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Jiumaojiu International Holdings Limited 九毛九国际控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9922)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Jiumaojiu International Holdings Limited (九毛九国际控股有限公司) (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the “**Group**”) for the year ended December 31, 2025, together with comparative figures for the year ended December 31, 2024.

KEY FINANCIAL HIGHLIGHTS

| | For the year ended December 31, | |
|---|------------------------------------|----------------|
| | 2025 | 2024 |
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Revenue | 5,232,993 | 6,073,644 |
| Store level operating profit ⁽¹⁾ | 613,285 | 748,320 |
| Profit before taxation | 73,663 | 74,008 |
| Profit for the year | 51,246 | 44,800 |
| Profit for the year attributable to equity | | |
| Shareholders of the Company | 58,199 | 55,807 |
| Core operating profit ⁽²⁾ | 137,714 | 252,272 |
| Final dividend proposed after the end of the year | 24,477 | 25,813 |
| Special dividend proposed after the end of the year | – | 25,813 |
| | – | – |

Notes:

- (1) The Group defines store level operating profit as revenue for the year deducting the following expenses at store level: (i) raw materials and consumables used, (ii) staff costs, (iii) depreciation of right-of-use assets, (iv) other rentals and related expenses, (v) depreciation and amortization of other assets, (vi) utility expenses, (vii) advertising and promotion expenses and (viii) other expenses, excluding unallocated headquarter expenses.
- (2) The Group defines core operating profit as profit for the year excluding the following: income from value-added tax super deduction and exemption, government grants, share of losses of associates, impairment losses of property, plant and equipment, other net losses, and income tax expense.

KEY OPERATIONAL HIGHLIGHTS

| | As of/for the year ended December 31, | |
|--|--|-----------|
| | 2025 | 2024 |
| Number of restaurants⁽¹⁾ | 644 | 807 |
| Seat turnover rate⁽²⁾ | | |
| Tai Er (<i>self-operated</i>) | 2.2 | 2.5 |
| Song Hot Pot. | 1.6 | 2.0 |
| Jiu Mao Jiu (<i>self-operated</i>) | 1.4 | 1.7 |
| Table turnover rate⁽³⁾ | | |
| Tai Er (<i>self-operated</i>) | 3.1 | 3.5 |
| Song Hot Pot. | 2.4 | 2.9 |
| Jiu Mao Jiu (<i>self-operated</i>) | 2.4 | 2.7 |
| Average spending per customer⁽⁴⁾ (RMB) | | |
| Tai Er (<i>self-operated</i>) | 74 | 71 |
| Song Hot Pot. | 100 | 103 |
| Jiu Mao Jiu (<i>self-operated</i>) | 57 | 55 |
| Same store sales⁽⁵⁾ (RMB'000) | | |
| Tai Er (<i>self-operated</i>) | 2,914,245 | 3,387,925 |
| Song Hot Pot. | 515,581 | 623,178 |
| Jiu Mao Jiu (<i>self-operated</i>) | 356,147 | 419,757 |
| Change in same store average daily sales⁽⁶⁾ (year-on-year) (%) | | |
| Tai Er (<i>self-operated</i>) | (11.5) | |
| Song Hot Pot. | (16.5) | |
| Jiu Mao Jiu (<i>self-operated</i>) | (15.8) | |

Notes:

- (1) As of December 31, 2025, the Group had 606 self-operated restaurants and 38 franchised/cooperative model restaurants.
- (2) Calculated by dividing total customer traffic by the product of total restaurant operation days and average seat count during the year.
- (3) Calculated by dividing total tables served by the product of total restaurant operation days and average table count during the year.
- (4) Calculated by dividing revenue generated from the restaurant operations for the year by total customer traffic for the year.
- (5) Same store sales for the year refers to the revenue of all restaurants that qualified as same stores during that year. The Group defines its same store base to be those restaurants that opened for at least 300 days in both 2024 and 2025.
- (6) Same store average daily sales for the year refers to the average daily revenue of all restaurants that qualified as same stores during that year.

BUSINESS REVIEW AND OUTLOOK

Overview

In the year of 2025, the Group continued to adhere to its multi-brand and multi-concept strategy and explored new business opportunities, aiming to further expand its market share and maintain its market position as a leading Chinese cuisine restaurant brand manager and operator in the PRC. Facing the ever-changing and challenging external environment, the Group actively adjusted its business strategies and optimized its restaurant network in 2025. The Group continued to optimize its portfolio of restaurant brands and focus on brands with greater growth potential. At the same time, the Group accelerated the pace of upgrade and implementation of new store model, and deepened quality and customer experience of the stores through comprehensive improvement in product, space and service, so as to lay a solid foundation for sustainable growth in the future. The Group also introduced the new Chaonabian Chaoshan Fresh Grilled Beef (潮那邊潮汕烤鮮牛肉) (“**Chaonabian**”) brand in December 2025.

As of December 31, 2025, the Group had 606 self-operated restaurants and 38 franchised/cooperative model restaurants, covering 119 cities in the PRC, Singapore, one city in Canada, one city in Malaysia, one city in Thailand, three cities in the United States, one city in Indonesia and one city in New Zealand.

The Group recorded revenue of RMB5,233.0 million for the year ended December 31, 2025, representing a decrease of 13.8% compared with revenue of RMB6,073.6 million for the year ended December 31, 2024. Profit for the year of the Group increased by 14.3% from RMB44.8 million for the year ended December 31, 2024 to RMB51.2 million for the year ended December 31, 2025.

The Board is committed to increasing returns for the shareholders of the Company (the “**Shareholders**”). For the year ended December 31, 2025, apart from utilizing approximately HKD14.1 million for share repurchases on market, the Board also proposes to distribute a final dividend of HKD0.02 per ordinary share (totalling approximately HKD27.8 million), which represents a payout ratio of approximately 42.1% of profit for the year attributable to equity shareholders.

Going forward, after a thorough reevaluation of the Group’s financial performance, financial position, and strategic development plans for the future, the Board intends to maintain a dividend payout ratio of no less than 40% of profit for the year attributable to equity shareholders.

2025 Business and Financial Performance Review

Restaurant network

The Group opened 26 new restaurants in 2025, comprising 12 Tai Er restaurants (including three franchised restaurants), seven Song Hot Pot restaurants, two Jiu Mao Jiu restaurants (including one franchised restaurant), four Shanwaimian franchised/cooperative model restaurants and one Chaonabian restaurant. In addition, 11 self-operated Tai Er restaurants converted into franchised restaurants. Among all restaurants of the Group, 189⁽¹⁾ restaurants (including nine franchised/cooperative model restaurants) were closed in 2025, primarily due to (i) the termination of the relevant lease agreements upon expiry, and (ii) unsatisfactory performance of some restaurants.

The table below sets forth a breakdown of restaurants of the Group by brand as of the dates indicated:

| | As of December 31, | |
|-----------------------------------|---------------------------|--------------------|
| | 2025 | 2024 |
| Number of restaurants | | |
| Tai Er | 499⁽²⁾ | 634 ⁽²⁾ |
| – <i>Mainland China</i> | 465⁽²⁾ | 604 ⁽²⁾ |
| – <i>Others</i> | 34⁽²⁾ | 30 |
| Song Hot Pot. | 62 | 80 |
| Jiu Mao Jiu | 63⁽³⁾ | 71 ⁽³⁾ |
| Lai Mei Li. | 1 | 1 |
| Fresh Wood. | 1 | 1 |
| Shanwaimian. | 17⁽⁴⁾ | 20 ⁽⁴⁾ |
| Chaonabian | 1 | – |
| Total. | <u>644</u> | <u>807</u> |

Notes:

- (1) Decrease in self-operated restaurants due to the conversion to franchised restaurants is not counted as restaurant closure.
- (2) Including 11 and 22 Tai Er franchised restaurants as of December 31, 2024 and 2025, respectively.
- (3) Including one and two Jiu Mao Jiu franchised restaurant(s) as of December 31, 2024 and 2025, respectively.
- (4) Including 16 and 14 Shanwaimian franchised/cooperative model restaurants as of December 31, 2024 and 2025, respectively.

Performance of self-operated restaurants

The table below sets forth the key performance indicators of the Group's self-operated restaurants by brand for the years indicated:

| | For the year ended December 31, | |
|--|------------------------------------|-----------|
| | 2025 | 2024 |
| Revenue (RMB'000) | | |
| Tai Er | 3,715,983 | 4,408,770 |
| Song Hot Pot. | 781,914 | 894,264 |
| Jiu Mao Jiu | 425,911 | 545,507 |
| Uncle Chef | – | 1,555 |
| Lai Mei Li. | 9,486 | 27,348 |
| Fresh Wood. | 14,890 | 15,300 |
| Shanwaimian. | 28,635 | 29,427 |
| Chaonabian | 387 | – |
| Seat turnover rate⁽¹⁾ | | |
| Tai Er | 2.2 | 2.5 |
| – Mainland China | 2.2 | 2.5 |
| – Others. | 2.7 | 3.2 |
| Song Hot Pot. | 1.6 | 2.0 |
| Jiu Mao Jiu | 1.4 | 1.7 |
| Lai Mei Li. | 1.6 | 2.2 |
| Fresh Wood. | 1.3 | 1.3 |
| Shanwaimian. | 2.6 | 2.9 |
| Chaonabian | 1.9 | – |
| Table turnover rate⁽²⁾ | | |
| Tai Er | 3.1 | 3.5 |
| – Mainland China | 3.1 | 3.5 |
| – Others. | 3.8 | 4.4 |
| Song Hot Pot. | 2.4 | 2.9 |
| Jiu Mao Jiu | 2.4 | 2.7 |
| Lai Mei Li. | 1.8 | 2.8 |
| Fresh Wood. | 1.8 | 1.6 |
| Shanwaimian. | 3.9 | 4.3 |
| Chaonabian | 2.9 | – |
| Average spending per customer⁽³⁾ (RMB) | | |
| Tai Er | 74 | 71 |
| – Mainland China | 67 | 65 |
| – Others. | 155 | 158 |
| Song Hot Pot. | 100 | 103 |
| Jiu Mao Jiu | 57 | 55 |
| Lai Mei Li. | 154 | 101 |
| Fresh Wood. | 513 | 546 |
| Shanwaimian. | 90 | 87 |
| Chaonabian | 113 | – |

Notes:

- (1) Calculated by dividing total customer traffic by the product of total restaurant operation days and average seat count during the year.
- (2) Calculated by dividing total tables served by the product of total restaurant operation days and average table count during the year.
- (3) Calculated by dividing revenue generated from restaurant operations for the year by total customer traffic for the year.

The seat turnover rate and table turnover rate of Tai Er, Song Hot Pot and Jiu Mao Jiu decreased in 2025 primarily due to the decrease in customer traffic as a result of the challenging external environment. The decrease in average spending per customer of Song Hot Pot was a result of the Group's adjustment to menu offerings and food prices, taking into account both internal and external factors such as market conditions and competitive landscape in the industry.

Same store sales

The table below sets forth details of the Group's same store sales by brand for the years indicated.

| | For the year ended December 31, | | | |
|--|--|------------------|-------------|-------------|
| | 2025 | 2024 | 2024 | 2023 |
| Number of same store⁽¹⁾ | | | | |
| Tai Er | 419 | | 448 | |
| Song Hot Pot. | 45 | | 25 | |
| Jiu Mao Jiu | 55 | | 62 | |
| Same store sales⁽²⁾ (RMB'000) | | | | |
| Tai Er | 2,914,245 | 3,387,925 | 3,308,988 | 4,076,736 |
| Song Hot Pot. | 515,581 | 623,178 | 348,447 | 509,233 |
| Jiu Mao Jiu | 356,147 | 419,757 | 452,549 | 520,438 |
| Change in same store average daily sales⁽³⁾ (year-on-year) (%) | | | | |
| Tai Er | (11.5) | | (18.6) | |
| Song Hot Pot. | (16.5) | | (32.0) | |
| Jiu Mao Jiu | (15.8) | | (12.1) | |

Notes:

- (1) The Group defines its same store base to be those restaurants that opened for at least 300 days in both 2023 and 2024, and in both 2024 and 2025.
- (2) Same store sales for the year refer to the revenue of all restaurants that qualified as same stores during that year.
- (3) Same store average daily sales for the year refers to the average daily revenue of all restaurants that qualified as same stores during that year.

OUTLOOK

The Group remains fully devoted to providing ultimate dining experience to customers through exquisite dishes, high-quality services and unique dining ambience, and with a view to maintaining a strong market position and enhancing its competitiveness, it will continue to implement the following growth strategies:

- ***Create a wonderful hour with excellent cuisine.*** In 2025, the Group returned to the fundamentals of restaurant operations, adhering to the core principles of “Delicious, Affordable, and Safe (好吃、不貴、安全)” and regarding product quality as the lifeline of its brand development. The Group provides customers with a one-hour dining experience of deliciousness, comfort and sincere service. During the year, the Group’s major brands continued to advance the iterative upgrade of new store models, fully implemented the “fresh and lively” core strategy, focused on strengthening product excellence, optimizing consumption scenarios and service experience, deepened store operation quality, and enhanced brand competitiveness in all aspects. After a full year of deep cultivation and adjustments, the Group’s core brands showed a gradual quarter-on-quarter recovery trend in operating performance.
- ***Optimizing restaurant network and focusing on excellence.*** The Group has been closely monitoring the external environment and adjusting its expansion plan of restaurant network under different brands as and when appropriate. Taking into account the changes in the external environment, the Group mainly focused on the optimization and upgrading of store model in 2025. By adopting a more prudent restaurant opening strategy, decisively closing the underperforming restaurants and focusing its resources on core high-quality restaurants, the Group strived to build a more prosperous business for a longer period of time.
- ***Continue to strengthen support capabilities of the Group’s supply chain driven by the dual operation model of “stores + external sales (門店+外銷)”.*** The Group continued to advance the construction of the supply chain centers. Among them, the Guangzhou Nansha Supply Chain Center has been put into trial operation in 2025. The new facility has covered the primary processing of ingredients for the Group’s core brands and the production of products for external sales, which will effectively reduce the capacity pressure on the Group’s existing supply chain, ensuring a stable supply of key ingredients and better minimizing food safety risks. In addition, supply chain centers also expand sales channels in the external market, including the established supermarket sales business and online retail business, while ensuring the high-quality supply of the Group’s catering brands.
- ***Making digital and intelligent transformation the core driving force for future development.*** 2025 marks the Group’s first year of AI transformation. The Group leveraged digital and intelligent capabilities to deeply participate in value creation across the entire business chain. On the supply chain side, the Group implemented end-to-end digital and intelligent control, driving cost efficiency through data, while completing digital management of the entire product lifecycle to ensure product quality and food safety. At the restaurant level, the Group launched the industry’s first AI agent restaurant, with multiple AI applications achieving dual upgrades in store operations and customer experience. The Group also advanced intelligent upgrades across core functions, enabling data-driven business decision-making.
- ***Expanding into global markets to gain international market share.*** The Group currently operates Tai Er restaurants in countries such as Singapore, Malaysia, Canada, the United States, Thailand, Indonesia and New Zealand, as well as a Lai Mei Li restaurant in Singapore. In early 2026, the Group further deepened its global footprint by entering into a strategic partnership with Big Way Hot Pot, a leading spicy hot pot brand in North America, achieving a new brand presence in the North American market and advancing the Group’s evolution into a globally diversified restaurant group. The Group will continue to prudently evaluate and select suitable locations for its expansion to further solidify its international market share.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

Revenue decreased by 13.8% from RMB6,073.6 million in 2024 to RMB5,233.0 million in 2025.

Revenue by segment

The Group generate revenue from four segments, including the operation of Tai Er, Song Hot Pot, Jiu Mao Jiu and others (including the operation of other brands such as Fresh Wood, Shanwaimian and Chaonabian, as well as the operation of all other businesses of the Group). The following table sets forth a breakdown of the Group's revenue by brand for the years indicated:

| | For the year ended December 31, | | | |
|-----------------------|---------------------------------|---------------------|-------------------------|---------------------|
| | 2025 | | 2024 | |
| | <i>RMB'000</i> | <i>%</i> | <i>RMB'000</i> | <i>%</i> |
| Tai Er | 3,720,021 | 71.1 | 4,412,813 | 72.7 |
| Song Hot Pot. | 782,058 | 14.9 | 894,973 | 14.7 |
| Jiu Mao Jiu | 426,579 | 8.2 | 546,183 | 9.0 |
| Others | 304,335 | 5.8 | 219,675 | 3.6 |
| Total. | <u>5,232,993</u> | <u>100.0</u> | <u>6,073,644</u> | <u>100.0</u> |

Revenue from Tai Er decreased by 15.7% from RMB4,412.8 million in 2024 to RMB3,720.0 million in 2025, primarily due to the decrease in the number of Tai Er self-operated restaurants from 623 as of December 31, 2024 to 477 as of December 31, 2025 as well as the decrease in same store sales of the Group's Tai Er restaurants. Revenue from Tai Er as a percentage of total revenue decreased from 72.7% in 2024 to 71.1% in 2025.

Revenue from Song Hot Pot decreased by 12.6% from RMB895.0 million in 2024 to RMB782.1 million in 2025, primarily due to the decreases in table turnover rate and average spending per customer of the Song Hot Pot restaurants in view of the challenging external environment. Revenue from Song Hot Pot as a percentage of total revenue remained relatively stable at 14.7% and 14.9% in 2024 and 2025, respectively.

Revenue from Jiu Mao Jiu decreased by 21.9% from RMB546.2 million in 2024 to RMB426.6 million in 2025, primarily due to the decreases in the number of Jiu Mao Jiu self-operated restaurants from 70 as of December 31, 2024 to 61 as of December 31, 2025. As a result, revenue from Jiu Mao Jiu as a percentage of total revenue decreased from 9.0% in 2024 to 8.2% in 2025.

Revenue from others increased by 38.5% from RMB219.7 million in 2024 to RMB304.3 million in 2025 primarily due to the increase in revenue generated from selling goods to third parties. As a result, revenue from others as a percentage of total revenue increased from 3.6% in 2024 to 5.8% in 2025.

Revenue by service line

Services provided by the Group or activities it engages in currently comprise (i) restaurant operations, (ii) delivery business, (iii) sales of goods, and (iv) others, mainly including franchised/cooperative model revenue. The following table sets forth a breakdown of the Group's revenue from each service line for the years indicated:

| | For the year ended December 31, | | | |
|---------------------------------|--|---------------------|-------------------------|---------------------|
| | 2025 | | 2024 | |
| | <i>RMB'000</i> | <i>%</i> | <i>RMB'000</i> | <i>%</i> |
| Restaurant operations | 3,975,738 | 76.0 | 4,880,419 | 80.4 |
| Delivery business | 1,002,018 | 19.1 | 1,043,415 | 17.2 |
| Sales of goods | 243,568 | 4.7 | 139,399 | 2.3 |
| Others | 11,669 | 0.2 | 10,411 | 0.1 |
| Total | <u>5,232,993</u> | <u>100.0</u> | <u>6,073,644</u> | <u>100.0</u> |

Revenue from restaurant operations decreased by 18.5% from RMB4,880.4 million in 2024 to RMB3,975.7 million in 2025, primarily due to the decreases in the number of self-operated restaurants and same store sales of the Group's restaurants mainly attributable to the persistent consumption pressure brought by the external environment. As a result, revenue from restaurant operations as a percentage of total revenue decreased from 80.4% in 2024 to 76.0% in 2025.

Revenue from delivery business decreased by 4.0% from RMB1,043.4 million in 2024 to RMB1,002.0 million in 2025, primarily due to the decrease in the number of self-operated restaurants. Revenue from delivery business as a percentage of total revenue increased from 17.2% in 2024 to 19.1% in 2025, primarily due to the decrease in revenue from restaurant operations.

Revenue from sales of goods increased by 74.7% from RMB139.4 million in 2024 to RMB243.6 million in 2025, primarily due to the increase in revenue generated from selling goods to third parties. Revenue from sales of goods as a percentage of total revenue increased from 2.3% in 2024 to 4.7% in 2025.

Revenue from others increased by 12.5% from RMB10.4 million in 2024 to RMB11.7 million in 2025, primarily due to the increase in revenue from franchise/cooperative management services following the increase in the number of franchised/cooperative model restaurants of the Group. Revenue from others as a percentage of total revenue remained stable at 0.1% and 0.2% in 2024 and 2025.

Other Revenue

The Group's other revenue decreased by 23.3% from RMB69.6 million in 2024 to RMB53.4 million in 2025, primarily due to (i) a decrease in interest income on bank deposits attributable to decreased interest rates and bank balances, and (ii) a decrease in government grants.

Raw Materials and Consumables Used

The Group's raw materials and consumables used decreased by 14.0% from RMB2,162.1 million in 2024 to RMB1,858.5 million in 2025, primarily in line with the decrease in revenue as a result of the decrease in the number of restaurants. Raw materials and consumables used as a percentage of revenue remained relatively stable at 35.6% and 35.5% in 2024 and 2025, respectively.

Staff Costs

The Group's staff costs decreased by 11.7% from RMB1,747.0 million in 2024 to RMB1,542.5 million in 2025, primarily due to the decrease in the number of store level employees as a result of the Group's reduced number of self-operated restaurants. Staff costs as a percentage of revenue increased from 28.8% in 2024 to 29.5% in 2025, primarily due to the decrease in same store sales.

Depreciation of Right-of-use Assets

Depreciation of right-of-use assets decreased by 15.2% from RMB576.5 million in 2024 to RMB488.6 million in 2025, primarily due to the decrease in the number of restaurants of the Group's self-operated restaurants. Depreciation of right-of-use assets as a percentage of revenue remained relatively stable at 9.5% and 9.3% in 2024 and 2025, respectively.

Other Rentals and Related Expenses

The Group's other rentals and related expenses decreased by 3.4% from RMB133.2 million in 2024 to RMB128.7 million in 2025, primarily due to a decrease in variable rent payments as a result of a decrease in same store sales of the Group's restaurants. Other rentals and related expenses as a percentage of revenue remained relatively stable at 2.2% and 2.5% in 2024 and 2025, respectively.

Depreciation and Amortization of Other Assets

Depreciation and amortization of other assets decreased by 3.4% from RMB292.0 million in 2024 to RMB282.2 million in 2025, primarily due to a decrease in restaurant renovation costs along with the decrease in the number of the Group's self-operated restaurants. Depreciation and amortization of other assets as a percentage of revenue increased from 4.8% in 2024 to 5.4% in 2025, primarily due to the increase in depreciation of Guangzhou Nansha Supply Chain Center.

Utility Expenses

The Group's utility expenses decreased by 12.9% from RMB252.9 million in 2024 to RMB220.2 million in 2025 primarily due to the decrease in the number of the Group's self-operated restaurants. Utilities expenses as a percentage of revenue remained relatively stable at 4.2% in 2024 and 2025.

Travelling and Related Expenses

The Group's travelling and related expenses decreased by 33.4% from RMB29.6 million in 2024 to RMB19.7 million in 2025, primarily because the Group's staff traveled less frequently for daily operations. Travelling and related expenses as a percentage of revenue remained relatively stable at 0.5% and 0.4% in 2024 and 2025, respectively.

Advertising and Promotion Expenses

The Group's advertising and promotion expenses decreased by 18.2% from RMB104.1 million in 2024 to RMB85.2 million in 2025, primarily due to a decrease in advertisement placement. Advertising and promotion expenses as a percentage of revenue remained relatively stable at 1.7% and 1.6% in 2024 and 2025, respectively.

Other Expenses

The Group's other expenses decreased by 11.1% from RMB470.8 million in 2024 to RMB418.4 million in 2025, primarily due to (i) a decrease in professional service fees of RMB19.1 million, and (ii) a decrease in expenses for opening new restaurants of RMB18.8 million.

Share of Losses of Associates

The Group's share of losses of associates increased by 84.6% from RMB3.9 million in 2024 to RMB7.2 million in 2025, primarily due to the increase in losses incurred by the associates invested by the Group.

Other Net Losses

The Group's other net losses decrease by 55.6% from RMB74.7 million in 2024 to RMB33.2 million in 2025, primarily due to (i) a net foreign exchange gain of RMB24.5 million in 2025, as compared with a net foreign exchange loss of RMB33.0 million in 2024; and (ii) an increase in losses on restaurant closures of RMB47.4 million.

Finance Costs

The Group's finance costs decreased by 10.9% from RMB111.0 million in 2024 to RMB98.9 million in 2025 primarily due to a decrease in interest on lease liabilities of RMB15.2 million due to the decreased number of leases as a result of the decrease in the number of the Group's self-operated restaurants.

Impairment Losses of Property, Plant and Equipment

Impairment losses of property, plant and equipment decreased by 73.7% from RMB111.6 million in 2024 to RMB29.4 million in 2025. The decrease in loss was primarily driven by a year-on-year decrease in the number of under-performing restaurants as of December 31, 2025.

Income Tax

The Group's income tax decreased by 23.3% from RMB29.2 million in 2024 to RMB22.4 million in 2025, primarily due to the decrease of taxable income.

Profit for the Year

As a result of the foregoing, profit for the year increased by 14.3% from RMB44.8 million in 2024 to RMB51.2 million in 2025.

Other Comprehensive Income for the Year

The Group holds equity investments in several entities in the PRC. The entities are mainly engaged in the catering industry. The Group recorded profit resulting from equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling) of RMB105.3 million for the year ended December 31, 2025, primarily due to a previously unlisted equity investment became listed on the Main Board of The Stock Exchange of Hong Kong Limited in 2025, as compared with RMB14.8 million for the year ended December 31, 2024.

The Group recorded exchange differences on translation of financial statements of operations outside the mainland China of RMB48.1 million for the year ended December 31, 2025 as other comprehensive expenses, as compared with RMB45.2 million for the year ended December 31, 2024 as other comprehensive income, primarily due to exchange rate fluctuations.

Non-IFRS Measures

The Group adopts the store level operating profit and core operating profit, which are not required by or presented in accordance with IFRS as important financial measures to supplement its consolidated financial statements.

Store Level Operating Profit and Store Level Operating Profit Margin

The Group believes that store level operating profit helps Shareholders and investors better understand its multi-brand and multi-concept strategy by directly illustrating the profitability of its different brands at store level, and that it is frequently used by analysts, investors and other interested parties in the evaluation of companies in the catering industry.

The Group defines store level operating profit as revenue for the year deducting the following expenses at store level: (i) raw materials and consumables used, (ii) staff costs, (iii) depreciation of right-of-use assets, (iv) other rentals and related expenses, (v) depreciation and amortization of other assets, (vi) utility expenses, (vii) advertising and promotion expenses and (viii) other expenses, excluding unallocated headquarter expenses. The following table illustrates the Group's store level operating profit and store level operating profit margin by brands for the years indicated:

| | For the year ended December 31, | | | |
|-----------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | 2025 | | 2024 | |
| | Store Level Operating Profit | Store Level Operating Profit | Store Level Operating Profit | Store Level Operating Profit |
| | <i>RMB'000</i> | <i>(%)</i> | <i>RMB'000</i> | <i>(%)</i> |
| Tai Er | 508,661 | 13.7 | 583,680 | 13.2 |
| Song Hot Pot. | 43,229 | 5.5 | 76,880 | 8.6 |
| Jiu Mao Jiu | 52,907 | 12.4 | 84,335 | 15.4 |
| Other Brands. | 8,488 | 14.1 | 3,425 | 4.3 |
| Total. | 613,285 | 12.3 | 748,320 | 12.6 |

Core Operating Profit and Core Operating Profit Margin

The presentation of core operating profit facilitates comparisons of operating performance from period to period and company to company, by eliminating potential impacts of items that the management does not consider indicative of the Group's operating performance. The Group believes that the presentation of core operating profit provides additional information to further enhance the comparability of the Group's historical results of operations with the trends in their underlying results of operations, while the Group utilizes this metric to assess the performance of its core operations. The Group considers both quantitative and qualitative factors when assessing whether to adjust for the impact of items that may be material or that may affect the understanding to the Group's ongoing financial and business performance or trends. The Group believes that the core operating profit is frequently used by other interested parties when evaluating the performance of a company.

The Group defines core operating profit as profit for the year excluding the following: income from value-added tax super deduction and exemption, government grants, share of losses of associates, impairment losses of property, plant and equipment, other net losses, and income tax expense. The following table illustrates a reconciliation from profit for the year to core operating profit for the years indicated:

| | For the year ended | |
|---|---------------------------|----------------|
| | December 31, | |
| | 2025 | 2024 |
| | RMB'000 | RMB'000 |
| Profit for the year | 51,246 | 44,800 |
| <i>Net of the following gains/(losses):</i> | | |
| Income from value-added tax super deduction and exemption | 2,920 | 3,066 |
| Government grants | 2,831 | 8,825 |
| Share of losses of associates | (7,225) | (3,924) |
| Impairment losses of property, plant and equipment | (29,350) | (111,564) |
| Other net losses | (33,227) | (74,667) |
| Income tax expense | (22,417) | (29,208) |
| Core operating profit | 137,714 | 252,272 |
| Revenue | 5,232,993 | 6,073,644 |
| Core operating profit margin (%) | 2.6 | 4.2 |

Inventories

Inventories of the Group mainly represented its (i) food ingredients, (ii) condiment product, (iii) beverage and (iv) other materials used in its restaurant operations. The following table set forth a breakdown of inventories as of the dates indicated:

| | As of December 31, | |
|-----------------------------|---------------------------|----------------|
| | 2025 | 2024 |
| | RMB'000 | RMB'000 |
| Food ingredients | 49,440 | 69,304 |
| Condiment product | 24,666 | 29,105 |
| Beverage | 1,894 | 2,494 |
| Other materials | 11,141 | 14,553 |
| Total | 87,141 | 115,456 |

Inventories decreased by 24.6% from RMB115.5 million as of December 31, 2024 to RMB87.1 million as of December 31, 2025 primarily due to the decrease in the number of self-operated restaurants.

The Group's inventory turnover days in 2024 and 2025, being the average of the beginning and ending inventories for that year divided by raw materials and consumables used for the same year and multiplied by 365 days, remained relatively stable at 20.9 and 19.9 days in 2024 and 2025, respectively.

Right-of-use Assets

The Group's right-of-use assets, which represented the leases for its restaurant premises, headquarters offices, central kitchens and certain kitchen equipment, decreased by 31.6% from RMB2,089.6 million as of December 31, 2024 to RMB1,428.7 million as of December 31, 2025, primarily due to the decrease in the number of self-operated restaurants of the Group attributable to its restaurant network optimization.

Trade Debtors

Trade debtors of the Group primarily consisted of (i) bills settled through third party payment platforms such as Alipay or WeChat Pay, which were normally settled within a short period of time, (ii) bills for its delivery business settled through third party delivery service platforms, which were settled within three calendar days, and, to a lesser extent, (iii) bills received by shopping malls on behalf of the Group for certain restaurants, which were normally settled within one month, and (iv) bills generated from selling goods to third-party, which were normally settled within two months. Trade debtors of the Group increased by 9.7% from RMB56.5 million as of December 31, 2024 to RMB62.0 million as of December 31, 2025, primarily due to the expansion of sales of goods to third parties. The Group's trade debtor turnover days, being the average of the beginning and ending balances of trade debtors for that year divided by revenue for the same year and multiplied by 365 days, increased from 2.8 days in 2024 to 4.1 days in 2025, primarily due to the increase in debtors generated from selling goods.

Trade Payables

Trade payables of the Group primarily consisted of payables to suppliers. Trade payables of the Group decreased by 27.5% from RMB213.1 million as of December 31, 2024 to RMB154.4 million as of December 31, 2025, primarily due to the decrease in procurement scale in line with the decrease in revenue. The Group's trade payable turnover days, being the average of the beginning and ending balances of trade payables for that year divided by raw materials and consumables used for the same year and multiplied by 365 days, remained relatively stable at 35.7 days in 2024 and 36.1 days in 2025, respectively.

Loans and Advances to Associates

As of December 31, 2025, the Group's loans and advances to associates amounted to RMB127.5 million (as of December 31, 2024: RMB124.1 million). Such loans and advances were mainly provided to associates that supplied food ingredients to the Group to secure stable supply of key food ingredients.

Other Non-current Financial Assets

Other non-current financial assets of the Group include investments in unlisted and listed equity securities, investments in limited partnership enterprises, investments in funds and key management insurance contracts. Other non-current financial assets of the Group increased from RMB400.5 million as of December 31, 2024 to RMB508.3 million as of December 31, 2025, primarily due to a previously unlisted equity investment became listed on the Main Board of The Stock Exchange of Hong Kong Limited in 2025.

Capital Structure

The Group's total assets decreased from RMB6,488.6 million as of December 31, 2024 to RMB5,823.0 million as of December 31, 2025. The Group's total liabilities decreased from RMB3,337.5 million as of December 31, 2024 to RMB2,606.0 million as of December 31, 2025. Liabilities-to-assets ratio decreased from 51.4% as of December 31, 2024 to 44.8% as of December 31, 2025.

The current ratio, being current assets divided by current liabilities as of the respective date, increased from 1.45 as of December 31, 2024 to 1.56 as of December 31, 2025.

Liquidity, Capital Resources and Gearing

The Group adopts a prudent funding and treasury policy with a view to optimize its financial position. The Group regularly monitors its funding requirements to support its business operations and perform ongoing liquidity review. For the year ended December 31, 2025, the Group financed its operations primarily through cash generated from operations and proceeds from the Subscription (as defined in the announcement of the Company dated July 16, 2020 in relation to the subscription for new Shares under the general mandate). The Group mainly used Renminbi, Hong Kong dollars and US dollars to make borrowings and loans and to hold cash and cash equivalents. The Group mainly utilized its cash on procurement of food ingredients, consumables and equipment, supply chain construction and restaurant renovations. The Group's cash and cash equivalents of the Group increased by 67.7% from RMB607.0 million as of December 31, 2024 to RMB1,018.0 million as of December 31, 2025, primarily attributable to the withdrawal of deposits with banks with original maturity date over three months to cash.

The Group's gearing ratio, being interest-bearing bank loans divided by total equity as of the respective dates and multiplied by 100%, increased from 12.0% as of December 31, 2024 to 13.1% as of December 31, 2025, primarily due to the increase in the balance of bank loans.

Capital Expenditures

The Group's capital expenditures, which referred to the payment for purchases of property, plant and equipment, are incurred primarily for opening new restaurants, procuring property, plant and equipment for new restaurants, renovating existing restaurants and purchasing furniture and equipment used in its restaurant operations and construction of supply chain. The Group's total capital expenditures decreased by 32.6% from RMB528.0 million for the year ended December 31, 2024 to RMB355.9 million for the year ended December 31, 2025.

Indebtedness

Bank Loans

The analysis of the repayment schedule of bank loans is as follows:

| | As of December 31, | |
|-------------------------------------|--------------------|----------------|
| | 2025 | 2024 |
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Within one year or on demand | | |
| – unsecured and unguaranteed | 100,000 | 30,000 |
| – secured | 247,370 | 275,817 |
| | 347,370 | 305,817 |
| After one year but within two years | | |
| – secured | 73,735 | 73,608 |
| | 421,105 | 379,425 |

As of December 31, 2025, bank loans of RMB331.1 million were with floating-interest rates (as of December 31, 2024: RMB239.4 million), and bank loans of RMB90.0 million were with fixed-interest rate (as of December 31, 2024: RMB140.0 million).

Lease Liabilities

The Group's lease liabilities decreased by 32.5% from RMB2,183.1 million as of December 31, 2024 to RMB1,474.4 million as of December 31, 2025, primarily due to the decrease in the number of self-operated restaurants of the Group attributable to its restaurant network optimization.

Contingent Liabilities

As of December 31, 2025, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group that was likely to have a material and adverse effect on the Group's business, financial condition or results of operations.

Pledge of Assets

As at 31 December 2025, bank loans were secured by certain of the Group's pledged deposits with carrying amount of RMB207.4 million (2024: RMB295.4 million) and land-use rights with carrying amount of RMB25.9 million (2024: nil).

Save as disclosed above, as of December 31, 2025, the Group did not have any pledge on its assets.

Significant Events After the Reporting Period

As announced by the Company on February 27, 2026, the Company entered into a share subscription agreement with Big Way Group Inc. to subscribe for and purchase from Big Way Group Inc. 48,204,438 Class A preferred shares of the Big Way Group Inc. for USD28,000,000 and a purchase and sale agreement with certain selling shareholders to purchase an aggregate of 25,823,805 preferred shares of the same class of the Big Way Group Inc., which will be subsequently exchanged for Class A preferred shares of the Big Way Group Inc., for an aggregate purchase price of USD15,000,000. For details, please refer to the announcements of the Company dated December 29, 2025 and February 27, 2026.

Save as disclosed above and in note 12 to the financial statements, there are no material events subsequent to December 31, 2025 which could have a material impact on the Group's operating and financial performance as of the date of this announcement.

Foreign Exchange Risk and Hedging

The Group mainly operates in the PRC with most of the transaction denominated and settled in Renminbi. However, the Group has cash and deposits denominated in other currencies which are exposed to foreign currency exchange risks. The Group has not hedged its foreign currency exchange risks, but will closely monitor the exposure and take additional measures when necessary to make sure the foreign exchange risks are manageable.

Material Acquisitions, Disposals and Future Plans for Major Investment

During the year ended December 31, 2025, the Group did not conduct any material investments, acquisitions or disposals. In addition, save for the intended use of proceeds from the Subscription as disclosed in the Company's announcements dated July 16, 2020, July 23, 2020 and July 30, 2020 and the change in use of proceeds from the Subscription as disclosed in the Company's announcement of annual results for the year ended December 31, 2024, the Group has no specific plan for major investment or acquisition for major capital assets or other businesses. However, the Group will continue to identify new opportunities for business development.

Final Dividend

The Board recommends the payment of a final dividend of HKD0.02 per ordinary share for the year ended December 31, 2025 (the "**Proposed Final Dividend**") (for the year ended December 31, 2024: a final dividend of HKD0.02 per ordinary share and a special dividend of HKD0.02 per ordinary share). The Proposed Final Dividend is declared and will be paid in Hong Kong dollar. Subject to the approval of Shareholders at the annual general meeting to be held on Friday, June 5, 2026 (the "**AGM**"), the Proposed Final Dividend will be paid to the Shareholders whose names appear on the register of members of the Company on Friday, June 12, 2026. The Proposed Final Dividend is expected to be distributed to the Shareholders before Friday, June 26, 2026.

Annual General Meeting

The AGM will be held on Friday, June 5, 2026. A notice convening the AGM will be published and despatched to the Shareholders in the manner required by the Listing Rules in due course.

Closure of Register of Members

(a) Entitlement to Attend and Vote at the AGM

In order to determine the entitlement of the Shareholders to attend and vote at the AGM, the Company's register of members will be closed from Tuesday, June 2, 2026 to Friday, June 5, 2026, both dates inclusive, during which period no transfer of share will be registered. The record date will be Friday, June 5, 2026. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, June 1, 2026.

(b) Entitlement to the Proposed Final Dividend

In order to determine the entitlement of the Shareholders to receive the Proposed Final Dividend, the Company's register of members will be closed from Thursday, June 11, 2026 to Friday, June 12, 2026, both dates inclusive, during which period no transfer of share will be registered. The record date will be Friday, June 12, 2026. In order to be eligible to receive the Proposed Final Dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, June 10, 2026.

Company Information

The Company was incorporated in the Cayman Islands on February 1, 2019 as an exempted company with limited liability, and the shares were listed on the Main Board of the Stock Exchange on January 15, 2020.

Employees

As of December 31, 2025, the Group had a total of 16,517 employees (including outsourced personnel). For the year ended December 31, 2025, staff costs (including Directors' emoluments) of the Group amounted to RMB1,542.5 million (for the year ended December 31, 2024: RMB1,747.0 million).

The Group's success depends on its ability to attract, retain and motivate qualified personnel. The remuneration package for employees of the Group generally includes salary and bonuses. The Group determines employee remuneration based on factors such as qualifications and years of experience. Employees also receive welfare benefits, including medical care, retirement benefits, occupational injury insurance and other miscellaneous items. The Group makes contributions to mandatory social security funds for employees to provide for retirement, medical, work-related injury, maternity and unemployment benefits.

Use of Proceeds

Use of Proceeds from the Subscription

The following table sets forth the status of the use of net proceeds from the Subscription which is consistent with the intentions previously disclosed and updated in the Company's announcement of annual results for the year ended December 31, 2024:

| Intended use of proceeds | Percentage of intended use of proceeds | Intended use of proceeds from the Subscription | Unused balance as of January 1, 2025 | Amount of proceeds utilized during the year ended December 31, 2025 | Unused balance as of December 31, 2025 | Timeframe for the unused balance |
|---|--|--|--------------------------------------|---|--|----------------------------------|
| | (%) | (In HKD millions) | (In HKD millions) | (In HKD millions) | (In HKD millions) | |
| Invest in suppliers for key raw material and other companies in the catering industries | 70.0 | 581.0 | 232.5 | 68.6 | 163.9 | By the end of 2026 |
| General working capital | 30.0 | 249.0 | - | - | - | - |
| Total | 100.0 | 830.0 | 232.5 | 68.6 | 163.9 | By the end of 2026 |

Note: The figures in the table are approximate figures.

SHARE OPTION SCHEME

A share option scheme was conditionally approved and adopted by the Shareholders on December 6, 2019 (the “**Share Option Scheme**”) and its implementation is conditional on the Listing. The purpose of the Share Option Scheme is to provide the Company with a means of incentivizing the any director or employee of the Group who has contributed or will contribute to the Group and retaining employees, and to encourage employees to work towards enhancing the value of the Company and promote the long-term growth of the Company. The Share Option Scheme will link the value of the Company with the interests of the participants, enabling the participants and the Company to develop together and promote the Company’s corporate culture.

The Share Option Scheme remains valid for a period of ten years commencing on December 6, 2019. As at December 31, 2025, the remaining life of the Share Option Scheme is approximately three years and eleven months.

The table below sets out the details of share options granted and outstanding during the period from January 1, 2025 to December 31, 2025 under the Share Option Scheme:

| Name of grantee | Outstanding as at January 1, 2025 | Granted during the year | Date of grant | Exercised during the year | Cancelled during the year | Lapsed during the year | Outstanding as at December 31, 2025 | Exercise price (HKD per Share) | Closing price immediately before the date of grant during the year (HKD per Share) | Weighted average closing price immediately before the date of exercise of options during the year (HKD per Share) | Fair value of Shares at the date of grant during the year (HKD) | Vesting period | Exercise period |
|---------------------------------|-----------------------------------|-------------------------|---------------|---------------------------|---------------------------|------------------------|-------------------------------------|--------------------------------|--|---|---|-------------------------------|-------------------------------|
| Directors of the Company | | | | | | | | | | | | | |
| Guan Yihong | 250,000 | - | Nov 14, 2022 | - | - | (250,000) | - | 16.04 | - | - | - | Nov 14, 2022 - Nov 13, 2023 | Nov 14, 2023 - Nov 13, 2025 |
| | 900,000 | - | Oct 30, 2024 | - | - | - | 900,000 | 3.44 | - | - | - | Oct 30, 2024 - Oct 29, 2025 | Oct 30, 2025 - Oct 29, 2029 |
| | - | 490,000 | Sept 24, 2025 | - | - | - | 490,000 | 2.16 | 2.06 | - | 451,000 | Sept 24, 2025 - Sept 23, 2026 | Sept 24, 2026 - Sept 23, 2030 |
| He Chengxiao | 538,000 | - | Nov 14, 2022 | - | - | (538,000) | - | 16.04 | - | - | - | Nov 14, 2022 - Nov 13, 2023 | Nov 14, 2023 - Nov 13, 2025 |
| | 607,000 | - | Nov 3, 2023 | - | - | - | 607,000 | 8.35 | - | - | - | Nov 3, 2023 - Nov 2, 2024 | Nov 3, 2024 - Nov 2, 2026 |
| | 1,336,000 | - | Oct 30, 2024 | - | - | - | 1,336,000 | 3.44 | - | - | - | Oct 30, 2024 - Oct 29, 2025 | Oct 30, 2025 - Oct 29, 2029 |
| | - | 2,672,000 | Sept 24, 2025 | - | - | - | 2,672,000 | 2.16 | 2.06 | - | 2,461,000 | Sept 24, 2025 - Sept 23, 2026 | Sept 24, 2026 - Sept 23, 2030 |

| Name of grantee | Outstanding as at January 1, 2025 | Granted during the year | Date of grant | Exercised during the year | Cancelled during the year | Lapsed during the year | Outstanding as at December 31, 2025 | Exercise price (HKD per Share) | Closing price immediately before the date of grant during the year (HKD per Share) | Weighted average closing price immediately before the date of exercise of options during the year (HKD per Share) | Fair value of Shares at the date of grant during the Vesting year (HKD) | Exercise period |
|-----------------|-----------------------------------|-------------------------|---------------|---------------------------|---------------------------|------------------------|-------------------------------------|--------------------------------|--|---|---|-------------------------------|
| Cui Longyu | 422,000 | - | Nov 14, 2022 | - | - | (422,000) | - | 16.04 | - | - | - | Nov 14, 2022 – Nov 14, 2023 |
| | 476,000 | - | Nov 3, 2023 | - | - | - | 476,000 | 8.35 | - | - | - | Nov 13, 2023 – Nov 3, 2024 |
| | 913,000 | - | Oct 30, 2024 | - | - | - | 913,000 | 3.44 | - | - | - | Nov 2, 2024 – Oct 30, 2025 |
| | - | 1,903,000 | Sept 24, 2025 | - | - | - | 1,903,000 | 2.16 | 2.06 | - | 1,753,000 | Oct 29, 2025 – Sept 24, 2026 |
| Su Danman | 56,000 | - | Nov 14, 2022 | - | - | (56,000) | - | 16.04 | - | - | - | Sept 23, 2026 – Nov 14, 2023 |
| | 155,000 | - | Nov 3, 2023 | - | - | - | 155,000 | 8.35 | - | - | - | Nov 13, 2023 – Nov 3, 2024 |
| | 375,000 | - | Oct 30, 2024 | - | - | - | 375,000 | 3.44 | - | - | - | Nov 2, 2024 – Oct 30, 2025 |
| | - | 1,538,000 | Sept 24, 2025 | - | - | - | 1,538,000 | 2.16 | 2.06 | - | 1,417,000 | Oct 29, 2025 – Sept 24, 2026 |
| | | | | | | | | | | | | Sept 23, 2026 – Sept 23, 2030 |

| Name of grantee | Outstanding as at January 1, 2025 | Granted during the year | Date of grant | Exercised during the year | Cancelled during the year | Lapsed during the year | Outstanding as at December 31, 2025 | Exercise price (HKD per Share) | Closing price immediately before the date of grant during the year (HKD per Share) | Weighted average closing price immediately before the date of exercise of options during the year (HKD per Share) | Fair value of Shares at the date of grant during the year (HKD) | Vesting period | Exercise period |
|-------------------------------|-----------------------------------|-------------------------|---------------|---------------------------|---------------------------|------------------------|-------------------------------------|--------------------------------|--|---|---|-------------------------------|-------------------------------|
| Employees of the Group | | | | | | | | | | | | | |
| Employees of the Group | 3,102,000 | - | Nov 14, 2022 | - | - | (3,102,000) | - | 16.04 | - | - | - | Nov 14, 2022 - Nov 13, 2023 | Nov 14, 2023 - Nov 13, 2025 |
| | 4,481,000 | - | Nov 3, 2023 | - | - | (760,000) | 3,721,000 | 8.35 | - | - | - | Nov 3, 2023 - Nov 2, 2024 | Nov 3, 2024 - Nov 2, 2026 |
| | 11,431,000 | - | Oct 30, 2024 | - | - | (1,886,000) | 9,545,000 | 3.44 | - | - | - | Oct 30, 2024 - Oct 29, 2025 | Oct 30, 2025 - Oct 29, 2029 |
| | - | 24,683,000 | Sept 24, 2025 | - | - | - | 24,683,000 | 2.16 | 2.06 | - | 20,715,000 | Sept 24, 2025 - Sept 23, 2026 | Sept 24, 2026 - Sept 23, 2030 |
| Total | 25,042,000 | 31,286,000 | | - | - | (7,014,000) | 49,314,000 | | | | | | |

As of January 1, 2025, the number of Shares available for further grant under the Share Option Scheme was 107,196,300. As of December 31, 2025, the number of Shares available for further grant under the Share Option Scheme was 82,924,300, representing 5.96% of the total number of Shares in issue at that date. As of December 31, 2025, the number of Shares in respect of which options had been granted and remained outstanding under the Share Option Scheme was 49,314,000, representing 3.54% of the total number of Shares in issue at that date. The number of Shares that may be issued in respect of share options granted under the Share Option Scheme as of December 31, 2025 divided by weighted average number of Shares in issue for the year ended December 31, 2025 is 3.53%.

ROUNDING

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS*for the year ended 31 December 2025**(Expressed in Renminbi)*

| | <i>Note</i> | <u>2025</u> | <u>2024</u> |
|--|-------------|----------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| Revenue | 2 | 5,232,993 | 6,073,644 |
| Other revenue | 3 | 53,440 | 69,597 |
| Raw materials and consumables used | | (1,858,523) | (2,162,104) |
| Staff costs | 4(b) | (1,542,474) | (1,746,972) |
| Depreciation of right-of-use assets | 4(e) | (488,587) | (576,465) |
| Other rentals and related expenses | | (128,707) | (133,213) |
| Depreciation and amortisation of other assets | 4(e) | (282,212) | (291,975) |
| Utility expenses | | (220,237) | (252,947) |
| Travelling and related expenses | | (19,738) | (29,626) |
| Advertising and promotion expenses | | (85,237) | (104,063) |
| Other expenses | 4(d) | (418,372) | (470,751) |
| Share of losses of associates | | (7,225) | (3,924) |
| Other net losses | 4(c) | (33,227) | (74,667) |
| Finance costs | 4(a) | (98,881) | (110,962) |
| Impairment losses of property, plant and equipment | | (29,350) | (111,564) |
| Profit before taxation | 4 | 73,663 | 74,008 |
| Income tax | 5 | (22,417) | (29,208) |
| Profit for the year | | 51,246 | 44,800 |
| Attributable to: | | | |
| Equity shareholders of the Company | | 58,199 | 55,807 |
| Non-controlling interests | | (6,953) | (11,007) |
| Profit for the year | | 51,246 | 44,800 |
| Earnings per share | 6 | | |
| Basic (RMB) | | 0.04 | 0.04 |
| Diluted (RMB) | | 0.04 | 0.04 |

Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 11(d).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025

(Expressed in Renminbi)

| | <u>2025</u> | <u>2024</u> |
|--|-----------------|-----------------|
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Profit for the year | <u>51,246</u> | <u>44,800</u> |
| Other comprehensive income for the year | | |
| <i>Items that will not be reclassified to profit or loss:</i> | | |
| Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling) | 105,334 | 14,802 |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | |
| Exchange differences on translation of financial statements of operations outside the Chinese Mainland | <u>(48,082)</u> | <u>45,185</u> |
| Other comprehensive income for the year | <u>57,252</u> | <u>59,987</u> |
| Total comprehensive income for the year | <u>108,498</u> | <u>104,787</u> |
| Attributable to: | | |
| Equity shareholders of the Company | 115,451 | 115,794 |
| Non-controlling interests | <u>(6,953)</u> | <u>(11,007)</u> |
| Total comprehensive income for the year | <u>108,498</u> | <u>104,787</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*as at 31 December 2025**(Expressed in Renminbi)*

| | <i>Note</i> | <u>2025</u> | <u>2024</u> |
|---|-------------|------------------|----------------|
| | | <i>RMB'000</i> | <i>RMB'000</i> |
| Non-current assets | | | |
| Property, plant and equipment | | 1,337,705 | 1,189,710 |
| Right-of-use assets | | 1,428,709 | 2,089,621 |
| Intangible assets | | 29,000 | 26,386 |
| Interests in associates | | 21,519 | 28,745 |
| Other non-current financial assets | 7 | 508,310 | 400,502 |
| Deferred tax assets | | 169,647 | 161,602 |
| Rental deposits | | 110,822 | 127,407 |
| Other non-current assets | | 9,521 | 155,396 |
| | | 3,615,233 | 4,179,369 |
| Current assets | | | |
| Inventories | 8 | 87,141 | 115,456 |
| Trade and other receivables | 9 | 806,834 | 769,965 |
| Restricted bank deposits | | 207,379 | 306,504 |
| Deposits with banks with original maturity date over three months | | 88,397 | 510,355 |
| Cash and cash equivalents | | 1,017,981 | 606,974 |
| | | 2,207,732 | 2,309,254 |
| Current liabilities | | | |
| Trade and other payables | 10 | 574,765 | 622,597 |
| Contract liabilities | | 12,742 | 19,767 |
| Lease liabilities | | 452,937 | 601,523 |
| Bank loans | | 347,370 | 305,817 |
| Current taxation | | 31,916 | 43,032 |
| | | 1,419,730 | 1,592,736 |
| Net current assets | | 788,002 | 716,518 |

| | <i>Note</i> | <u>2025</u> <i>RMB'000</i> | <u>2024</u> <i>RMB'000</i> |
|--|--------------|-------------------------------|-------------------------------|
| Non-current liabilities | | | |
| Bank loans | | 73,735 | 73,608 |
| Lease liabilities | | 1,021,414 | 1,581,548 |
| Provisions | | 52,218 | 51,531 |
| Derivative financial liabilities | | 2,466 | 27,551 |
| Deferred tax liabilities | | 36,408 | 10,497 |
| | | <u>1,186,241</u> | <u>1,744,735</u> |
| NET ASSETS | | <u>3,216,994</u> | <u>3,151,152</u> |
| CAPITAL AND RESERVES | | | |
| Share capital | <i>11(a)</i> | 1 | 1 |
| Reserves | <i>11(c)</i> | <u>3,219,684</u> | <u>3,151,685</u> |
| Total equity attributable to equity shareholders of the Company | | 3,219,685 | 3,151,686 |
| Non-controlling interests | | <u>(2,691)</u> | <u>(534)</u> |
| TOTAL EQUITY | | <u>3,216,994</u> | <u>3,151,152</u> |

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Renminbi unless otherwise indicated)

1 MATERIAL ACCOUNTING POLICIES

(a) Statement of Compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards (“**IFRSs**”), International Accounting Standards (“**IASs**”) and Interpretations issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new or amended IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “**Group**”) and the Group’s interest in associates.

Item included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity (the “**Functional Currency**”). The financial statements are presented in Renminbi (“**RMB**”), rounded to the nearest thousand except for earnings per share information. The measurement basis used in the preparation of the financial statements is the historical cost basis except that financial assets measured at fair value through other comprehensive income (FVOCI) and financial assets measured at fair value through profit or loss (FVPL) are stated at their fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) **Changes in accounting policies**

The Group has applied amendments to IAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2 REVENUE AND SEGMENT REPORTING

(a) **Revenue**

The principal activities of the Group are restaurant operations, delivery business and sales of goods.

(i) ***Disaggregation of revenue***

Disaggregation of revenue from contracts with customers by major service lines is as follows:

| | 2025 | 2024 |
|---|-------------------------|------------------|
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Revenue from contracts with customers within the scope of IFRS 15: | | |
| Restaurant operations | 3,975,738 | 4,880,419 |
| Delivery business | 1,002,018 | 1,043,415 |
| Sales of goods | 243,568 | 139,399 |
| Others | 11,669 | 10,411 |
| | <u>5,232,993</u> | <u>6,073,644</u> |

Note: Revenue was mainly recognised at point in time when control over a product or service was transferred to the customer.

No revenue from individual customer contributing over 10% of total revenue of the Group for the year ended 31 December 2025 (2024: Nil).

(ii) ***Revenue expected to be recognised in the future arising from contracts in existence at the reporting date***

Contracts within the scope of IFRS 15

As at 31 December 2025, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB4,352,000. This amount represents revenue expected to be recognised in the future from franchise agreements. The Group will recognise the expected revenue in future over the remaining contract period, which is expected to occur over the next 12-24 months.

(b) Segment Reporting

The Group manages its businesses by restaurant brands. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments.

- Tai Er: this segment operates restaurants featuring signature dish Chinese sauerkraut fish and delivery business under Tai Er brand.
- Song Hot Pot: this segment operates restaurants featuring Chongqing style hot pot under Song Hot Pot brand.
- Jiu Mao Jiu: this segment operates restaurants and delivery business offering family-oriented food under Jiu Mao Jiu brand.
- Others: this segment mainly includes operating restaurants in other brands such as Fresh Wood, Chaonabian and Shanwaimian, and the operation of the Group's all other businesses.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of interests in associates, other non-current financial assets, deferred tax assets and other headquarter assets. Segment liabilities include lease liabilities, provisions, trade and other payables and contract liabilities attributable to the restaurant operations activities of the individual segments and bank borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "Non-GAAP Operating Profit", i.e. revenue deducting the following expenses at store-level (i) raw materials and consumables used, (ii) staff costs, (iii) depreciation of right-of-use assets, (iv) other rentals and related expenses, (v) depreciation and amortisation of other assets, (vi) utility expenses, (vii) advertising and promotion expenses and (viii) other expenses, excluding unallocated headquarter expenses.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year ended 31 December 2025 is set out below.

| | Tai Er | | Song Hot Pot | | Jiu Mao Jiu | | Others | | Total | |
|---|------------------|-----------|----------------|----------|----------------|-----------|----------------|----------|------------------|-----------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| Reportable segment revenue | | | | | | | | | | |
| Revenue from external customers | 3,720,021 | 4,412,813 | 782,058 | 894,973 | 426,579 | 546,183 | 304,335 | 219,675 | 5,232,993 | 6,073,644 |
| Reportable segment profit | | | | | | | | | | |
| (Non-GAAP Operating Profit) | 508,661 | 583,680 | 43,229 | 76,880 | 52,907 | 84,335 | 33,321 | 28,560 | 638,118 | 773,455 |
| Finance costs | (66,893) | (78,330) | (17,576) | (20,274) | (7,814) | (9,644) | (6,598) | (2,714) | (98,881) | (110,962) |
| Losses on disposal of property, plant and equipment and right-of-use assets | (5,107) | (28,327) | (19,238) | (7,479) | 7,382 | 15,552 | 1,107 | (2,809) | (15,856) | (23,063) |
| Impairment losses of property, plant and equipment | (14,092) | (71,340) | (9,745) | (25,336) | (1,559) | (430) | (3,954) | (14,458) | (29,350) | (111,564) |
| Reportable segment assets | 2,262,845 | 2,880,189 | 396,923 | 621,101 | 764,589 | 1,031,508 | 111,336 | 102,900 | 3,535,693 | 4,635,698 |
| Additions to non-current segment assets during the year | 246,072 | 601,559 | 31,139 | 195,168 | 37,464 | 109,734 | 8,719 | 35,751 | 323,394 | 942,212 |
| Reportable segment liabilities | 1,808,866 | 2,645,059 | 605,209 | 759,627 | 257,883 | 528,865 | 96,137 | 89,623 | 2,768,095 | 4,023,174 |

(ii) Reconciliations of reportable segment profit or loss, assets and liabilities

| | 2025 | 2024 |
|---|---------------|---------------|
| | RMB'000 | RMB'000 |
| Profit | | |
| Reportable segment profit (Non-GAAP Operating Profit) | 638,118 | 773,455 |
| Other revenue | 53,440 | 69,597 |
| Travelling and related expenses | (19,738) | (29,626) |
| Share of losses of associates | (7,225) | (3,924) |
| Other net losses | (33,227) | (74,667) |
| Finance costs | (98,881) | (110,962) |
| Impairment losses of property, plant and equipment | (29,350) | (111,564) |
| Unallocated headquarter expenses | (429,474) | (438,301) |
| | <hr/> | <hr/> |
| Consolidated profit before taxation | 73,663 | 74,008 |
| | <hr/> <hr/> | <hr/> <hr/> |

| | 2025 <i>RMB '000</i> | 2024 <i>RMB '000</i> |
|--|-------------------------|-------------------------|
| Assets | | |
| Reportable segment assets | 3,535,693 | 4,635,698 |
| Elimination of inter-segment receivables | <u>(2,012,542)</u> | <u>(2,372,155)</u> |
| | 1,523,151 | 2,263,543 |
| Interests in associates | 21,519 | 28,745 |
| Other non-current financial assets | 508,310 | 400,502 |
| Deferred tax assets | 169,647 | 161,602 |
| Unallocated headquarter assets | <u>3,600,338</u> | <u>3,634,231</u> |
| Consolidated total assets | <u><u>5,822,965</u></u> | <u><u>6,488,623</u></u> |
| | 2025 <i>RMB '000</i> | 2024 <i>RMB '000</i> |
| Liabilities | | |
| Reportable segment liabilities | 2,768,095 | 4,023,174 |
| Elimination of inter-segment payables | <u>(2,012,542)</u> | <u>(2,372,155)</u> |
| | 755,553 | 1,651,019 |
| Current taxation | 31,916 | 43,032 |
| Deferred tax liabilities | 36,408 | 10,497 |
| Derivative financial liabilities | 2,466 | 27,551 |
| Unallocated headquarter liabilities | <u>1,779,628</u> | <u>1,605,372</u> |
| Consolidated total liabilities | <u><u>2,605,971</u></u> | <u><u>3,337,471</u></u> |

(iii) Geographic information

Analysis of the Group's revenue from external customers as well as analysis of the Group's carrying amount of non-current assets by geographical market has not been presented as over 90% of the Group's revenue and non-current assets are generated and located in China.

3 OTHER REVENUE

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---|------------------------|------------------------|
| Interest income on: | | |
| – bank deposits | 36,284 | 49,818 |
| – rental deposits | 3,468 | 2,977 |
| – others | 3,932 | 3,932 |
| | <u>43,684</u> | <u>56,727</u> |
| Income from value-added tax exemption (<i>note (i)</i>) | 2,920 | 3,066 |
| Government grants (<i>note (ii)</i>) | 2,831 | 8,825 |
| Others | 4,005 | 979 |
| | <u>53,440</u> | <u>69,597</u> |

Notes:

- (i) Income from value-added tax exemption represented the exemption on value-added tax granted by the government authorities in the PRC.
- (ii) Government grants mainly represented unconditional cash awards granted by the government authorities in the PRC.

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---|------------------------|------------------------|
| (a) Finance costs | | |
| Interest on bank loans | 10,936 | 10,314 |
| Interest on lease liabilities | 88,194 | 103,376 |
| Interest on provisions | 2,588 | 2,220 |
| | <u>101,718</u> | <u>115,910</u> |
| Total interest expense on financial liabilities not at fair value through profit or loss | 101,718 | 115,910 |
| Less: interest expense capitalised into properties under development (<i>note</i>) | (2,837) | (4,948) |
| | <u>98,881</u> | <u>110,962</u> |

Note: The borrowing costs have been capitalised at a rate of 2.0 % -3.0% per annum (2024: 2.45% – 3.0%).

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|------------------------|------------------------|
| (b) Staff costs (including directors' emoluments) | | |
| Salaries, wages and other benefits | 990,988 | 1,107,184 |
| Contributions to defined contribution retirement plans | 46,869 | 48,200 |
| Equity-settled share-based payment expenses | 21,127 | 18,227 |
| | <u>1,058,984</u> | <u>1,173,611</u> |
| Outsourced staff costs | <u>483,490</u> | <u>573,361</u> |
| | <u>1,542,474</u> | <u>1,746,972</u> |
| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
| (c) Other net losses | | |
| Losses on disposal of property, plant and equipment and right-of-use assets | 15,856 | 23,063 |
| Losses on restaurant closures | 50,932 | 3,565 |
| Net foreign exchange (gains) / losses | (24,477) | 33,027 |
| Donations | 2,367 | 638 |
| Net fair value changes of financial assets measured at FVPL | (5,983) | 4,345 |
| Net fair value changes of derivative financial liabilities measured at FVPL | (993) | 15,472 |
| Others | (4,475) | (5,443) |
| | <u>33,227</u> | <u>74,667</u> |

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---------------------------------------|------------------------|------------------------|
| (d) Other expenses | | |
| Auditors' remuneration | | |
| – audit services | 2,430 | 2,750 |
| – non-audit services | 1,100 | 944 |
| | <u>3,530</u> | <u>3,694</u> |
| Professional service fees | 68,762 | 87,889 |
| Expenses for opening new restaurants | 18,728 | 37,551 |
| Transportation and related expenses | 208,627 | 215,431 |
| Maintenance expenses | 22,604 | 27,416 |
| Bank and third-party platform charges | 27,644 | 28,909 |
| Insurance expenses | 8,445 | 5,810 |
| Business development expenses | 1,181 | 1,392 |
| Office expenses | 16,480 | 18,916 |
| Research and development expenses | 2,139 | 2,758 |
| Cleaning fees | 19,522 | 22,649 |
| Cultural activity fees | 3,666 | 3,486 |
| Business tax and surcharges | 11,324 | 9,856 |
| Others | 5,720 | 4,994 |
| | <u>418,372</u> | <u>470,751</u> |
| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
| (e) Other items | | |
| Amortisation | 14,752 | 13,328 |
| Depreciation | | |
| – property, plant and equipment | 267,460 | 278,647 |
| – right-of-use assets | 488,587 | 576,465 |
| | <u>756,047</u> | <u>855,112</u> |

5 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) Taxation in the consolidated statements of profit or loss represents:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---|------------------------|------------------------|
| Current tax | | |
| Provision for the year | | |
| – PRC income tax | 9,459 | 60,920 |
| – Other jurisdictions | 17,789 | 13,901 |
| (Over)/under-provision in respect of prior years | (252) | 231 |
| | <u>3,684</u> | <u>–</u> |
| Pillar Two income taxes | 3,684 | – |
| | <u>30,680</u> | <u>75,052</u> |
| Deferred tax | | |
| Origination of accumulated tax loss and temporary differences | (8,263) | (45,844) |
| | <u>22,417</u> | <u>29,208</u> |

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Profit before taxation | <u>73,663</u> | <u>74,008</u> |
| Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned | 68 | 16,939 |
| Effect of preferential income tax rates of certain subsidiaries (iii) | (952) | (5,220) |
| Effect of non-deductible expenses | 8,258 | 9,940 |
| Tax effect of unused tax losses and deductible temporary differences not recognised | 18,209 | 14,072 |
| Effect of recognising the deductible losses and temporary differences for which no deferred tax asset was recognised in previous years | (1,168) | (3,927) |
| Current income tax impact arising from Pillar Two model rules (note 5(c)) | 3,684 | – |
| (Over)/under-provision in respect of prior years | (252) | 231 |
| Effect on deferred tax balances at 1 January resulting from a change in tax rate (vi) | 632 | – |
| Others | (6,062) | (2,827) |
| Actual tax expense | <u>22,417</u> | <u>29,208</u> |

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HKD2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

The provision for Hong Kong Profits Tax for 2025 takes into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2024/25 subject to a maximum reduction of HKD1,500 for each business (2024: a maximum reduction of HKD3,000 was granted for the year of assessment 2023/24 and was taken into account in calculating the provision for 2024).

- (iii) Taxable income for the Group's subsidiaries in the PRC are subject to PRC income tax rate of 25% for the year ended 31 December 2025 (2024: 25%), unless otherwise specified below.

Certain subsidiaries met the criteria for enterprises/branches in catering industry established in Hainan Province in the PRC and were entitled to the preferential income tax rate of 15% from 2020 to 2027.

Certain subsidiaries met the criteria required for preferential income tax rate granted to small and low profit-making enterprise in the PRC, and were entitled to a preferential income tax rate of 5% on taxable income.

A subsidiary met the criteria required for preferential income tax rate granted to the encouraged industry that operates in Nansha district, Guangzhou in the PRC, and was entitled to a preferential income tax rate of 15% from 2023 to 2026.

A subsidiary met the criteria for software enterprises encouraged in the PRC, and was entitled to be exempted from income tax from 2022 to 2023 and a 50% reduction in income tax from 2024 to 2026.

- (iv) The Company's subsidiaries incorporated overseas, other than Hong Kong and the BVI, are subject to overseas profits tax at 12% to 29.84% on estimated assessable profit for the year ended 31 December 2025 (2024: 12% to 29.84%).
- (v) According to the Corporate Income Tax Law and its implementation rules, dividends and interest receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008. The withholding tax rate of 10% was applicable for the Group for the years ended 31 December 2025 and 2024.
- (vi) In 2025, Certain subsidiaries met the criteria required for preferential income tax rate granted to small and low profit-making enterprise in the PRC. Consequently, as of 1 January 2025, the income tax rate for these subsidiaries was reduced from 25% to 5%. This change resulted in a loss of RMB632,000 related to the remeasurement of deferred tax assets and liabilities, being recognised for the year ended 31 December 2025.

(c) Pillar Two income taxes

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development.

From 1 January 2025, the Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland.

The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and accounted for the tax as current tax when incurred.

6 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2025 is based on the profit attributable to equity shareholders of the Company of RMB58,199,000 (2024: RMB55,807,000) and the weighted average of 1,396,308,796 shares (2024: 1,418,831,052) in issue during the year.

| | 2025 <i>Shares</i> | 2024 <i>Shares</i> |
|--|-----------------------------|-----------------------------|
| Issued shares at 1 January | 1,397,633,700 | 1,436,567,700 |
| Effect of shares repurchased | <u>(1,324,904)</u> | <u>(17,736,648)</u> |
| Weighted average number of shares at 31 December | <u><u>1,396,308,796</u></u> | <u><u>1,418,831,052</u></u> |

(b) Diluted earnings per share

The effect of share options of the Group were anti-dilutive for the year ended 31 December 2025.

7 OTHER NON-CURRENT FINANCIAL ASSETS

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Equity securities designated at FVOCI (non-recycling) | | |
| – Unlisted equity securities (<i>note (a)</i>) | 65,083 | 68,570 |
| – Listed equity securities (<i>note (b)(c)</i>) | <u>169,599</u> | <u>6,695</u> |
| | <u><u>234,682</u></u> | <u><u>75,265</u></u> |
| Financial assets measured at FVPL | | |
| – Investments in limited partnership enterprises (<i>note (d)</i>) | 33,299 | 27,498 |
| – Investments in funds (<i>note (e)</i>) | – | 51,345 |
| – Key management insurance contracts (<i>note (f)</i>) | <u>240,329</u> | <u>246,394</u> |
| | <u><u>273,628</u></u> | <u><u>325,237</u></u> |
| | <u><u>508,310</u></u> | <u><u>400,502</u></u> |

Notes:

- (a) The Group held unlisted equity investments in several entities. The entities are incorporated in the PRC and Canada and mainly engaged in catering industry. The Group designated its investments in unlisted equity securities at FVOCI (non-recycling), as the investments are held for strategic purposes. Fair value of each unlisted equity securities is determined by the directors of the Company with reference to the valuation performed, using the price-to-earnings ratios, price-to-sales ratios or enterprise value to earnings before interest and tax ratios of comparable listed companies adjusted for lack of marketability discount if no market information of recent transactions is available, such as recent fund-raising transactions undertaken by the investees.

- (b) The Group held equity securities listed on the Main Board of The Stock Exchange of Hong Kong Limited. The Group designated its investments in the listed equity securities at FVOCI (non-recycling), as the investments are held for long-term investment purpose. Fair value of the listed equity securities is measured by referencing to the stock price.

A previously unlisted equity investment was listed on the Main Board of The Stock Exchange of Hong Kong Limited in 2025.

- (c) Dividends of RMB4,005,000 (2024: RMB979,000) were received on these investments during the year ended 31 December 2025.
- (d) The Group held investments in limited partnership enterprises (the “**Partnership Enterprise(s)**”). These Partnership Enterprises are specialised in equity investment. The Group has an intention of holding such investments as long-term investments. According to the Partnership Enterprises agreements, the Partnership Enterprises are managed by their general partner. The Group participates in the Partnership Enterprise as one of the limited partners who does not have power on selection nor removal of assets manager or general partner of the Partnership Enterprise. In addition, the Group does not have any right on making operating, investing and financing decision of the Partnership Enterprise. The directors are of the opinion that the Group does not have any control nor significant influence to affect the variable returns through its investment in the Partnership Enterprise and therefore these investments are accounted for at fair value. Fair value of the investments in such Partnership Enterprises is measured by referencing to the fair value of underlying investments. Fair value of each underlying investment is determined by the directors of the Company with reference to the valuation performed, using the price-to-sales ratios of comparable listed companies adjusted for lack of marketability discount if no market information of recent transactions is available, such as recent fund-raising transactions undertaken by the investees.
- (e) The Group held investments in funds operated by a fund management company. The investments are accounted for at fair value. Since the units in the funds are redeemable at the net asset value of the funds, fair value of such investments is measured according to the net asset value as at the end of each reporting period. The Company has redeemed the investments in 2025.
- (f) The policy holder and beneficiary of the key management insurance contracts is the Company. The fair values of key management insurance contracts is determined by reference to the cash surrender value of the insurance policies at the end of each reporting period.

8 INVENTORIES

- (a) **Inventories in the consolidated statement of financial position comprise:**

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|-------------------|------------------------|------------------------|
| Food ingredients | 49,440 | 69,304 |
| Condiment product | 24,666 | 29,105 |
| Beverage | 1,894 | 2,494 |
| Other materials | 11,141 | 14,553 |
| | <u>87,141</u> | <u>115,456</u> |

- (b) **The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:**

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---|------------------------|------------------------|
| Carrying amount of inventories sold (<i>note</i>) | <u>1,955,094</u> | <u>2,239,903</u> |

Note: Carrying amount of inventories sold includes RMB96,571,000 for the year ended 31 December 2025 (2024: RMB77,799,000), relating to “staff costs”, “depreciation and amortisation expenses”.

9 TRADE AND OTHER RECEIVABLES

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|-----------------------------------|------------------------|------------------------|
| Trade debtors | 61,976 | 56,542 |
| Input value-added tax recoverable | 449,334 | 435,173 |
| Deposits | 63,216 | 82,981 |
| Other receivables | 27,339 | 40,174 |
| Prepayments to vendors | 47,639 | 54,954 |
| Prepayments to an associate | 2,146 | 223 |
| Amounts due from related parties | 134,098 | 99,918 |
| Loans to BIG WAY GROUP INC.(note) | 21,086 | – |
| | <u>806,834</u> | <u>769,965</u> |

Note: Loans to BIG WAY GROUP INC. are unsecured, interest rate at 7.0% per annum and repayable on demand.

There was no amount due but unpaid, nor any loss allowance made against the principal amount of or interest on these loans at 31 December 2025.

All of the trade and other receivables are expected to be recovered or recognised as expense within one year or are recovered on demand.

Ageing analysis:

As at the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the revenue recognition date, is as follows:

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|----------------|------------------------|------------------------|
| Within 1 month | 46,530 | 44,530 |
| 1 to 2 months | 4,201 | 10,635 |
| 2 to 3 months | 6,328 | 1,377 |
| Over 3 months | 4,917 | – |
| | <u>61,976</u> | <u>56,542</u> |

Trade debtors are due within 30 to 45 days from the date of revenue recognition.

10 TRADE AND OTHER PAYABLES

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|--------------------------------|------------------------|------------------------|
| Trade payables | 154,430 | 213,116 |
| Construction fee payables | 164,007 | 120,268 |
| Staff cost payable | 118,329 | 130,027 |
| Accrued charges | 65,986 | 76,850 |
| Other taxes payables | 8,363 | 8,534 |
| Other payables | 63,650 | 68,462 |
| Amounts due to related parties | – | 1,510 |
| Dividends payable | – | 3,830 |
| | <u>574,765</u> | <u>622,597</u> |

All trade and other payables (including amounts due to related parties) are expected to be settled or recognised as income within one year or are repayable on demand.

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

| | 2025 <i>RMB'000</i> | 2024 <i>RMB'000</i> |
|---------------|------------------------|------------------------|
| Within 1 year | <u>154,430</u> | <u>213,116</u> |

11 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

(i) Issued share capital

| | 2025 | | |
|--|----------------------|---|--|
| | No. of shares | Nominal value of fully paid shares USD | Nominal value of fully paid shares RMB equivalent |
| Ordinary shares, issued and fully paid: | | | |
| At 1 January 2025 | 1,397,633,700 | 139.77 | 945 |
| Shares repurchased and cancelled (note 11(a)(ii)) | <u>(5,851,000)</u> | <u>(0.59)</u> | <u>(4)</u> |
| At 31 December 2025 | <u>1,391,782,700</u> | <u>139.18</u> | <u>941</u> |

The ordinary share of the Company has a par value of USD0.0000001 each.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(ii) Purchase of own shares

During the year ended 31 December 2025, the Company repurchased its own ordinary shares on The Stock Exchange of Hong Kong Limited as follows:

| Month/year | Number of shares repurchased | Highest price paid per share | Lowest price paid per share | Aggregate price paid HKD | Aggregate price paid RMB equivalent |
|------------|------------------------------|------------------------------|-----------------------------|-----------------------------|--|
| | | HKD | HKD | | |
| September | 483,000 | 2.09 | 2.06 | 1,001,000 | 914,000 |
| October | 5,368,000 | 2.13 | 2.00 | 11,057,000 | 10,101,000 |
| December | 1,114,000 | 1.82 | 1.77 | 2,004,000 | 1,811,000 |
| | <u>6,965,000</u> | | | | <u>12,826,000</u> |

During the year ended 31 December 2025, 5,851,000 shares were repurchased and cancelled (2024: 38,934,000 shares) and 1,114,000 shares repurchased have not been cancelled by the Company (2024: nil).

(b) Movements in components of equity

Details of the changes in the Company's individual components of equity are set out below:

The Company

| | Note | Share capital RMB'000 | Share premium RMB'000 | Treasury shares RMB'000 | Share-based payment reserve RMB'000 | Exchange reserve RMB'000 | Fair value reserve (non-recycling) RMB'000 | (Accumulated losses)/retained profits RMB'000 | Total RMB'000 |
|--|-----------------|--------------------------|--------------------------|----------------------------|--|-----------------------------|---|--|------------------|
| At 1 January 2024 | | 1 | 2,636,378 | - | 33,276 | 34,247 | (14,003) | (21,043) | 2,668,856 |
| Loss for the year | | - | - | - | - | - | - | (22,541) | (22,541) |
| Other comprehensive income | | - | - | - | - | 49,516 | (220) | - | 49,296 |
| Purchase of own shares | 11(a)(ii) | - | - | (126,379) | - | - | - | - | (126,379) |
| Cancellation of shares | 11(a)(i) & (ii) | * | (126,379) | 126,379 | - | - | - | - | - |
| Equity-settled share-based transactions | | - | - | - | 18,227 | - | - | - | 18,227 |
| Share options forfeited during the year | | - | - | - | (12,072) | - | - | 12,072 | - |
| Dividends declared in respect of previous year | 11(d) | - | (192,678) | - | - | - | - | - | (192,678) |
| At 31 December 2024 and 1 January 2025 | | 1 | 2,317,321 | - | 39,431 | 83,763 | (14,223) | (31,512) | 2,394,781 |
| Profit for the year | | - | - | - | - | - | - | 34,745 | 34,745 |
| Other comprehensive income | | - | - | - | - | (57,390) | 26,922 | - | (30,468) |
| Purchase of own shares | 11(a)(ii) | * | - | (12,826) | - | - | - | - | (12,826) |
| Cancellation of shares | 11(a)(i) & (ii) | - | (11,013) | 11,013 | - | - | - | - | - |
| Equity-settled share-based transactions | | - | - | - | 21,127 | - | - | - | 21,127 |
| Share options forfeited during the year | | - | - | - | (19,543) | - | - | 19,543 | - |
| Dividends declared in respect of previous year | 11(d) | - | (51,626) | - | - | - | - | - | (51,626) |
| At 31 December 2025 | | 1 | 2,254,682 | (1,813) | 41,015 | 26,373 | 12,699 | 22,776 | 2,355,733 |

* The amount represents amount less than RMB1,000.

(c) Nature and purposes of reserves

(i) Capital reserve

During the year ended 31 December 2020, the Group disposed 20% and 0.1% equity interest of Xi Qin Catering to non-controlling shareholders at consideration of RMB10,000 in aggregate and retain 79.9% equity interests after disposal. The capital reserve of the Group as at 31 December 2025 and 31 December 2024 represented the difference between the consideration obtained and the disposed proportionate interests in identifiable net assets of the above subsidiary.

(ii) Share premium

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

Under the Companies Act of the Cayman Islands, the funds in the share premium account of the Company are distributable to the equity shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(iii) Share-based payments reserve

The share-based payments reserve represents the portion of the grant date fair value of RSUs and unexercised share options granted to the directors and employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments.

(iv) Statutory reserve

According to the PRC Company Law, the Company's PRC subsidiaries are required to transfer 10% of their profit after taxation, as determined under the PRC accounting regulations, to statutory reserve until the reserve balance reaches 50% of the registered capital. For the purpose of calculating the transfer to reserve, the profit after taxation shall be the amount determined based on the statutory financial statements prepared in accordance with PRC accounting standards. The transfer to this reserve must be made before distribution of dividend to shareholders.

Statutory reserve fund can be used to cover previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

(v) Exchange reserve

The exchange reserve comprise all foreign exchange differences arising from the translation of the financial information of operations with functional currency other than RMB.

(vi) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) include post-tax accumulated gains or losses arising from the remeasurement of the unlisted equity securities designated at FVOCI (non-recycling).

(vii) Acquisition of NCI

During the year ended 31 December 2025, the Group acquired additional 40% equity interests in Too Two Canada Holdings Inc. and its subsidiaries (together referred to as the "Too Two Canada") for CAD40 and held 100% equity interests of Too Two Canada in aggregate upon completion of the acquisition. The carrying amount of Too Two Canada's net liabilities on the date of the acquisition was RMB11,887,000. The Group recognised an increase in non-controlling interests of RMB7,862,000 and a decrease in retained earnings of RMB4,127,000.

During the year ended 31 December 2024, the Group acquired additional 20.1% equity interests in Guangzhou Xi Qin Catering Management Co., Ltd.* ("Xi Qin Catering", 廣州西芹餐飲有限公司) for RMB10,000 and held 100% equity interests of Xi Qin Catering in aggregate upon completion of the acquisition. The carrying amount of Xi Qin Catering's net assets on the date of the acquisition was RMB5,954,000. The Group recognised a decrease in non-controlling interests of RMB1,197,000 and an increase in retained earnings of RMB1,187,000.

* The official name of this entity is in Chinese. The English translation of the name is for identification only.

(d) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the year

| | 2025 RMB'000 | 2024 RMB'000 |
|--|-----------------|-----------------|
| Final dividend proposed after the end of the year of HKD0.02 per ordinary share (2024: HKD0.02 per ordinary share) | 24,477 | 25,813 |
| Special dividend proposed after the end of the year of HKD nil per ordinary share (2024: HKD0.02 per ordinary share) | — | 25,813 |
| | <u>24,477</u> | <u>51,626</u> |

Final dividend and special dividend proposed after the end of the year have not been recognised as liabilities as at the end of the year.

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

| | 2025 | 2024 |
|---|-----------------------|----------------|
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Final dividend in respect of the previous financial year of HKD0.02 per ordinary share (2024: HKD0.15) | <u>51,626</u> | <u>192,678</u> |

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group's overall strategy remains unchanged throughout the years ended 31 December 2025 and 2024. The Group monitors its capital structure with reference to its debt position. The Group's strategy is to maintain the equity and debt in a balanced position and ensure there are adequate working capital to service its debt obligations. The Group's debt to asset ratio, being the Group's total liabilities over its total assets, as at 31 December 2025 was 44.8% (2024: 51.4%).

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

12 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

- (a) After the end of the reporting period, the directors proposed a final dividend. Further details are disclosed in note 11(d).
- (b) On February 26 2026, the Company acquired an additional preferred shares in BIG WAY GROUP INC. at a consideration of USD43,000,000. As a result, the Company's equity interest in BIG WAY GROUP INC. increased from 10% to 49%. Accordingly, the Company has classified its interest in BIG WAY GROUP INC. as interests in an associate.

In accordance with the agreement, RMB21,086,000 of the loans to BIG WAY GROUP INC. was set off against the consideration in the payment for the preferred shares.

13 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

As at the date of this report, the Directors consider the immediate parent of the Group to be GYH J Limited, which is incorporated in the BVI, and the ultimate controlling party of the Company to be Mr. Guan.

14 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ACCOUNTING YEAR BEGINNING ON OR AFTER 31 DECEMBER 2025

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

| | <i>Effective for accounting periods beginning on or after</i> |
|--|---|
| Amendments to IFRS 9 and IFRS 7, <i>Contracts Referencing Nature-dependent Electricity</i> | 1 January 2026 |
| Amendments to IFRS 9 and IFRS 7, <i>Amendments to the Classification and Measurement of Financial Instruments</i> | 1 January 2026 |
| Annual Improvements to IFRS Accounting Standards – Volume 11, <i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7</i> | 1 January 2026 |
| IFRS 18, <i>Presentation and Disclosure in Financial Statements</i> | 1 January 2027 |
| IFRS 19, <i>Subsidiaries without Public Accountability: Disclosures</i> | 1 January 2027 |
| Amendments to IFRS 10 and IAS 28, <i>Sale or Contribution of Assets between an Investor and its Associate or Joint venture</i> | Note |

Note: The effective date for these amendments was deferred indefinitely. Early adoption continues to be permitted.

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

OTHER INFORMATION

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

During the year ended December 31, 2025, the Company has utilized an aggregate of approximately HKD14.1 million (excluding expenses) to repurchase 6,965,000 Shares on market at a consideration ranging from HKD1.77 to HKD2.13 per share. The Shares repurchased during such period represent 0.5% of issued Shares as of December 31, 2025. Save for the shares repurchased on December 30 and December 31, 2025, all of the shares repurchased during the year ended December 31, 2025 were subsequently cancelled by the Company. The repurchase was based on the Company's operational growth outlook while acknowledging market conditions and macroeconomic performance indicators. Given the strong showing of the Group's financial performance, the Board believes that the purchase demonstrates the Company's confidence in its long-term business prospects and would ultimately benefit the Company and create value for the Shareholders as a whole. Details of the Shares repurchased are as follows:

| Month of repurchase during the year ended December 31, 2025 | Purchase consideration per Share | | | Aggregate consideration paid |
|---|----------------------------------|--------------------|-------------------|------------------------------|
| | No. of Shares repurchased | Highest price paid | Lowest price paid | |
| | | HKD | HKD | |
| September | 483,000 | 2.09 | 2.06 | 1,001,000 |
| October | 5,368,000 | 2.13 | 2.00 | 11,057,000 |
| December | 1,114,000 | 1.82 | 1.77 | 2,004,000 |
| Total | 6,965,000 | | | 14,062,000 |

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company for the year ended December 31, 2025. As of 31 December 2025, there were no treasury shares held by the Company.

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company has applied the principles as set out in the Corporate Governance Code (the "CG Code") contained in Part 2 of Appendix C1 to the Listing Rules.

The Board is of the view that the Company has complied with all the applicable code provisions as set out in the CG Code during the year ended December 31, 2025.

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 Appendix C3 to the Listing Rules as the Group’s code of conduct regarding the Directors’ securities transactions. Having made specific enquiry of all the Directors, all Directors confirmed that they have strictly complied with the Model Code during the year ended December 31, 2025.

The Board has also established written guidelines on terms no less exacting than the Model Code (the “**Guidelines**”) for securities transactions by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code. No incident of non-compliance with the Guidelines by the Company’s relevant employees has been noted during the year ended December 31, 2025 after making reasonable enquiry.

Audit Committee and Review of Financial Statements

The Company established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the CG Code. As of the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely Ms. Wang Xiaomei (Chairman), Ms. Tang Zhihui and Ms. Zhu Rui (with Ms. Wang Xiaomei possessing the appropriate professional qualifications and accounting and related financial management expertise). The main duties of the Audit Committee are to assist the Board in providing an independent review of the completeness, accuracy and fairness of the financial information of the Group, as well as the efficiency and effectiveness of the Group’s operations and internal controls.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended December 31, 2025. 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 members and the Company’s auditor, KPMG, Certified Public Accountants (the “**Auditor**”). Based on this review and discussions with the management and the Auditor, the Audit Committee was satisfied that the Group’s audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly present the Group’s financial position and results for the year ended December 31, 2025.

Scope of Work of KPMG

The financial figures in respect of the Group’s consolidated statement of financial position as at December 31, 2025, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in the preliminary announcement have been compared by the Auditor, to the amounts set out in the Group’s audited consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other 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 the Auditor.

Publication of Annual Results Announcement 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.jiumaojiu.com). The annual report of the Company for the year ended December 31, 2025 containing all the information required by the Listing Rules will be despatched (if requested) to the Shareholders and made available on the same websites in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, suppliers and customers of the Company for their continued support and trust. The Board would also like to thank all the employees and management team for executing the Group's strategies with professionalism, integrity and dedication.

By order of the Board
Jiumaojiu International Holdings Limited
Guan Yihong
Chairman

Hong Kong, March 27, 2026

As at the date of this announcement, the Board comprises Mr. Guan Yihong as chairman and executive Director, Mr. He Chengxiao as chief executive officer and executive Director, Ms. Cui Longyu and Mr. Su Danman as executive Directors, and Ms. Tang Zhihui, Ms. Zhu Rui and Ms. Wang Xiaomei as independent non-executive Directors.