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Haina Intelligent Equipment International Holdings Limited

海納智能裝備國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1645)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- The total revenue of the Group for the year ended 31 December 2025 amounted to approximately RMB490.8 million (2024: approximately RMB369.7 million), representing an increase of approximately 32.8% as compared with the year ended 31 December 2024.
- The gross profit of the Group for the year ended 31 December 2025 amounted to approximately RMB114.5 million (2024: approximately RMB52.0 million), representing an increase of approximately 120.2% as compared with the year ended 31 December 2024.
- Profit attributable to owners of the Company for the year ended 31 December 2025 amounted to approximately RMB21.8 million (2024: loss attributable to owners of the Company of approximately RMB38.1 million).
- Basic earnings per share for the year ended 31 December 2025 was approximately RMB3.86 cents (2024: basic loss per share of approximately RMB6.76 cents).
- The Board has resolved not to declare a final dividend for the year ended 31 December 2025 (2024: nil).

FINAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Haina Intelligent Equipment International Holdings Limited (the “**Company**” or “**Haina Intelligent**”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Year**”) together with the comparative figures of the previous corresponding year (the “**Prior Year**”) as follows:

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	<i>Note</i>	2025 RMB'000	2024 RMB'000
Revenue	4	490,771	369,657
Cost of sales		<u>(376,309)</u>	<u>(317,659)</u>
Gross profit		114,462	51,998
Other income	5	7,368	10,488
Selling and distribution expenses		(34,839)	(21,039)
Administrative and other operating expenses		(68,713)	(65,148)
Reversal of impairment loss (Impairment loss) of trade receivables, net		4,126	(7,131)
Impairment loss of other receivables		(19)	(326)
Impairment loss of debt instrument at amortised cost		(857)	(7,463)
Change in fair value of investment properties	10	2,745	–
Change in fair value of equity instruments at fair value through profit or loss (“FVPL”)		(5)	(222)
Equity-settled share-based payment expenses	16	(241)	(562)
Loss on disposal of a subsidiary		(1,071)	–
Finance costs	6	<u>(3,157)</u>	<u>(1,571)</u>
Profit (Loss) before tax	6	19,799	(40,976)
Income tax expense	7	<u>(698)</u>	<u>(12)</u>
Profit (Loss) for the year		<u>19,101</u>	<u>(40,988)</u>
Other comprehensive (loss) income for the year			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Exchange difference on translation of the Company’s financial statements to presentation currency		(5,929)	3,950
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange difference on consolidation		<u>2,972</u>	<u>(2,394)</u>
Total other comprehensive (loss) income for the year		<u>(2,957)</u>	<u>1,556</u>
Total comprehensive income (loss) for the year		<u>16,144</u>	<u>(39,432)</u>

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit (Loss) for the year attributable to:			
Owners of the Company		21,768	(38,130)
Non-controlling interests		<u>(2,667)</u>	<u>(2,858)</u>
		<u>19,101</u>	<u>(40,988)</u>
Total comprehensive income (loss) for the year attributable to:			
Owners of the Company		18,811	(36,574)
Non-controlling interests		<u>(2,667)</u>	<u>(2,858)</u>
		<u>16,144</u>	<u>(39,432)</u>
		<i>RMB cents</i>	<i>RMB cents</i>
Earnings (Loss) per share			
Basic	8	<u>3.86</u>	<u>(6.76)</u>
Diluted		<u>3.84</u>	<u>(6.76)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Non-current assets			
Investment properties	<i>10</i>	120,800	—
Property, plant and equipment	<i>11</i>	387,613	439,274
Intangible assets		2,687	6,732
Goodwill		—	—
Deferred tax assets		2,108	2,174
Deposit paid for acquisition of land use rights		3,550	—
		<u>516,758</u>	<u>448,180</u>
Current assets			
Inventories		230,040	247,087
Equity instruments at FVPL		210	225
Debt instrument at amortised cost		—	871
Trade and other receivables	<i>12</i>	151,308	123,965
Bank deposit with maturity over three months		—	1,800
Restricted bank deposits		20,064	14,241
Bank balances and cash		39,547	35,490
		<u>441,169</u>	<u>423,679</u>
Current liabilities			
Trade and other payables	<i>13</i>	310,133	314,015
Lease liabilities		1,347	2,665
Interest-bearing borrowings	<i>14</i>	354,398	281,037
Income tax payable		1,154	791
		<u>667,032</u>	<u>598,508</u>
Net current liabilities		<u>(225,863)</u>	<u>(174,829)</u>
Total assets less current liabilities		<u>290,895</u>	<u>273,351</u>
Non-current liabilities			
Lease liabilities		1,682	6,174
Deferred tax liabilities		1,074	1,210
		<u>2,756</u>	<u>7,384</u>
NET ASSETS		<u>288,139</u>	<u>265,967</u>
Capital and reserves			
Share capital	<i>15</i>	5,088	5,088
Reserves		280,390	261,338
		<u>285,478</u>	<u>266,426</u>
Equity attributable to owners of the Company		285,478	266,426
Non-controlling interests		2,661	(459)
TOTAL EQUITY		<u>288,139</u>	<u>265,967</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands under the Companies Law of the Cayman Islands as an exempted company with limited liability on 20 December 2017, and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 3 June 2020 (the “**Listing**”). The Company’s registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business in Hong Kong has changed from Flat C, 21/F, Max Share Centre, 373 King’s Road, North Point, Hong Kong to Suites 707-709, 7/F., 12 Taikoo Wan Road, Taikoo Shing, Quarry Bay, Hong Kong with effect from 7 November 2025.

The principal activity of the Company is investment holding. The Group is principally engaged in the design and production of automated machines for disposable hygiene products in the People’s Republic of China (the “**PRC**”).

In the opinion of the Directors, the immediate and ultimate holding company is Prestige Name International Limited, a limited liability company incorporated in the British Virgin Islands (the “**BVI**”). The ultimate controlling parties are Mr. Hong Yiyuan, Mr. Zhang Zhixiong, Mr. Su Chengya, Mr. He Ziping and Mr. Chang Chi Hsung (collectively referred to as the “**Controlling Shareholders**”), who have been acting in concert over the course of the Group’s business history.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”) and all amounts have been rounded to the nearest thousand (“**RMB’000**”), unless otherwise stated.

The adoption of the new/revised HKFRS Accounting Standards that are relevant to the Group and effective from the current year had no significant effects on the financial performance and financial position of the Group for the current and prior years.

Going concern assumption

At 31 December 2025, the Group recorded net current liabilities of approximately RMB225,863,000 (2024: approximately RMB174,829,000). Based on the estimation of the future cash flows of the Group, after taking into account of (i) the bank balances and cash at 31 December 2025; and (ii) the confirmed and indicated credit line commitments from financial institutions, the Directors are of the opinion that the Group will have sufficient working capital to finance its normal operation and meet the obligation for its liabilities for the twelve months from the end of the reporting period of the consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a going concern basis. Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, and to provide for any further liabilities which might arise. The effect of these potential adjustments has not been reflected in the consolidated financial statements.

3. SEGMENT INFORMATION

The Directors have determined that the Group has a single operating and reportable segment as the Group manages its business as a whole as the design and production of automated machines for disposable hygiene products and the executive Directors, being the chief operating decision makers of the Group, regularly review the internal financial reports on the same basis for the purposes of allocating resources and assessing performance of the Group. Operating segment information is not presented accordingly.

Information about geographical areas

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of the revenue is presented based on the location of customers.

Revenue from external customers

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
The PRC	288,834	276,738
Southeast Asia (Note (i))	48,001	57,982
South Asia (Note (ii))	63,866	68
South America (Note (iii))	59,553	12,504
West Asia	17,715	3,220
Central Asia	6,581	19,043
East Africa	5,879	–
Others	342	102
	<u>490,771</u>	<u>369,657</u>

Notes:

- (i) Southeast Asia included the sales to external customers located in the Republic of Indonesia, Vietnam, Singapore, the Philippines, Malaysia, and Cambodia.
- (ii) South Asia included the sales to external customers located in India, Bangladesh, and the Islamic Republic of Pakistan.
- (iii) South America represents the sales to external customers located in Brazil.

The non-current assets are based on the physical location of the assets, in the case of property, plant and equipment, and the location of the operation to which they are allocated, in the case of intangible assets and investment properties, and excluded deferred tax assets and deposit paid for acquisition of land use rights.

Non-current assets

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
The PRC	511,100	445,835
Hong Kong	—	171
	511,100	446,006

Information about major customers

Details of the customer (including entities under common control) individually accounting for 10% or more of aggregate revenue of the Group during the year are as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A	<i>Note</i>	41,328

Note: The customer contributed less than 10% of the total revenue of the Group for the Year.

4. REVENUE

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within HKFRS 15 – at a point in time		
Sales of machines of		
– baby diaper	214,294	175,896
– adult diaper	176,386	115,771
– lady sanitary napkin	50,124	31,724
– wet wipe	4,136	7,386
Sales of components and parts	45,831	38,880
	<u>490,771</u>	<u>369,657</u>

The amount of revenue recognised for the Year that was included in the contract liabilities at the beginning of the year is approximately RMB84,844,000 (Note 13(c)) (2024: approximately RMB57,819,000).

5. OTHER INCOME

	2025 RMB'000	2024 RMB'000
Bank interest income	311	499
Interest income from debt instrument at amortised cost	–	1,543
Exchange gain, net	–	2,325
Government grants (Note (i))	1,088	990
Additional deduction of input value-added tax (“VAT”) (Note (ii))	1,547	1,956
Sale of scrap materials	1,350	1,116
Write-back of other payables (Note 13(d))	815	–
Gain on early termination of leases	5	–
Others	2,252	2,059
	<u>7,368</u>	<u>10,488</u>

Notes:

- (i) In the opinion of the management of the Group, there was no unfulfilled condition or contingency relating to the government grants.
- (ii) According to Announcement 2023 No. 43 of the Ministry of Finance and the State Taxation Administration of the PRC, with effect from 1 January 2023 to 31 December 2027, advanced manufacturing enterprises are eligible for additional VAT credits by 5% of the current period creditable VAT input. The subsidiaries of the Company, Jinjiang Haina Machinery Co. Ltd* (晉江海納機械有限公司) (“**Jinjiang Haina**”) and Hangzhou Haina Machinery Co. Ltd* (杭州海納機械有限公司) (“**Hangzhou Haina**”) are qualified for the additional deduction of input VAT.

* English name is for identification purpose only.

6. PROFIT (LOSS) BEFORE TAX

This is stated after charging (crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance costs		
Interest on bank borrowings	8,899	6,069
Finance charges on lease liabilities	309	685
	<u>9,208</u>	<u>6,754</u>
Less: interest on bank borrowings capitalised into construction in progress	<u>(6,051)</u>	<u>(5,183)</u>
	<u><u>3,157</u></u>	<u><u>1,571</u></u>
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Staff costs, including Directors' remuneration		
Salaries, allowances and other benefits in kind	63,448	57,072
Discretionary bonuses	2,553	2,482
Equity-settled share-based payment expenses	241	562
Contributions to defined contribution plans	12,328	11,905
	<u>78,570</u>	<u>72,021</u>
Other items		
Auditor's remuneration		
– Audit service	1,476	1,478
– Non-audit service	194	194
	<u><u>1,670</u></u>	<u><u>1,672</u></u>
Amortisation of intangible assets (included in “cost of sales” and “administrative and other operating expenses”, as appropriate)	<u><u>4,045</u></u>	<u><u>5,304</u></u>

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories (<i>Note (a)</i>)	<u>376,309</u>	<u>317,659</u>
Depreciation of property, plant and equipment (included in “cost of sales” and “administrative and other operating expenses”, as appropriate)	15,074	14,692
Less: capitalised as “construction in progress”	<u>(426)</u>	<u>(875)</u>
	<u>14,648</u>	<u>13,817</u>
Short-term lease payments (included in “cost of sales”)	846	1,032
Loss on disposal of property, plant and equipment, net	283	111
(Reversal of write-down) Write-down of inventories (included in “cost of sales”) (<i>Note (b)</i>)	(1,746)	7,613
Research and development expenses	<u>30,695</u>	<u>29,573</u>

Notes:

- (a) During the Year, cost of inventories included approximately RMB44,625,000 (2024: approximately RMB56,060,000), relating to the aggregate amount of certain staff costs, depreciation and write-down of inventories, which were included in the respective amounts as disclosed above.
- (b) The inventories that had been written down during the Prior Year were subsequently utilised during the Year.

7. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax		
PRC Enterprise Income Tax – current year	1,819	312
Hong Kong Profits Tax – current year	–	17
Over-provision in prior years	<u>(1,051)</u>	<u>–</u>
	768	329
Deferred tax		
Origination and reversal of temporary differences	<u>(70)</u>	<u>(317)</u>
Income tax expense for the year	<u>698</u>	<u>12</u>

The Group's entities established in the PRC are subject to PRC Enterprise Income Tax at a statutory rate of 25% except for Jinjiang Haina, Hangzhou Haina and Jinjiang Haijia Intelligent Equipment Co., Ltd.* (晉江市海佳智能裝備有限公司) (“**Jinjiang Haijia**”) were recognised as High and New Technology Enterprises and are entitled to a preferential tax rate of 15%. The entitlement of this tax benefit is subject to renewal by respective tax bureau in the PRC every three years. The latest approvals for Jinjiang Haina, Hangzhou Haina and Jinjiang Haijia enjoying this tax benefit were obtained in December 2023 for the three years ended 31 December 2025, in December 2024 for the three years ending 31 December 2026 and in December 2024 for the three years ending 31 December 2026, respectively.

The Group's entities incorporated in the Cayman Islands and the BVI are exempted from income tax.

For the year ended 31 December 2025, Hong Kong Profits Tax has not been provided as the Group had no assessable profit arising from Hong Kong. For the year ended 31 December 2024, Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime under which, the first HK\$2 million assessable profits arising from Hong Kong of qualifying entity of the Group were taxed at 8.25%, and assessable profits arising from Hong Kong above HK\$2 million were taxed at 16.5%. As only one of the subsidiaries in the Group is eligible to elect the two-tiered profits tax rates, profits of the remaining subsidiaries of the Group will continue to be taxed at a flat rate of 16.5%.

* *English name is for identification purpose only.*

8. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit (Loss):		
Profit (Loss) attributable to owners of the Company used for the purpose of basic earnings (loss) per share	<u>21,768</u>	<u>(38,130)</u>
	2025 '000	2024 '000
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	563,976	563,976
Adjusted for calculation of diluted earnings per share:		
Share options	<u>2,483</u>	—
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	<u>566,459</u>	<u>563,976</u>

The computation of diluted earnings per share does not assume the exercise of the outstanding share options since the exercise prices per share options were higher than the average market price for shares of the Company for the Prior Year.

9. DIVIDENDS

No dividend was declared by the Group during the years ended 31 December 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

10. INVESTMENT PROPERTIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At fair value		
At the beginning of the reporting period	—	—
Transfer from construction in progress	118,055	—
Change in fair value	2,745	—
	<hr/>	<hr/>
At the end of the reporting period	120,800	—
	<hr/> <hr/>	<hr/> <hr/>

The investment properties were transferred from construction in progress during the Year. At 31 December 2025, the investment properties were revalued by BonVision International Appraisals Limited, an independent professional qualified valuer, on the market value basis using direct comparison approach.

Direct comparison approach is adopted by the Group as valuation technique as the adoption can reflect the relevance to the existing conditions of the investment properties and give a fairer presentation of the financial performance and financial position of the Group.

11. PROPERTY, PLANT AND EQUIPMENT

The Group's property, plant and equipment decreased to approximately RMB387,613,000 as at 31 December 2025 (2024: approximately RMB439,274,000), primarily attributable to the transfer from construction in progress of approximately RMB118,055,000 (2024: nil) in relation to the completion of properties under construction to investment properties.

12. TRADE AND OTHER RECEIVABLES

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables		90,455	72,061
Less: Allowance for expected credit losses (“ECL”)		<u>(10,195)</u>	<u>(16,448)</u>
		<u>80,260</u>	<u>55,613</u>
Bills receivables	<i>12(b)</i>	<u>–</u>	<u>529</u>
	<i>12(a)</i>	<u>80,260</u>	<u>56,142</u>
Other receivables			
Prepayment to suppliers		6,636	6,945
Other prepaid expenses		2,459	3,076
Consideration receivable	<i>12(c)</i>	–	2,344
Interest receivable from debt instrument at amortised cost		691	722
Deposits and other receivables		2,778	7,592
VAT and other tax recoverable		<u>59,175</u>	<u>50,191</u>
		71,739	70,870
Less: Allowance for ECL		<u>(691)</u>	<u>(3,047)</u>
		<u>71,048</u>	<u>67,823</u>
		<u>151,308</u>	<u>123,965</u>

12(a) Trade receivables

Apart from a portion of the contract sum retained by customers to cover the Group’s product quality warranty, the Group does not grant credit terms to customers in the sales contract. However, the Group may grant credit terms up to 30 days from the date of issuance of invoices to its customers for their processing of billing settlement or settlement terms as specified in the contracts for a specific settlement arrangement with monthly instalments paid up to 12 months as approved by the management on a case by case basis.

Included in trade receivables at 31 December 2025 was retained sums of approximately RMB1,883,000 (2024: *approximately RMB9,050,000*). These are due for collection upon the expiry of product quality warranty period (which is usually 12 months from the acceptance by the customer of the machine).

At the end of reporting period, the ageing analysis of trade receivables and bills receivables (net of allowance for ECL) based on revenue recognition date is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 30 days	24,139	3,278
31 to 60 days	19,360	6,054
61 to 90 days	4,742	4,665
91 to 180 days	7,432	11,273
181 to 365 days	10,691	19,544
Over 365 days	13,896	11,328
	<u>80,260</u>	<u>56,142</u>

At the end of reporting period, the ageing analysis of the trade receivables and bills receivables (net of allowance for ECL) by due date is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Not yet due	<u>27,653</u>	<u>27,746</u>
Past due:		
Within 30 days	14,344	4,417
31 to 60 days	8,091	3,072
61 to 90 days	6,555	2,496
91 to 180 days	7,837	4,159
181 to 365 days	8,081	5,700
Over 365 days	<u>7,699</u>	<u>8,552</u>
	<u>52,607</u>	<u>28,396</u>
	<u>80,260</u>	<u>56,142</u>

The Group does not hold any collateral over the trade receivables.

In the opinion of the Directors, there was no credit-impaired trade receivables except for debtors with gross trade receivables of approximately RMB5,933,000 (2024: *approximately RMB14,518,000*) at 31 December 2025.

12(b) Bills receivables

At 31 December 2024, the bills receivables were interest-free, guaranteed by banks in the PRC and have maturities of less than 1 year. All bills receivables were settled during the Year.

12(c) Consideration receivable

At 31 December 2024, the consideration receivable represents a carrying amount before ECL of final instalment of HK\$2,500,000 (equivalent to approximately RMB2,344,000) in relation to a disposal of an unlisted equity instrument to an independent third party at a total consideration of HK\$14,200,000 due to the investment no longer meets the investment objective of the Group during the year ended 31 December 2022. The consideration receivable was fully impaired during the year ended 31 December 2023.

13. TRADE AND OTHER PAYABLES

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	<i>13(a)</i>	94,208	87,953
Bills payables	<i>13(b)</i>	47,684	37,700
Other payables			
Salaries payable		7,187	7,634
Contract liabilities – receipt in advance	<i>13(c)</i>	109,351	95,081
Payable for construction in progress		26,342	58,453
Payable for property, plant and equipment		1,474	1,851
Other tax payables		1,274	1,574
Accruals and other payables	<i>13(d)</i>	22,613	23,769
		168,241	188,362
		310,133	314,015

All of the trade and other payables are expected to be settled within one year or repayable on demand.

13(a) Trade payables

The trade payables are non-interest bearing and the Group is normally granted with credit term up to 180 days.

At the end of the reporting period, the ageing analysis of the trade payables based on goods receipt date is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 30 days	62,592	54,441
31 to 60 days	10,722	10,132
61 to 90 days	5,615	9,865
91 to 180 days	8,907	8,312
181 to 365 days	438	2,404
Over 365 days	5,934	2,799
	94,208	87,953

13(b) Bills payables

At the end of the reporting period, the bills payables are interest-free, guaranteed by banks in the PRC and have maturities of less than six months. The Group's bills payables are secured by pledge of the Group's restricted bank deposits of approximately RMB20,034,000 (2024: approximately RMB14,211,000).

13(c) Contract liabilities – receipt in advance

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At the beginning of the reporting period	95,081	76,250
Recognised as revenue	(84,844)	(57,819)
Receipt in advance	99,114	76,650
At the end of the reporting period	109,351	95,081

At 31 December 2025, the contract liabilities that are expected to be settled within 12 months are approximately RMB109,351,000 (2024: approximately RMB95,081,000).

For the year ended 31 December 2025, there was an increase in the overall contract activities, thereby increasing the amount arising from the receipt of advances.

13(d) Accruals and other payables

At 31 December 2025, include in the balance of accruals and other payables of RMB1,750,000 (2024: approximately RMB2,915,000), which represents a payable in relation to the development of a “5G+ Intelligent Platform for Equipment Operation and Maintenance Services”.

In July 2025, a service provider of Jinjiang Haina (the “**Plaintiff**”) submitted an application for civil case proceedings at Fujian Province Jinjiang City People’s Court* (福建省晉江市人民法院) (the “**Court**”) for claiming an outstanding contract sum of approximately RMB3,218,000 and damages of approximately RMB965,000 from Jinjiang Haina in relation to the development of a “5G+ Intelligent Platform for Equipment Operation and Maintenance Services” (the “**Claim**”).

On 10 November 2025, Jinjiang Haina and the Plaintiff entered into a civil mediation agreement that Jinjiang Haina and the Plaintiff agreed to settle the outstanding contract sum of approximately RMB2,100,000 payable in 12 equal monthly instalments from November 2025. At 31 December 2025, the remaining agreed outstanding contract sum of RMB1,750,000 will be settled in 10 equal monthly instalments. The Directors are of the opinion that no further provision in respect of the Claim is required to be provided at 31 December 2025. Accordingly, the related original payable in excess of the agreed outstanding contract sum of approximately RMB815,000 had been written back during the Year.

Up to the date of this announcement, there is no further update for the Claim.

* *English name is for identification purpose only.*

14. INTEREST-BEARING BORROWINGS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank loans – unsecured	11,000	6,000
Bank loans – secured	343,398	275,037
	<u>354,398</u>	<u>281,037</u>
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Analysed for reporting purpose:		
Carrying amounts of interest-bearing borrowings that are repayable*		
Within one year	79,467	65,851
More than one year, but not exceeding two years	12,457	12,096
More than two years, but not exceeding five years	44,059	28,336
More than five years	218,415	174,754
	<u>354,398</u>	<u>281,037</u>
Amounts shown under current liabilities	<u>354,398</u>	<u>281,037</u>

* *The amounts due are based on scheduled repayment dates, set out in the loan agreements.*

The exposure of the Group's borrowings is as follows:

	2025	2024
	RMB'000	RMB'000
Fixed-rate borrowings	91,295	45,783
Variable-rate borrowings	263,103	235,254
	354,398	281,037

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	2025	2024
Effective interest rate:		
Fixed-rate borrowings	1.50% to 3.30%	2.00% to 3.65%
Variable-rate borrowings	2.00% to 3.50%	2.00% to 3.78%

The carrying amounts of the interest-bearing borrowings are denominated in the following currencies:

	2025	2024
	RMB'000	RMB'000
RMB	354,398	281,037

At 31 December 2025, the secured bank loans are collectively secured by:

- (i) land use rights, buildings, construction in progress and investment properties of the Group with aggregate net carrying value of approximately RMB40,666,000 (2024: approximately RMB41,542,000), approximately RMB125,423,000 (2024: approximately RMB49,282,000), approximately RMB187,497,000 (2024: approximately RMB188,145,000) and approximately RMB118,055,000 (2024: nil), respectively;
- (ii) restricted bank deposits amounted to approximately RMB30,000 (2024: approximately RMB30,000);
- (iii) personal guarantee given by Mr. Hong Yiyuan, who is one of the Controlling Shareholders, to the extent of approximately RMB10,000,000 (2024: approximately RMB10,000,000);
- (iv) personal guarantees given by Mr. Hong Yiyuan, Mr. Zhang Zhixiong, Mr. Su Chengya and Mr. He Ziping, who are the Controlling Shareholders, to the extent of RMB20,000,000 (2024: nil) respectively; and
- (v) personal guarantee collectively given by Mr. Hong Yiyuan, Mr. Zhang Zhixiong, Mr. Su Chengya and Mr. He Ziping, who are the Controlling Shareholders, to the extent of approximately RMB30,000,000 (2024: nil).

All of the bank facilities are subject to the fulfillment of certain covenants which are commonly found in lending arrangements with financial institutions. If the Company and subsidiaries were to breach the covenants, the drawn down facilities would become repayable on demand. In addition, certain of the relevant borrowing entities' loan agreements contain clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the relevant borrowing entities have complied with the covenants and met the scheduled repayment obligations.

The Group regularly monitors its compliance with these covenants and has made payments according to the schedule of the loans and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as the Group continues to meet these requirements.

15. SHARE CAPITAL

Ordinary share of HK\$0.01 each	Number of shares	HK\$	Equivalent to RMB'000
Authorised:			
At 31 December 2024, 1 January 2025 and 31 December 2025	<u>2,000,000,000</u>	<u>20,000,000</u>	<u>10,695</u>
Issued and fully paid:			
At 31 December 2024, 1 January 2025 and 31 December 2025	<u>563,976,000</u>	<u>5,639,760</u>	<u>5,088</u>

16. SHARE-BASED PAYMENTS

Pursuant to the Company's general meeting on 8 May 2020 (the "**Date of Adoption**"), an ordinary resolution was passed to approve and adopt the new share option scheme of the Company (the "**Scheme**").

The purpose of the Scheme is to provide incentives or rewards to participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity. Participants of the scheme include (i) any eligible employee; (ii) any director (including executive, non-executive and independent non-executive directors) of the Company, any of its subsidiaries or any invested entity; (iii) any supplier of goods or services to any member of the Group or any invested entity; (iv) any customer of the Group or any invested entity; (v) any person or entity acting in their capacities as advisers or consultants that provides research, development or other technological support to the Group or any invested entity; (vi) any shareholder of any member of the Group or any invested entity or any holder of any securities issued by any member of the Group or any invested entity; and (vii) any other group or class of Participants from time to time determined by the directors as having contributed or may contribute to the development and growth of the Group and any invested entity. The Scheme will remain in force for 10 years from the Date of Adoption, unless otherwise terminated or altered.

The total number of shares which may be granted under the Scheme and any other share option schemes of the Company shall not exceed 10% of the total number of shares in issue immediately upon completion of the Share Offer (the “**10% Limit**”) unless the Company seeks the approval of the shareholders in general meeting for refreshing the 10% Limit, if applicable. The maximum number of shares issued and issuable to each participant under the Scheme in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue as at proposed grant date.

Each grant of options to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the Scheme or any other share option scheme of the Company or any of its subsidiaries shall be subject to approval by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, in aggregate over 0.1% of the relevant class of shares in issue and with an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000 within any 12-month period, are subject to shareholders’ approval in general meeting.

The offer of grant of share options is accepted upon a remittance in favour of the Company of HK\$1 by way of consideration for grant is received by the Company from grantee. The exercise period of the share options granted is determinable by the board of directors and commences from the date on which the offer of share options is duly accepted by the grantee in accordance with the Scheme.

The subscription price of share options is determinable by the board of directors, and shall not be lower than highest of (i) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotation sheet on the date of grant; (ii) the average closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company’s shares.

On 21 May 2021, the Company offered to grant a total of 14,000,000 share options at an exercise price of HK\$1.14 per share of the Company to certain eligible participants (the “**Grantees**”), of which 10,000,000 and 4,000,000 share options were respectively granted to the executive directors of the Company and certain employees of the Group, pursuant to the Scheme of the Company. The Grantees are entitled, subject to the terms and conditions of the grant and upon exercise, to subscribe a total of 14,000,000 ordinary shares in the share capital of the Company.

The movement during the Year and the share options outstanding at 31 December 2025 are as follows:

Category of the Grantees	Date of grant (dd/mm/yyyy)	Exercise price HK\$	Vesting date (dd/mm/yyyy)	Exercisable period (dd/mm/yyyy)	Number of share options				
					At 01/01/2025	Granted during the year	Exercised	Cancelled/ Lapsed	At 31/12/2025
Directors									
Mr. Hong Yiyuan	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	2,000,000	–	–	–	2,000,000
			01/01/2025	01/01/2025 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 -20/05/2031	1,000,000	–	–	–	1,000,000
					<u>4,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>4,000,000</u>
Mr. Zhang Zhixiong	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2025	01/01/2025 -20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 -20/05/2031	500,000	–	–	–	500,000
					<u>2,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,000,000</u>
Mr. Su Chengya	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2025	01/01/2025 -20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 -20/05/2031	500,000	–	–	–	500,000
					<u>2,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,000,000</u>
Mr. He Ziping	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2025	01/01/2025 -20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 -20/05/2031	500,000	–	–	–	500,000
					<u>2,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,000,000</u>
Sub-total					10,000,000	–	–	–	10,000,000
Eligible employees	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	2,000,000	–	–	–	2,000,000
			01/01/2025	01/01/2025 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 -20/05/2031	1,000,000	–	–	–	1,000,000
					<u>4,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>4,000,000</u>
Sub-total					4,000,000	–	–	–	4,000,000
Total					14,000,000	–	–	–	14,000,000

The movement during the Prior Year and the share options outstanding at 31 December 2024 are as follows:

Category of the Grantees	Date of grant (dd/mm/yyyy)	Exercise price HK\$	Vesting date (dd/mm/yyyy)	Exercisable period (dd/mm/yyyy)	Number of share options				
					At 01/01/2024	Granted during the year	Exercised	Cancelled/ Lapsed	At 31/12/2024
Directors									
Mr. Hong Yiyuan	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	2,000,000	–	–	–	2,000,000
			01/01/2025	01/01/2025 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 -20/05/2031	1,000,000	–	–	–	1,000,000
					<u>4,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>4,000,000</u>
Mr. Zhang Zhixiong	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2025	01/01/2025 -20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 -20/05/2031	500,000	–	–	–	500,000
					<u>2,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,000,000</u>
Mr. Su Chengya	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2025	01/01/2025 -20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 -20/05/2031	500,000	–	–	–	500,000
					<u>2,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,000,000</u>
Mr. He Ziping	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2025	01/01/2025 -20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 -20/05/2031	500,000	–	–	–	500,000
					<u>2,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,000,000</u>
Sub-total					10,000,000	–	–	–	10,000,000
Eligible employees	21/05/2021	1.14	01/01/2024	01/01/2024 -20/05/2031	2,000,000	–	–	–	2,000,000
			01/01/2025	01/01/2025 -20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 -20/05/2031	1,000,000	–	–	–	1,000,000
					<u>4,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>4,000,000</u>
Sub-total					4,000,000	–	–	–	4,000,000
Total					14,000,000	–	–	–	14,000,000

The fair values of share options granted to directors and employees on 21 May 2021 are approximately HK\$0.355 and HK\$0.360 per option respectively, which are calculated using a Binomial Option Pricing Model by an independent professional valuer, Roma Appraisals Limited with the following key inputs:

Share price at the date of grant	HK\$1.14
Exercise price	HK\$1.14
Expected volatility	46.42%
Risk-free interest rate	1.10%
Expected dividend yield	6.09%

The Binomial Option Pricing Model has been used to estimate the fair value of the share option. The value of the share options is subject to the limitation of the Binomial Option Pricing Model and a number of assumptions which are subjective and difficult to ascertain. Changes in the subjective input assumptions could materially effect the fair value estimate.

During the Year, with reference to the fair value of the share options granted, the Group recognised HK\$261,000 (equivalent to approximately RMB241,000) (2024: HK\$608,000 (equivalent to approximately RMB562,000)) as equity-settled share-based payment expenses. None of the share options was exercised.

17. EVENTS AFTER THE REPORTING PERIOD

In addition to information disclosed elsewhere in the consolidated financial statements, the Group had no significant subsequent event subsequent to 31 December 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established manufacturer engaging in the design and production of automated machines for manufacturing disposable hygiene products including baby diapers, adult diapers, lady sanitary napkins and wet wipe in the PRC.

Facing a complex and challenging external environment, the PRC economy continued to advance under pressure. In 2025, China's gross domestic product exceeded RMB140 trillion for the first time, representing a year-on-year growth of 5%, with economic performance demonstrating notable characteristics of stability, progress, innovation, and resilience. Benefiting from the dual drivers of the "trade-in" policy (including intensified efforts to promote equipment upgrades and expanding support for the trade-in of consumer goods) and large-scale fiscal subsidies, consumption recovery strengthened significantly during the period. Despite persistent global challenges such as geopolitical risks, supply chain volatility, and inflationary pressure, the Group leveraged its solid technological innovation capabilities, comprehensive industrial chain integration strengths, and flexible market development capabilities to achieve steady growth in a highly complex market environment. From technological breakthroughs to full-chain collaboration, and from domestic leadership to global deployment, Haina Intelligent, driven by continuous innovation, is leading the transformation and upgrading of the traditional manufacturing industry within the intelligent equipment sector.

For the Year, the Group owned two production bases in the PRC, namely the Jinjiang production base (the "**Jinjiang Production Base**") and the Hangzhou production base (the "**Hangzhou Production Base**"), with a total floor area of 150,123.09 square meters. The Jinjiang Production Base has a total construction area of 72,581.91 square meters, while the Hangzhou Production Base has a total construction area of 77,541.18 square meters, of which approximately 32,126.65 square meters are self-used and the remaining portion is planned to be leased out externally. The Group operated 18 and 9 production lines at the Jinjiang Production Base and the Hangzhou Production Base respectively, and responsible for the assembly of components and parts for automated machinery for disposable hygiene products, with the remaining relevant components and parts mainly sourced from third-party suppliers.

During the Year, the Group recorded total revenue of approximately RMB490.8 million, and the total number of machines sold reached 57 units, representing an increase of approximately 32.8% compared with the Prior Year. The Group also recorded a profit after tax of approximately RMB19.1 million. The Board does not recommend the distribution of a dividend for the Year. With the accelerating intelligent transformation of the manufacturing industry and the growing implementation of Industry 4.0, smart manufacturing, automation and digital solutions have become key factors for enterprises to enhance their competitiveness. During the Year, the Group continued to extend its focus on the flexible material and intelligent equipment manufacturing sector. At the same time, the Group plans to strengthen its overseas presence. Although the Group's primary customer base remained concentrated in the domestic market of the PRC accompanying demand for intelligent equipment continuing to grow in the PRC, South Asia and South America, meanwhile overseas markets acting as major destinations for global manufacturing relocation. As such, the Group intends to further increase investments and strategic deployment in overseas markets, with the aim of successfully exploring new customers, achieving sales growth and further enhancing market penetration. During the Year, the Group's sales network extended to 20 overseas countries.

During the Year, the Group held a total of 167 patents in the PRC. Leveraging our strengths in proprietary research and development (“**R&D**”) and specialized manufacturing capabilities, particularly through continued expansion of investments in automated equipment, the Group continued to promote product upgrades and technological innovation in the fields of intelligent and green manufacturing and achieved several key technological breakthroughs. For example, the Group developed a high-speed intelligent multi-head ultrasonic menstrual pants production line, with the output capacity for size M successfully increasing from 350 pieces per minute to 500 pieces per minute, representing an improvement in production efficiency of nearly 50%, while energy consumption is also expected to decrease by nearly 50%. These advancements further consolidated the Group's technological leading position in the global market.

As a responsible enterprise, Haina Intelligent continues to regard sustainable development as one of its core strategies. During the Year, the Group achieved notable progress in the technological field, including the continuous introduction of high-speed intelligent equipment to meet customers' needs for reducing carbon emissions during production, while also actively promoting the establishment of green factories and enhancing its digital and green transformation.

GOING FORWARD

Looking ahead to 2026, the global economy will continue to face multiple uncertainties; however, the outlook for the disposable hygiene products industry remains promising. Driven by accelerated population aging, continuous intelligent innovation upgrades, and rising hygiene awareness, the market is expected to sustain growth in consumer demand for environmentally friendly and innovative disposable hygiene products. This trend is especially notable in emerging markets, where rising consumer spending and accelerating urbanization contribute to particularly significant growth potential for the industry.

The Group will focus on the following development strategies:

1. **Continuous technological innovation and upgrades in intelligent manufacturing**

In June 2022, the Group successfully acquired a parcel of land located in Tonglin Village, Anhai Town, Fujian Province, the PRC, for the establishment of a new research and development and production centre (the “**R&D Centre**”). The construction of the R&D Centre has been completed and is commencing to official operation in the first quarter of 2026. Upon its commissioning, the R&D Centre will accommodate the relocation of the Group’s existing R&D activities, undertake technological development of key components, and provide product development support for the “Haina Machinery” brand. In the Prior Year, the Group purchased precision equipment to enhance its R&D capabilities, with related expenditures amounting to approximately RMB16.2 million, all of which were fully funded by internal resources. As at the date hereof, the R&D Centre has been equipped with eight high-precision machines, with related expenditures of approximately RMB8.7 million, thereby further optimizing production line configuration and elevating the Group’s level of intelligent manufacturing. These initiatives are expected to significantly enhance R&D efficiency, accelerate the technological upgrade of key component industries, and drive technological transformation. Meanwhile, they will also expedite product production turnover processes, thereby further improving overall operational efficiency.

2. **Enhancing production capacity and supply chain flexibility to deliver comprehensive solutions to customers**

The Group’s dual-base construction has achieved substantial progress. The Hangzhou Production Base has been fully commissioned, resulting in a significant improvement in annual production capacity and delivery capability for high-end equipment compared to previous years. Meanwhile, the Jinjiang Production Base, through automation upgrades and optimisation of its lean management system, will continue to drive technological iteration and innovative enhancements, and is expected to achieve another breakthrough in annual production capacity.

To effectively address customer needs, the Group has launched a “customisation and full life-cycle service” system that covers the entire process, “preliminary demand research, solution design, equipment installation and commissioning, after-sales maintenance, upgrades, and transformation”. This provides customers with one-stop intelligent equipment solutions. The synergies between the two production bases will continue to strengthen, resulting in a shortened average equipment delivery lead time. Meanwhile, the Group’s remote operation and maintenance system now fully covers all overseas equipment in operation, enabling the provision of maintenance services through remote technologies to swiftly resolve technical issues for customers, thereby reducing equipment downtime. Enhancements in remote-office technologies and the use of virtual meeting platforms have also reduced the need for business travel, supporting cost control and improving working efficiency. Going forward, the Group will continue to strengthen the development of its remote operation and maintenance system and further leverage artificial intelligence technologies to provide customers with faster and more precise troubleshooting solutions.

In addition, through its subsidiaries, the Group has implemented a vertical integration strategy, significantly increasing the in-house production rate of core components and effectively shortening procurement lead times. Looking ahead in the area of green manufacturing, the Group will invest in photovoltaic power generation systems to fully meet the electricity demand of its plants and significantly reduce energy consumption per unit of output value.

3. Advancing globalisation with a platform-based strategy and achieving continuous breakthroughs in overseas market expansion

The Group continued to strengthen its global platform-based strategy and achieved further breakthroughs in overseas markets. Emerging markets, such as Asia, Africa, and South America, remain key growth engines for the Group’s business. Looking ahead, the Group will increase devoting resource in these regions, offering competitive products and solutions tailored to meet the precise needs of customers. In high-end markets such as Europe and the United States, the Group will introduce high-performance intelligent equipment to address the growing demand for premium-quality products. During the Year, the Group strengthened brand visibility and market penetration by placing advertisements across major media platforms both domestically and internationally, as well as by participating in large-scale international exhibitions. Meanwhile, the Group continued to advance its strategic and organisational upgrade initiatives, enabling more precise positioning of its products, markets, and customer segments. These initiatives aim to achieve technological breakthroughs, unlock new business and capture growth opportunities, with market share, product quality, and brand influence serving as the core driving forces. Going forward, the Group will continue to expand its presence in the PRC market while actively exploring emerging global economies, to safeguard its overseas market share and drive coordinated growth across domestic and international operations.

4. Deepening technological innovation and introducing AI technologies to drive the upgrading of next-generation intelligent equipment

The Company plans to adopt artificial intelligence (AI) technologies to achieve deep integration of perception and execution. We will continue to strengthen the R&D and application of AI technologies, thereby facilitating the digitalisation and automation upgrades of our products and enhancing our capability to deliver customised solutions in response to the diverse needs of global markets. Looking ahead, we will focus on establishing a closed-loop system encompassing “perception–decision–execution”, accelerate the deep convergence of AI and unmanned technologies, and build a new generation of intelligent equipment systems.

5. Risks and challenges

While the prospects remain encouraging, the Group is acutely aware that the year 2026 will continue to present multiple challenges, and thus will establish a comprehensive risk-response mechanism. Global economic uncertainties, fluctuations in raw material prices, and pressures faced by the supply chain may pose potential impacts on the Group’s operations. In view of this, the Group will continue to strengthen its risk-management mechanisms, refine its supply chain layout, and enhance operational efficiency to ensure the achievement of steady and sustainable business growth. With respect to the risk-management system, the principal measures include: (a) foreign exchange risk hedging, whereby forward contracts will be used to lock in foreign-exchange exposure; (b) enhancing supply chain resilience by maintaining safety stock for key components and establishing dual-sourcing mechanisms; and (c) implementing strategies to respond to risks associated with technological iteration.

FINANCIAL REVIEW

REVENUE

By type of products:

	2025			2024		
	<i>Units</i>	<i>RMB’000</i>	<i>%</i>	<i>Units</i>	<i>RMB’000</i>	<i>%</i>
Baby diaper machines	29	214,294	44	27	175,896	43
Adult diaper machines	14	176,386	36	15	115,771	33
Lady sanitary napkin machines	8	50,124	10	8	31,724	11
Wet wipe machines	6	4,136	1	9	7,386	2
Components and parts	N/A	45,831	9	N/A	38,880	11
	57	490,771	100	59	369,657	100

The Group's revenue increased by approximately RMB121.1 million (or 32.8%) from approximately RMB369.7 million for the Prior Year to approximately RMB490.8 million for the Year. This was mainly due to the increase in sales of baby diaper machines (approximately RMB38.4 million), adult diaper machines (approximately RMB60.6 million), lady sanitary napkin machines (approximately RMB18.4 million), and components and parts (approximately RMB7.0 million). The increase was partially offset by the decrease in sales of wet wipe machines (approximately RMB3.3 million).

As at 31 December 2025, the Group entered into sales contracts with its customers for the sales and purchase of 30 units of baby diaper machines, 5 units of adult diaper machines, 4 units of lady sanitary napkin machines, 1 unit of under-pad machine, and 2 units of wet wipe machines with aggregate contract values of approximately RMB314.2 million, RMB65.9 million, RMB19.6 million, RMB6.2 million and RMB1.7 million, respectively. Subsequent to the Year and up to the date of this announcement, the Group has further entered into sales contracts with its customers for the sales and purchase of 4 units of baby diaper machines and 2 units of adult diaper machine with aggregate contract values of approximately RMB33.0 million and RMB23.3 million, respectively. The machines under these contracts are expected to be delivered during the year of 2026.

GROSS PROFIT AND GROSS PROFIT MARGIN

The gross profit of the Group increased by approximately RMB62.5 million, from approximately RMB52.0 million for the Prior Year to approximately RMB114.5 million for the Year. The gross profit margin increased by approximately 9.2 percentage points, from approximately 14.1% for the Prior Year to approximately 23.3% for the Year. The increases in both gross profit and gross profit margin were mainly due to the enhancement in product configurations leading to an increase in the average selling price.

OTHER INCOME

The other income mainly comprised government grants, write-back of other payables, net exchange gain, bank interest income, income from the sale of scrap materials, and insurance compensation income. The government grants mainly refer to the government grants provided by government authorities of Fujian Province, such as Jinjiang Finance Bureau and Jinjiang Bureau of Economy and Information Technology, which are unconditional and at the discretion of the relevant authorities. All the government grants received during the Year and/or the Prior Year were one-off and unconditional. The other income decreased from approximately RMB10.5 million for the Prior Year by approximately RMB3.1 million or approximately 29.5% to approximately RMB7.4 million for the Year. The decrease was mainly due to the reduction in bond interest income and net exchange gain for the Year.

SELLING AND DISTRIBUTION COSTS

The selling and distribution costs mainly comprised expenses incurred for business trips and entertainment, depreciation, promotional expenses, and repair costs. The selling and distribution costs increased by approximately RMB13.8 million or 65.7% from approximately RMB21.0 million for the Prior Year to approximately RMB34.8 million for the Year. The increase was mainly due to the increase in advertisement expenses and consultancy fees during the Year.

ADMINISTRATIVE EXPENSES AND OTHER OPERATING EXPENSES

The administrative and other operating expenses mainly comprised research and development expenses, staff costs, depreciation, amortisation, and donations. The administrative and other operating expenses increased by approximately RMB3.6 million or 5.5% from approximately RMB65.1 million for the Prior Year to approximately RMB68.7 million for the Year. The increase was mainly due to the increase in professional consultancy service fees during the Year.

FINANCE COSTS

For the Year, finance costs were approximately RMB3.2 million, which increased by approximately 100.0% as compared with the Prior Year (approximately RMB1.6 million). The increase was mainly due to an increase in interest on bank borrowings.

INCOME TAX EXPENSE

Income tax expense increased from approximately RMB12,000 for the Prior Year to approximately RMB0.7 million for the Year. The increase was mainly due to the increase in taxable profits of the Group's operating subsidiaries in the PRC for the Year.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group recorded a profit attributable to owners of the Company of approximately RMB21.8 million for the Year (Prior Year: loss attributable to owners of the Company of approximately RMB38.1 million). The increase in profit attributable to owners of the Company for the Year was mainly due to the increase in gross profit as mentioned above.

DIVIDEND

The Board has resolved not to declare a final dividend for the Year.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year, the Group's working capital was mainly financed by internal resources and interest-bearing borrowings. The current ratio of the Group, which is calculated based on the current assets divided by current liabilities, was approximately 0.7 times as at 31 December 2025 (31 December 2024: approximately 0.7 times). The Group generally financed its daily operations from cash flows generated internally.

Up to the date of this announcement, outstanding trade receivables of approximately RMB20.9 million as at 31 December 2025 had subsequently been settled.

FINANCIAL POLICIES

The Group is exposed to liquidity risk in respect of settlement of its trade and other payables, bank borrowings and financing obligations, and also in respect of its cash flow management. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

CAPITAL STRUCTURE

As at 31 December 2025, the capital structure of the Group consisted of equity of approximately RMB288.1 million (31 December 2024: approximately RMB266.0 million) and bank borrowings of approximately RMB354.4 million (31 December 2024: approximately RMB281.0 million), as more particularly described in the paragraph headed "Borrowings" below.

BORROWINGS

As at 31 December 2025, the Group had bank loans of approximately RMB354.4 million (31 December 2024: approximately RMB281.0 million).

For further details of the borrowings, please refer to note 14 to the consolidated financial statements.

GEARING RATIO

The Group's gearing ratio, which is calculated based on the total interest-bearing liabilities (defined as the sum of bank loans and lease liabilities) divided by the total equity as at the respective year end, was approximately 124.1% as at 31 December 2025 (31 December 2024: approximately 109.0%).

CAPITAL COMMITMENT

As at 31 December 2025 and 31 December 2024, the Group had the following capital expenditure commitments:

	At 31 December 2025 RMB'000	At 31 December 2024 RMB'000
Contracted but not provided net of deposit paid for		
– Construction in progress	10,576	61,261
– Development of intangible assets*	–	27,679
	<u>10,576</u>	<u>88,940</u>

* Regarding developing “5G+ Intelligent Platform for Equipment Operation and Maintenance Services”, the first phase of software system deployment has been completed as at 31 December 2024. As the platform application failed to meet the mutual expectations, the project was suspended in 2024. On 10 November 2025, through a civil mediation conducted by the Jinjiang People’s Court of Fujian Province, both parties confirmed the termination of the undeveloped portion of the platform.

CONTINGENT LIABILITIES

Save as disclosed elsewhere in this announcement, the Group had no material contingent liabilities as at 31 December 2025 (31 December 2024: nil).

FOREIGN EXCHANGE RISK MANAGEMENT

The Group’s monetary assets, liabilities and transactions are principally denominated in Renminbi, Hong Kong dollars and United States dollars. The Group has not experienced any difficulties or effects on its operations or liquidity as a result of the fluctuations in currency exchange rates during the Period. The Group did not enter into any foreign exchange derivative contract to manage the currency translation risk of Renminbi against United States dollars and Hong Kong dollars during the Period, but the Group will continue to review its foreign exchange exposure regularly and might consider using financial instruments to hedge against foreign exchange exposure at appropriate time.

As at 31 December 2025 and 2024, the Group had not entered any financial instrument for hedging against foreign exchange risk.

HUMAN RESOURCES

The Group has employed a total of approximately 500 employees as at 31 December 2025 (31 December 2024: approximately 514 employees) in Hong Kong and the PRC. Staff costs (including Directors' emoluments) amounted to approximately RMB78.6 million for the Year (Prior Year: approximately RMB72.0 million). The remuneration was determined based on the performance and professional experience of employees as well as the prevailing market conditions. The management will regularly review the remuneration policy and arrangement of the Group. In addition to pension, the Group will also distribute discretionary bonus to them as incentives according to their performance. The Group recruits and selects candidates on the basis of their qualifications and suitability for the position. It is the Group's policy to recruit the most capable person available for each position.

CHARGES ON GROUP'S ASSETS

Save as disclosed in notes 13(b) and 14 to the consolidated financial statements, no assets of the Group were pledged as at 31 December 2025.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS AND DISPOSALS

On 10 November 2025, the Group entered into a share transfer agreement to dispose of its 55% equity interests in Aopusi Intelligent Packaging System (Foshan) Co., Ltd. ("**Aopusi**"), a non-wholly owned subsidiary of the Group, to the non-controlling shareholder of Aopusi without any consideration (the "**Disposal**"). On 25 November 2025, the Disposal was completed.

Save as disclosed above, the Group did not have significant investments and material acquisitions and disposals during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

In June 2022, the Group successfully acquired a parcel of land located in Tonglin Village, Anhai Town, Fujian Province, the PRC. The R&D Centre on this land has been constructed and completed, and is commencing to operation in the first quarter of 2026. Upon completion, the R&D Centre will accommodate the relocation of existing R&D activities, undertake key technological research on core components, and provide product development support for products under the "Haina Machinery" brand. In previous years, the Group had purchased precision equipment to strengthen its R&D capabilities, with related expenditures amounting to approximately RMB16.2 million, all of which were funded by internal resources. Currently, the R&D Centre has been equipped with 8 sets of high-precision equipment, with related expenditures amounting to approximately RMB8.7 million, further enhancing the Group's production line layout and smart manufacturing capabilities. These initiatives will effectively improve R&D efficiency, accelerate technological upgrades of key component industries, and drive technological transformation; at the same time, they will expedite the product production turnover process, thereby further improving overall operational efficiency.

The Group has achieved substantial progress in the development of its two bases. The Hangzhou Production Base has been fully put into operation, significantly enhancing annual production capacity and delivery capability for high-end equipment compared with prior years. The Jinjiang Production Base, through automation upgrades and optimisation of a lean management system, will continue to drive technological iteration and innovation upgrades, and is expected to achieve further breakthroughs in annual production capacity.

Save as the above and the matters disclosed in this announcement, the Group currently has no plan for material investments and capital assets.

EVENT AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there are no significant events affecting the Group which have occurred after the Year and up to the date of this announcement.

PUBLIC FLOAT

During the Year and as at the date of this announcement, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company will be held on Friday, 29 May 2026 (“**2026 AGM**”) and the notice of 2026 AGM will be published and despatched to the shareholders of the Company (the “**Shareholders**”) in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining Shareholders who are entitled to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026, both days inclusive, during which period no transfer of shares of the Company will be registered.

In order to qualify for attending the 2026 AGM, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on Friday, 22 May 2026.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. In the opinion of the Directors, except for the below deviation, the Company has adopted the applicable code provisions (“**CG Code**”) in the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules during the Year.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. Mr. Hong Yiyuan, the chairman of the Board and the chief executive officer of the Company, currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Upon specific enquiries made by the Company, all Directors have confirmed that they have fully complied with the required standards as set out in the Model Code during the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares) during the Year and up to the date of this announcement. As at 31 December 2025, there were no treasury shares (as defined under the Listing Rules) held by the Company.

REVIEW BY THE AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) has reviewed the Group’s financial results for the Year including the accounting principles and practices adopted by the Group. There is no disagreement between the Board and the Audit Committee on the Group’s financial results for the Year.

SCOPE OF WORK OF THE COMPANY’S AUDITOR ON THE RESULTS ANNOUNCEMENT

The figures in respect of the consolidated statement of profit or loss and other comprehensive income, and the consolidated statement of financial position of the Group and the related notes thereto for the Year as set out in this preliminary announcement have been agreed by the Company’s auditor, Forvis Mazars CPA Limited (“**Forvis Mazars**”), *Certified Public Accountants*, to the amounts set out in the audited consolidated financial statements of the Group for the Year. The work performed by Forvis Mazars 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 Forvis Mazars on this announcement.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.haina-intelligent.com. The Company’s annual report for the Year containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the above websites in due course.

ACKNOWLEDGEMENT

The Board would like to express its sincere gratitude to the business partners of the Group and Shareholders for their continuous support. The management team and all staff members should also be lauded for their tireless efforts and dedication to the Group.

By Order of the Board
Haina Intelligent Equipment International Holdings Limited
Hong Yiyuan
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 27 March 2026

As at the date of this announcement, the Company has four executive Directors, namely Mr. Hong Yiyuan (Chairman), Mr. Zhang Zhixiong, Mr. Su Chengya and Mr. He Ziping, one non-executive Director, namely Mr. Chang Chi Hsung and three independent non-executive Directors, namely Mr. Chan Ming Kit, Dr. Xia Anjun and Ms. Chan Man Yi.