrate and expand our logistics resources to meet growing market demand and broaden our customer base. By collaborating with local cold chain logistics providers in surrounding areas, we aim to create a wider logistics network that enables resource and information sharing, reduces costs, and improves operational efficiency. We expect these strategic collaborations to enhance our market competitiveness by improving service quality, lowering operating costs, and expanding our market reach.

FINANCIAL REVIEW

Revenue

Total revenue was approximately RMB236.5 million for the year ended 31 December 2025, representing an increase of 1.3% from approximately RMB233.6 million for the year ended 31 December 2024. The increase was primarily due to the increase in revenue from our frozen food storage services and gross rental income generated from investment property leasing services. The following table sets forth a breakdown of our revenue by business line for the periods indicated:

	For the year ended	
	31 December	
	2025	2024
	RMB'000	RMB'000
Frozen food storage services	161,906	160,018
Leasing services	47,563	42,379
Loading services	23,825	25,805
Others ⁽¹⁾	3,213	5,374
Total	236,507	233,576

- (1) Others primarily include miscellaneous income relevant to our primary business operations, such as parking lot service fees from our transportation partners, frozen food storage services customers and frozen food space leasing customers, for the access of parking lot space provided by us, charged primarily as hourly fees, and operation service fees charged to third-party transportation service providers, all in connection with our frozen food storage business. In addition, we also launched frozen food sorting and dispatch services in March 2025, for which we charge fee based on the weight of the frozen food handled, with minimal revenue contribution in 2025. In connection with our frozen food storage business, our frozen food logistics sorting and dispatch services combine sorting, temperature-controlled packaging, and last-mile distribution to deliver products directly to final destinations.

Cost of Sales

Our cost of sales increased by 2.3% from approximately RMB110.2 million for the year ended 31 December 2024 to approximately RMB112.7 million for the year ended 31 December 2025. The increase was primarily due to the completion of construction of warehouse H of our frozen food storage facilities under the Phase V Expansion Project in August 2024, which led to the overall increases in relevant depreciation and amortization.

Gross Profit and Gross Margin

As a result of the foregoing, our gross profit increased by 0.3% from approximately RMB123.4 million for the year ended 31 December 2024 to approximately RMB123.8 million for the year ended 31 December 2025. Our gross profit margin decreased slightly to 52.3% for the year ended 31 December 2025 from 52.8% for the year ended 31 December 2024.

Other Income and Gains

Our other income and gains decreased by 34.9% from approximately RMB9.7 million for the year ended 31 December 2024 to approximately RMB6.3 million for the year ended 31 December 2025, primarily due to the decrease in interest income.

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 43.2% from approximately RMB0.6 million for the year ended 31 December 2024 to approximately RMB0.4 million for the year ended 31 December 2025, primarily due to the decrease in other miscellaneous expenses incurred in our sales and marketing initiatives.

Administrative Expenses

Our administrative expenses decreased by 8.1% from approximately RMB20.0 million for the year ended 31 December 2024 to approximately RMB18.4 million for the year ended 31 December 2025. The decrease in our administrative expenses is primarily due to the decrease in employee benefit expenses.

Research and Development Expenses

Our research and development expenses increased by 28.8% from approximately RMB1.1 million for the year ended 31 December 2024 to approximately RMB1.4 million for the year ended 31 December 2025, primarily due to the increase in the expenses in furthering our quality control technologies and initiatives.

Finance costs

Our finance costs increased by 260.1%, from approximately RMB1.2 million for the year ended 31 December 2024 to approximately RMB4.2 million for the year ended 31 December 2025, as no interest was capitalised for the year ended 31 December 2025, whereas RMB3.6 million of interest expenses were capitalised for the year ended 31 December 2024.

Income tax expense

Our income tax expenses decreased by 4.9% from approximately RMB28.4 million for the year ended 31 December 2024 to approximately RMB27.0 million for the year ended 31 December 2025. The decrease in our income tax expense was primarily due to the change in current tax expenses from approximately RMB28.9 million for the year ended 31 December 2024 to approximately RMB26.9 million for the year ended 31 December 2025 in line with the decreased profit before tax.

Profit for the year

As a result of the foregoing, our profit for the year decreased by 7.9% from a net profit of approximately RMB82.9 million for the year ended 31 December 2024 to a net profit of approximately RMB76.3 million for the year ended 31 December 2025.

Non-IFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS Accounting Standards, we also use adjusted profit (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS Accounting Standards.

We believe these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items and provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they helped our management. However, our presentation of adjusted profit (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of adjusted profit (non-IFRS measure) has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards. We define adjusted net profit (non-IFRS measure) as profit for the year adjusted for listing expenses. Listing expenses are related to the Global Offering.

The following table reconciles our adjusted net profit (non-IFRS measure) for the year presented in accordance with IFRS Accounting Standards, which is profit for the year.

	For the year ended	
	31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Profit for the year	76,317	82,880
Add:		
— Listing expenses	997	—
Adjusted net profit (non-IFRS measure)	77,314	82,880

Adjusted net profit (non-IFRS measure) for the year ended 31 December 2025 amounted to approximately RMB77.3 million, representing a decrease of 6.7% as compared to approximately RMB82.9 million in 2024.

Liquidity and Capital Resources

The Group has adopted a prudent liquidity management policy. During the year ended 31 December 2025, we funded our cash requirements principally through cash generated from our operations. As of 31 December 2025, the Group's cash and cash equivalents amounted to approximately RMB93.8 million, representing an increase of 160.5% compared to approximately RMB36.0 million as of 31 December 2024.

Interest-bearing bank borrowings

We obtained bank borrowings for financing our Phase V Construction Project. Our bank borrowings amounted to approximately RMB204.3 million as of 31 December 2025, representing a 2.0% decrease from approximately RMB208.5 million as of 31 December 2024, primarily due to the repayment of approximately RMB4.2 million in bank borrowings during the year ended 31 December 2025. As of 31 December 2025, our bank borrowings were secured by certain of our property, plant and equipment and right-of-use assets.

Gearing Ratio

As at 31 December 2025, the Group's gearing ratio, which is calculated based on total liabilities divided by total equity, was 42.2%, as compared with 47.0% as at 31 December 2024.

Foreign Currency Risk

During the year ended 31 December 2025, we operated mainly in the PRC with most of the transactions settled in Renminbi. We seek to limit our exposure to foreign currency risk by minimizing our net foreign currency position. We consider that our business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of ours are denominated in the currencies other than the respective functional currencies of our entities, so that we do not hedge against any fluctuation in foreign currency.

Significant Investment Held and Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the year ended 31 December 2025, we did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures. As of 31 December 2025, the Group did not hold any significant investments (including significant investments which accounted for 5% or more of the total assets of the Group).

Future Plans for Material Investments and Capital Assets

As at 31 December 2025, save as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus and further explained in section headed “Use of Net Proceeds” below, the Group had no future plan for material investments or capital assets.

Pledge of Assets

As at 31 December 2025, certain property, plant and equipment and right-of-use assets with a net carrying amount of approximately RMB350 million and RMB34.7 million, compared with approximately RMB385 million and RMB60.7 million as at 31 December 2024, were pledged as security for bank facilities granted to the Group.

Contingent Liabilities

As of 31 December 2025, we had no material contingent liabilities.

Capital Expenditure and Commitments

Our capital commitments are mainly related to our construction in progress. Our capital commitments amounted to approximately RMB0.7 million as at 31 December 2025, compared with approximately RMB4.5 million as at 31 December 2024.

Our capital expenditures primarily represented our purchases of property, plant and equipment, investment properties. Our capital expenditures amounted to approximately RMB2.0 million for the year ended 31 December 2025, compared with approximately RMB124.5 million for the year ended 31 December 2024. We may adjust our capital expenditures for any given period according to our development plans or in light of market conditions, regulatory environment and other factors we believe to be appropriate.

Employee and Remuneration Policy

As of 31 December 2025, we had a total of 349 employees (as of 31 December 2024: 363 employees). The total employee remuneration expenses for the year ended 31 December 2025 (excluding directors', chief executive's and supervisors' remuneration), were approximately RMB39.8 million, as compared to approximately RMB40.6 million for the year ended 31 December 2024.

Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. The remuneration policy will be reviewed by the Board from time to time. In addition to basic remuneration, the Group also makes contributions to mandatory social security funds for the benefit of the PRC employees that provide for retirement insurance, medical insurance, unemployment insurance, maternity insurance, occupational injury insurance and housing funds. All of the full-time employees are paid a fixed salary and may be granted other allowances, based on their positions. Those who meet or exceed their performance expectation will also be rewarded discretionary bonuses. We also provide comprehensive training programs to our employees to meet their various development needs, including leadership development programs, upskills programs, and on-the-job trainings.

Final Dividend

For the year ended 31 December 2025, our Company declared cash dividends of approximately RMB40.0 million, which were fully paid in July 2025, compared with approximately RMB140.0 million for the year ended 31 December 2024, of which RMB40 million were paid in July 2024, and RMB100 million were fully paid in December 2024 and January 2025, respectively. For details of the Group's general dividend policy, see the section headed "Financial Information — Dividends" in the Prospectus.

The Board proposed the distribution of a final cash dividend of RMB0.3053 (the “**Proposed Final Dividend**”) per share (inclusive of tax), amounting to RMB30 million, for the year ended 31 December 2025 after taking into account of the dividend policy adopted by the Company. The aforesaid proposal is subject to the consideration and approval at the 2025 annual general meeting of the Company (the “**AGM**”). The Proposed Final Dividend is expected to be paid on or before Tuesday, 25 August 2026. The Proposed Final Dividend will be declared in RMB and paid in RMB to holders of domestic shares, and in HKD to holders of H Shares. The exchange rate from RMB to HKD will be based on the average of the middle exchange rates published by the People’s Bank of China during the calendar week preceding the announcement of the Proposed Final Dividend.

OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company’s corporate governance practices are based on the principles and code provisions set forth in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules. As the H Shares of our Company were not yet listed on the Stock Exchange until 13 January 2026, the principles and code provisions of the CG Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) were not applicable to the Company until the Listing Date. From the Listing Date and up to the date of this announcement, the Company has complied with the code provisions set out in Part 2 of the CG Code.

The Board will continue to periodically review and monitor its corporate governance practices for compliance with the CG Code and maintain a high standard of corporate governance practices of the Company.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in the Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions. As the H Shares of our Company were not yet listed on the Stock Exchange until 13 January 2026, the Model Code was not applicable to our Company until 13 January 2026.

However, specific enquiry has been made to all Directors and all of them have confirmed that they have complied with the Model Code from the Listing Date and up to the date of this announcement.

Purchase, Sale or Redemption of the Company’s Listed Securities

As the Company’s H Shares had not been listed on the Stock Exchange as of 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares) during the year ended 31 December 2025. As at the date of this announcement, no treasury shares (as defined under the Listing Rules) were held by the Company.

Use of Net Proceeds

The Company has been successfully listed on the Main Board of the Stock Exchange on the Listing Date. The net proceeds received from the Global Offering after deduction of the underwriting commissions and other fees and expenses were approximately HK\$252.33 million.

As of the date of this announcement, there has been no change in the intended use of the net proceeds as set out in the Prospectus under the section headed “Future Plans and Use of Proceeds”. The net proceeds (adjusted on a pro rata basis based on the actual net proceeds) will be utilized in the same manner, proportion and expected timeframe as set out in the Prospectus.

Audit Committee

From the Listing Date and up to the date of this announcement, the audit committee of the Company (the “**Audit Committee**”) consists of three independent non-executive Directors, namely Ms. LI Zhenzhu, Ms. CAI Yanping and Mr. HOW Sze Ming. Mr. HOW Sze Ming who possesses the appropriate professional qualifications, was appointed as the chairman of the Audit Committee. The Audit Committee is primarily responsible for communication, supervision and checking in relation to the internal and external audits of the Company.

The Audit Committee has reviewed the audited consolidated financial statements for the year ended 31 December 2025 with the management of the Company. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management of the Company. The Audit Committee considers the annual results to be in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

Scope of Work of the Independent Auditor

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position 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, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

Events after the Reporting Period

The Company has been successfully listed on the Stock Exchange following the completion of global offering of H Shares of the Company, including, a public offering in Hong Kong of 2,326,500 H Shares and an international offering of 20,936,500 H Shares, at a price of HK\$12.26 per share (collectively the "**Global Offering**") on the Listing Date.

Save as disclosed above, there were no other material and important events affecting the Group that had occurred after 31 December 2025 and up to the date of this announcement.

Annual General Meeting

The AGM will be held on 26 June 2026. The notice of AGM will be published on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.hnhxld.com) in due course.

Closure of Register of Members

For the purpose of determining the Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 23 June 2026 to Friday, 26 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 22 June 2026. Shareholders whose names appear on the register of members of the Company on Friday, 26 June 2026 (the record date) will be entitled to attend and vote at the AGM.

For the purpose of determining the holders of H Shares who are eligible to receive the Proposed Final Dividend, the register of members of the Company will be closed from Friday, 3 July 2026 to Wednesday, 8 July 2026, both days inclusive. To be eligible to receive the final dividend for the year ended 31 December 2025 (subject to the approval by shareholders of the Company), unregistered holders of H Shares of the Company shall lodge relevant share transfer documents with the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 2 July 2026. Shareholders whose names appear on the register of members of the Company on Wednesday, 8 July 2026 (the record date) will be entitled to receive the Proposed Final Dividend.

TAX

Under the requirements of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法》) and the Regulations for the Implementation of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法實施條例》) implemented in 2008, the Company has the obligation to withhold enterprise income tax at a rate of 10% on dividends when it pays the Proposed Final Dividend to holders of H Shares who are overseas non-resident enterprises (including HKSCC Nominees Limited, other enterprise nominees or trustees, or other organizations and groups) with their names appearing on the H Share register of members on Wednesday, 8 July 2026.

According to the requirement under Guo Shui Han [2011] No. 348 from the State Taxation Administration (國家稅務總局國稅函[2011]348號) and the relevant laws and regulations, for individual holders of H Shares who are residents in Hong Kong or Macau, and residents in other countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold the individual income tax at the rate of 10%. For individual holders of H Shares who are residents in the countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, the Company will withhold the individual income tax on the dividends at the rate of 10%. For individual holders of H Shares who are residents in the countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 10% but lower than 20%, the Company will withhold the individual income tax at the effective tax rate under the relevant tax treaty. For individual holders of H Shares who are residents in the countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 20%, or residents in the countries which have not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold the individual income tax at the rate of 20%.

The Company will determine the residential status of the individual holders of H Shares based on the registered address as recorded in the H Share register of members of the Company on Wednesday, 8 July 2026. If the residential status of individual holders of H Shares is not the same as their registered address or if the individual holders of H Shares would like to apply for a refund of the additional amount of tax that has been withheld, the individual holders of H Shares shall notify and provide relevant supporting documents to the Company on or before Thursday, 2 July 2026. Upon the supporting documents being reviewed by the relevant tax authorities, the Company will follow the guidance from the tax authorities to implement relevant withholding provisions and arrangements. Individual holders of H Shares may either personally or appoint an agent to handle the relevant procedures in accordance with the relevant requirements under the tax treaties notice if they fail to provide the relevant supporting documents to the Company before the time limit stated above.

The Company assumes no responsibility and disclaims any liabilities whatsoever in relation to the tax status or tax treatment of the holders of H Shares and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the holders of H Shares or any disputes relating to the withholding mechanism or arrangements.

CHANGE OF JOINT COMPANY SECRETARY

Resignation of Joint Company Secretary

The Board announces that Ms. Chong Wan Kai (“**Ms. Chong**”) has tendered her resignation as the joint company secretary of the Company (“**Joint Company Secretary**”), with effect from 27 March 2026. Ms. Chong has confirmed that she has no disagreement with the Board and there is no matter relating to her resignation that needs to be brought to the attention of the Shareholders.

Appointment of Joint Company Secretary

The Board further announces that Mr. Yau Tsz Lun (游子麟) (“**Mr. Yau**”) has been appointed as the Joint Company Secretary of the Company with effect from 27 March 2026. Mr. Yau will serve as the Joint Company Secretary to assist Ms. Zhan Liling (“**Ms. Zhan**”), another existing Joint Company Secretary.

The Board is of the view that, as Mr. Yau is qualified under Rule 3.28 of the Listing Rules as a company secretary and possesses ample relevant experience, Mr. Yau will be able to advise both Ms. Zhan and the Company on the relevant requirements of the Listing Rules as well as other applicable laws and regulations in his capacity as a Joint Company Secretary. Mr. Yau will assist Ms. Zhan to discharge her duties and responsibilities as a Joint Company Secretary.

Waiver from Strict Compliance with Rules 3.28 and 8.17 of the Listing Rules

Reference is made to the Prospectus in relation to, among other things, the appointment of Ms. Zhan as the Joint Company Secretary and the granting of a waiver (the “**Waiver**”) by the Stock Exchange to the Company from strict compliance with Rules 3.28 and 8.17 of the Listing Rules in respect of the eligibility of Ms. Zhan to act as the Joint Company Secretary for a period of three years (the “**Waiver Period**”), subject to the conditions that (i) Ms. Zhan will be assisted by Ms. Chong during the Waiver Period, and (ii) the Waiver could be revoked if there are material breaches of the Listing Rules by the Company.

Given the conditions of the Waiver could no longer be fulfilled following the resignation of Ms. Chong, the Company has applied to the Stock Exchange and a new waiver (the “**New Waiver**”) has been granted by the Stock Exchange to the Company from strict compliance with Rules 3.28 and 8.17 of the Listing Rules in respect of the eligibility of Ms. Zhan to act as a Joint Company Secretary for the remaining period of the Waiver Period (i.e. from the date of appointment of Mr. Yau as a Joint Company Secretary to 12 January 2029) (“**New Waiver Period**”), subject to the conditions that (i) Ms. Zhan will be assisted by Mr. Yau during the New Waiver Period; and (ii) the New Waiver could be revoked if there are material breaches of the Listing Rules by the Company.

The Company hereby announces the reasons, details and conditions of the New Waiver and the qualification and experience of both Ms. Zhan and Mr. Yau and the Stock Exchange may withdraw or change the New Waiver if the Company’s situation changes.

Before the end of the New Waiver Period, the Company must demonstrate and seek the Stock Exchange’s confirmation that Ms. Zhan, having had the benefit of Mr. Yau’s assistance during the New Waiver Period, has attained the relevant experience and is capable of discharging the functions of company secretary under Rule 3.28 of the Listing Rules such that a further waiver will not be necessary.

The biographical details Ms. Zhan and Mr. Yau are set out below:

Ms. Zhan Liling, is our joint company secretary. Ms. Zhan is the vice director of the securities and legal department of our Company and has joined in our Group since October 2024. Prior to join in our Group, Ms. Zhan served as a legal assistant in Hunan Qiyuan Law Firm from March 2021 to June 2024. Ms. Zhan obtained a bachelor’s degree in law and Chinese literature from Hunan Normal University (湖南師範大學) in June 2020.

Mr. Yau Tsz Lun is a manager of Company Secretarial Services of Tricor Services Limited, having over 7 years of experience in compliance and corporate secretarial fields for Hong Kong listed companies and is a Chartered Secretary, a Chartered Governance Professional and an associate member of both of The Hong Kong Chartered Governance Institute (formerly “The Hong Kong Institute of Chartered Secretaries”) and The Chartered Governance Institute (formerly “The Institute of Chartered Secretaries and Administrators”) in the United Kingdom. Mr. Yau obtained a Master’s degree of Science in Professional Accounting and Corporate Governance from City University of Hong Kong in 2021.

Publication of Annual Results and Annual Report

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.hnhxld.com). The annual report of the Company for the year ended 31 December 2025 will be published on the aforesaid websites and dispatched to the Company’s shareholders upon request in due course.

By order of the Board
Hongxing Coldchain (Hunan) Co., Ltd.
紅星冷鏈(湖南)股份有限公司
LUO Yue
Chairman of the Board and non-executive Director

Hong Kong, 27 March 2026

As of the date of this announcement, the Board comprises: (i) Mr. ZHANG Mingsheng and Ms. XU Qunying as executive Directors; (ii) Mr. LUO Yue, Mr. LI Jun, Ms. LU Fenfang and Mr. ZHANG Zhong as non-executive Directors; and (iii) Ms. LI Zhenzhu, Ms. CAI Yanping and Mr. HOW Sze Ming as independent non-executive Directors.