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**八馬茶業**  
BAMA TEA

**BAMA TEA CO., LTD.**

**八馬茶業股份有限公司**

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

**(Stock Code: 6980)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2025; AND  
PROPOSED AMENDMENTS TO THE EXISTING ARTICLES**

The Board hereby announces the audited consolidated results of the Group for the year ended December 31, 2025, together with the comparative figures for prior year as follows.

**FINANCIAL HIGHLIGHTS**

	<b>For the Year Ended December 31,</b>		<b>Change %</b>
	<b>2025 RMB'000</b>	<b>2024 RMB'000</b>	
Revenue	2,196,348	2,143,259	2.5
Gross profit	1,220,763	1,178,553	3.6
Profit for the year	222,338	224,201	(0.8)
Earnings per share			
Basic and diluted (RMB)	2.86	2.95	(3.1)

## I. MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

We are a leading and well-known tea brand in China, dedicated to introducing to people around the world the well being and joy brought by tea.

We have developed a comprehensive product matrix encompassing not only a full spectrum of tea categories including Oolong tea, black tea, dark tea, white tea, green tea, and yellow tea, but also extending to tea-related derivatives such as tea ware, tea snacks, and tea beverages. In addition, we have introduced business and social tea spaces, striving to deliver a holistic tea experience to consumers.

As a member unit of the National Technical Committee on Tea of the Standardization Administration of China and a member unit of the Fujian Provincial Technical Committee on Tea Industry Standardization, we have cumulatively led or participated in the formulation of 29 Chinese tea industry standards and have successfully obtained 16 system certifications, underscoring our high standards in standardization output and quality control.

Rooted in our commitment to quality and deep cultivation of the tea industry, our brand and products have garnered widespread recognition in both the market and the industry. During the Reporting Period, we received the following honors:

- China Tea Marketing Association and China Economic Information Service of Xinhua News Agency – First Place of 2025 China Tea Enterprise Brand Survey Results (Top 50);
- International Academy of Brand – List of World Tea Enterprise Brands (Top 100), ranking 1st among Chinese tea enterprises;
- Chnbrand – China Customer Satisfaction Index (C-CSI) Brand, ranking the first place in customer satisfaction among tea chain stores for three consecutive years (2023-2025);
- Ministry of Industry and Information Technology — 2025 List of China Consumer Top Brands;
- Fujian Provincial Department of Agriculture and Rural Affairs — 2025 Key Provincial Leading Enterprise in Agricultural Industrialization;
- China Tea Marketing Association — 2025 Backbone Enterprise with Comprehensive Influence in the Tea Industry;
- China Tea Marketing Association — 2025 Key Enterprise in the Tea Industry.

We have established a “direct-sales + franchise” and “online + offline” omni-channel model, delivering high-quality premium Chinese tea to consumers through a nationwide network of physical stores and comprehensive online platforms. In 2025, while consolidating our existing advantageous channels, we actively explored incremental markets, including developing key account (KA) channels, to which we made direct sales offline, thereby further enhancing our marketing and sales network.

During the Reporting Period, the Company's total revenue was approximately RMB2,196.3 million, representing an increase of approximately RMB53.0 million, or 2.5%, compared to RMB2,143.3 million in 2024. During the Reporting Period, the Company's total gross profit was approximately RMB1,220.8 million, representing an increase of approximately RMB42.2 million, or 3.6%, compared to the gross profit of approximately RMB1,178.6 million in 2024.

**(I) Our Store Network**

We have established a nationwide store network. By the end of 2025, we had a total of 3,773 offline stores, representing a net increase of 269 stores from 3,504 stores at the beginning of the year. Our stores are distributed across all provinces, autonomous regions, and municipalities in mainland China, covering 269 prefecture-level cities. The following table sets forth our store types for the periods indicated:

Store Types	As at December 31, 2025	As at December 31, 2024
<b>Self-operated stores</b>		
Beginning of the Year	249	316
Net change in stores	(14)	(67)
End of the Year	235	249
<b>Franchised stores</b>		
Beginning of the Year	3,255	3,054
Net change in stores	283	201
End of the Year	3,538	3,255
<b>Total</b>	<b>3,773</b>	<b>3,504</b>

By the end of the Year, we had 3,773 offline stores located in first-tier cities, new first-tier cities, second-tier cities, third-tier and below cities, accounting for 10.7%, 21.0%, 28.8%, and 39.6% of the total number of the stores, respectively, which achieves comprehensive coverage across seven major regions, including Eastern China, Northern China, Central China, Southern China, Northwestern China, Southwestern China and Northeastern China.

The following table sets forth the distribution of our stores as of the dates indicated:

City Level	As at December 31, 2025		As at December 31, 2024	
	Number of Stores	Percentage	Number of Stores	Percentage
First-tier cities	404	10.7%	380	10.8%
New first-tier cities	791	21.0%	729	20.8%
Second-tier cities	1,085	28.8%	1,015	29.0%
Third-tier and below cities	1,493	39.6%	1,380	39.4%
<b>Total</b>	<b>3,773</b>	<b>100.0%</b>	<b>3,504</b>	<b>100.0%</b>

The following table sets forth our offline stores as of the dates indicated:

	As at December 31, 2025		As at December 31, 2024	
	Number of Stores	Percentage	Number of Stores	Percentage
Eastern China	1,353	35.9%	1,263	36.0%
Northern China	671	17.8%	629	18.0%
Southern China	553	14.7%	512	14.6%
Central China	441	11.7%	433	12.4%
Northwestern China	350	9.3%	310	8.9%
Southwestern China	222	5.9%	208	5.9%
Northeastern China	183	4.9%	149	4.3%
<b>Total</b>	<b>3,773</b>	<b>100.0%</b>	<b>3,504</b>	<b>100.0%</b>

*Note:*

- (1) As of December 31, 2025, we did not have offline stores located in Hong Kong Special Administrative Region, Macao Special Administrative Region or Taiwan

Our stores were primarily located in Eastern China, Northern China, and Southern China. During the Reporting Period, we recorded a net increase of 156 stores in second-tier and above cities, representing a year-on-year growth of 7.3%, and 113 stores in third-tier and below cities, representing a year-on-year growth of 8.2%. While increasing store density in existing advantageous regions, we continue to enhance business district coverage and brand exposure in markets with low store density, insufficient coverage, or where we have yet to establish a presence.

Franchise channels serve as our primary business model. Leveraging our deeply rooted brand influence, standardized store operations, and mature supply chain system, we have attracted a wide range of tea industry professionals to join us. As of December 31, 2025, we had 1,250 franchisees, 791 of which have cooperated with us for over three years. The table below sets forth the number of our franchisees which operated more than 100, 50 and 10 franchised stores as of December 31, 2025:

	More than 100 Stores	More than 50 Stores	More than 10 Stores
Number of franchisees	3	10	50

Our self-operated stores were mainly located in Shenzhen, Quanzhou and Xiamen cities. The Company actively pursued innovative change in self-operated stores for the Year. On one hand, we continued to implement the strategy of closing inefficient stores during the Year. Meanwhile, we steadily advanced the image renewal of its core stores and launched its eighth-generation store image, which integrates spatial innovation, cultural immersion, traditional connotations, and modern design. Through product displays with esthetic appeal and immersive tea-drinking experience scenarios, we optimized the user experience, enhanced the in-store experience, and drove consumption growth at its stores. In addition, we also actively guided and supported the image updates of our franchised stores to enhance their overall customer traffic through a unified brand identity.

## ***(II) Our Online Business***

During the Reporting Period, the Company's online business continued to gain momentum. On one hand, we maintained a rapid pace of new product launches while increasing resource allocation to steadily expand our sales scale on major e-commerce platforms such as JD.com (京東), Tmall (天貓), and Douyin (抖音), achieving outstanding results and awards on multiple platforms:

- Ranked first among all Oolong tea leaf products in terms of gross sales amount during each annual Single Day sales event of Tmall for eleven consecutive years from 2015 to 2025;
- Ranked first from 2023 to 2025 in terms of GMV among all stores that sell tea on JD.com;
- Douyin Mall 2025 Annual 618 Outstanding Brand Award; and
- Golden Wheat Award (2025 Best Influential Brand Award).

We actively seize the increasingly diversified and personalized demands of consumers. While strengthening traditional shelf-based e-commerce, we also continuously introduce high-quality online best-selling products and complement them with new marketing approaches such as content-driven and social e-commerce like Douyin and Xiaohongshu. Through operational strategies including short videos, live-streaming sales, influencer interactions, and content-driven product discovery, we consistently enhance consumers' product recognition and brand awareness. By the end of the Year, our online channels attracted 41 million followers and had over 26 million members, with both customer base and market penetration steadily increasing. Through implementing the above strategy, the GMV of our online channels reached RMB875.5 million during the Reporting Period, representing an increase of RMB37.2 million compared to RMB838.3 million in 2024, which is a year-on-year growth of 4.4%, reflecting a good development momentum.

## ***(III) Channel and Operational Innovation***

During the Year, the Company continued to innovate across its channels, ecosystem and operations to promote online-offline integration. In terms of channels, we deepened our engagement with KA, injecting new impetus into our performance growth. Regarding our ecosystem, we reshaped the spatial narrative of our stores, seamlessly integrating the art of tea drinking with the spatial experience, to create urban living room that stimulate consumer vitality. Operationally, we actively responded to the new trend of digital operations, and enhanced our local lifestyle service offerings. Building upon the traditional group-buying traffic, we systematically entered instant retail platforms including "Taobao Flash Sale," "Meituan Flash Delivery," and "JD Now," accelerating online-offline consumption conversion. During the Year, our GMV from instant retail achieved a year-on-year increase of 90%.

#### ***(IV) Our Brands and Products***

We have implemented a multi-brand strategy to enhance market share through differentiation.

The revenue of our major brands for the Year are as follows:

<b>Brand Types</b>	<b>For the Year Ended December 31, 2025 (RMB million)</b>	<b>For the Year Ended December 31, 2024 (RMB million)</b>
Bama	<b>1,955.9</b>	1,881.9
Xinjihao	<b>189.6</b>	233.2
Wanshanhong	<b>42.4</b>	21.5
<b>Total</b>	<b><u>2,187.9</u></b>	<b><u>2,136.6</u></b>

The core brand “Bama” constitutes our primary source of revenue, which recorded a revenue of RMB1,955.9 million for the Year, maintaining stable growth. “Xinjihao,” positioned in the aged Pu’er tea segment, recorded a revenue of RMB189.6 million during the Year. “Wanshanhong,” targeting younger demographics, achieved rapid development with revenue of RMB42.4 million during the Year, leveraging its advantage of diversified flavors and affordable pricing.

In terms of products, we focused on building a multi-level product structure. First, we focused on star products and continuously deepened core series such as the “Dinghong Black Tea (鼎紅紅茶)”, “Niuyi Rock Tea (牛一岩茶)”, and “Saizhenzhu Tieguanyin (賽珍珠鐵觀音)” to strengthen category benchmarks and enhance brand equity. Second, we focused on channel-specific customization, developing exclusive products for KA channels to explore differentiated consumption scenarios. Meanwhile, we seized marketing nodes, steadily launching new products such as gift sets, combinations, and wellness products during traditional festivals and e-commerce promotional events such as the 618 Shopping Festival and Double 11 Shopping Festival to maintain market momentum. Additionally, we continuously advanced SKU streamlining, optimized inventory, and achieved cost reduction and efficiency enhancement.

#### ***(V) Our Supply Chain System***

We have stable upstream suppliers and a robust supply chain management mechanism. Through full life-circle management of suppliers and a one-box-one-code anti-counterfeiting and traceability system, we achieve comprehensively traceable quality control from raw materials to production to finished products, ensuring product quality. We obtained certifications including ISO 9001, organic product certification (OGA), green food certification, and FSSC 22000.

Leveraging our smart factories and automated production lines in Anxi and Wuyishan, during the Reporting Period, revenue generated from the sale of our self-manufactured products amounted to RMB1,289.6 million, representing a year-on-year increase of 21.6% compared to RMB1,060.6 million in 2024; while revenue from products manufactured by third parties on OEM basis was RMB898.3 million, representing a year-on-year decrease of 16.5% compared to RMB1,076.0 million in 2024. The proportion of sales attributable to self-manufactured products rose from 49.6% in 2024 to 58.9%, demonstrating a continued expansion in the scale of sales of our self-manufactured products.

Furthermore, through our smart warehousing system, safety stock mechanisms, and efficient logistics system, we maintain flexible inventory levels while ensuring timely product delivery, thereby enhancing customer satisfaction.

#### ***(VI) Strengthening Brand Reputation and Enhancing Consumer Mindshare***

During the Reporting Period, we participated in international events such as the “International Tea Day” organized by the Food and Agriculture Organization of the United Nations and the Shanghai Cooperation Organization Tianjin Summit, and continuously organised diverse brand promotion activities including touring tasting sessions, themed tea gatherings, cross-sector collaborations and tea king competitions. These efforts further amplified our brand voice and enhanced our market influence. In the Year, we won the first place in the “2025 China Tea Enterprise Brand Survey Results TOP 50” jointly evaluated by the China Tea Marketing Association and Xinhua News Agency China Economic Information Service, and ranked first in China and second globally for corporate brands in the “World Tea Brand Evaluation List”. Our brand reputation continued to enhance, boosting performance growth.

### **OUTLOOK**

According to a report by Frost & Sullivan, the projected market size of China’s whole-leaf tea market is RMB339.4 billion for the Year, and is projected to grow to RMB356.4 billion for the year of 2026, maintaining a steady growth trend. Meanwhile, increasingly diverse consumer groups, the rise of health trends and wellness concepts, and the pursuit of diverse tea beverages driven by social media and urban culture are bringing new opportunities to the tea leaf market. Facing the vast tea market, we set forth the following outlook:

#### ***(1) Optimizing the Store Network and Densifying Coverage in Untapped Markets***

Looking ahead, the Company will continue to explore and optimize its offline store network. Building on its strengths in stronghold regions such as Eastern China and Southern China, the Company will continue to explore incremental markets, while striving to enhance nationwide store penetration. For advantageous regions, we will enhance consumer experience through store image renovations and scene upgrades. For untapped markets with huge potential but insufficient layout, we will maintain a reasonable store opening pace, and densify the precise layout in key cities and key business districts to address gaps in the network, thus steadily advancing the coverage of the store network.

**(2) *Accelerating the Promotion of Spatial Services and Enhancing Store Experience***

We will continuously renew and upgrade self-operated offline stores to enhance store attractiveness, and encourage and guide franchised stores to upgrade simultaneously. We will promote the “Urban Living Room” service, transforming traditional stores into “tea culture experience spaces” to enable consumers to enjoy immersive tea-drinking experiences and comfortable business social spaces, in turn boosting store product sales. Meanwhile, we will combine targeted digital marketing to drive traffic to stores and enhance user stickiness.

**(3) *Exploring New Channels and Accelerating Online-Offline Integration***

We are committed to becoming a benchmark enterprise in the real-time retail industry, driving business growth through continuous innovation and consolidating our leading position in the market. We will deepen our strategic cooperation with mainstream e-commerce platforms, and strengthen the exploration of new channels such as content e-commerce, community e-commerce, and leading KAs to reach and achieve coverage across different scenarios. Meanwhile, we will actively lay out instant retail formats including “Taobao Flash Sale”, “Meituan Flash Delivery”, and “JD Now”, leveraging the exposure advantages of online platforms and digital marketing as well as precision marketing through live streaming sales to enhance terminal reach and deepen online-offline integration, thereby creating incremental performance.

**(4) *Implementing a Multi-Brand Strategy and Continuously Optimizing the Product Matrix***

In terms of brand, we will implement a multi-brand strategy to build differentiated competitive advantages, strengthen our brand moat, and continuously enhance the brand’s national awareness and global influence. We will conduct in-depth analysis of consumer profiling, cultivate a diverse customer base, actively incubate distinctive sub-brands, and build a brand matrix that spans different consumption scenarios, consumer groups, and price segments, thereby creating a synergistic force for brand development.

In terms of products, we will also continuously optimize the product matrix. On one hand, we will focus on and create more star products comparable to the “Saizhenzhu” series to deepen brand recognition. On the other hand, we will keep pace with market demand and consumption trends, launch popular categories such as herbal tea and cold-brew tea, and extend the development of derivative products, including tea sets, tea snacks, and dietary supplements containing concentrated tea extracts to perfect our full-category product layout.

**(5) *Refining the Layout of Intelligent Factories with Digitalization-Driven Supply Chain Upgrades***

Based on the current utilization of production capacity, over the next three to five years, we will invest in and construct multiple intelligent and digital factories in major core tea-producing regions such as Anxi, Wuyishan, and Yunnan Province to steadily expand production capacity, enhance independent production capabilities, and optimize the product structure to increase profit margins. Meanwhile, we will simultaneously plan intelligent warehousing and logistics centers to increase warehouse space and improve logistics turnover efficiency, ensuring consistent product quality and efficient delivery.

On this basis, we will leverage digitalization as a key driver to optimize the “smart tea garden + smart factory + smart warehousing” supply chain system. Through technologies such as big data and the Internet of Things, we will achieve digital control over the entire process from raw material processing and warehousing logistics to end-market sales, and enhance the supply chain’s responsiveness and level of refined operations, providing robust supply chain support for the enterprise’s large-scale expansion and global development.

## FINANCIAL REVIEW

### Results of Operation

#### Revenue

In 2025, the Company’s total revenue was RMB2,196.3 million, representing a year-on-year increase of 2.5% compared to approximately RMB2,143.3 million in 2024.

#### 1. Revenue by sales channels

We have established an omni-channel marketing network that integrates and complements online and offline channels, providing consumers with convenient and seamless shopping experiences. The following table sets forth our revenue by sales channels for the periods indicated:

Channel Types	For the Year Ended December 31, 2025 (RMB’000)		For the Year Ended December 31, 2024 (RMB’000)	
	Percentage (%)	Percentage (%)	Percentage (%)	Percentage (%)
Offline channels	1,481,534	67.4	1,443,776	67.4
Online channels	706,359	32.2	692,841	32.2
Other revenue <sup>(1)</sup>	8,455	0.4	6,642	0.4
<b>Total</b>	<b>2,196,348</b>	<b>100.0</b>	<b>2,143,259</b>	<b>100.0</b>

Note:

- (1) Other revenue primarily includes rentals from investment properties, and revenue generated from rendering pre-opening training services and tea lounge services.

During the Reporting Period, the Company’s revenue was primarily from offline channels (including self-operated and franchised stores). Overall revenue from these channels remained stable and achieved modest growth, primarily driven by increased procurement volumes from franchisees and contributions from customized procurement from KA channels. Meanwhile, the Company continued its strategy of closing loss-making self-operated offline stores, resulting in a corresponding decline in revenue due to the reduction in the total number of self-operated offline stores.

Online channels also made a noticeable contribution to revenue, primarily driven by the sustained efforts in online business of Wanshanhong sub-brand and the continuous digital marketing initiatives, live-streaming sales, and influencer endorsements which increased product exposure and consumer appeal during the Year.

## 2. Revenue by products

The following table sets forth our revenue by products for the periods indicated:

Product Types	For the Year Ended December 31, 2025		For the Year Ended December 31, 2024	
	(RMB'000)	Percentage (%)	(RMB'000)	Percentage (%)
<b>Sales of tea-leaf products</b>				
Oolong tea	686,214	31.2	640,910	29.9
– Among which:				
Tieguanyin	293,884	13.4	285,806	13.3
– Among which:				
Wuyi Yan Cha	362,145	16.5	321,709	15.0
Dark tea	202,896	9.2	231,938	10.8
– Among which: Pu'er	200,253	9.1	229,569	10.7
Black tea	446,077	20.3	416,148	19.4
Green tea	124,538	5.7	127,460	5.9
White tea	192,605	8.8	222,247	10.4
Tea combination set	204,595	9.3	176,135	8.2
Other tea leaves	96,441	4.4	86,193	4.0
<b>Subtotal</b>	<b>1,953,366</b>	<b>88.9</b>	<b>1,901,031</b>	<b>88.6</b>
<b>Non-tea-leaf products</b>				
Tea ware	114,615	5.2	130,507	6.1
Tea snacks	103,074	4.7	81,206	3.8
Other products <sup>(1)</sup>	16,838	0.8	23,873	1.1
<b>Subtotal</b>	<b>234,527</b>	<b>10.7</b>	<b>235,586</b>	<b>11.0</b>
<b>Other revenue<sup>(2)</sup></b>				
Income from investment properties	1,053	0.1	1,216	0.1
Others	7,402	0.3	5,426	0.3
<b>Subtotal</b>	<b>8,455</b>	<b>0.4</b>	<b>6,642</b>	<b>0.4</b>
<b>Total</b>	<b>2,196,348</b>	<b>100.0</b>	<b>2,143,259</b>	<b>100.0</b>

Notes:

- (1) Other products primarily include liquor manufactured by third parties and derivative products such as tea beverages, incense sticks and tea toys.
- (2) Other revenue primarily includes rentals from investment properties, and revenue generated from rendering pre-opening training services and tea lounge services.

Tea-leaf products are our primary source of revenue. Our revenue in 2025 increased by 2.8% year-on-year compared to 2024, reflecting a relatively stable increase, among which, tea combination set, Oolong tea and black tea showed the most significant growth. Revenue from the sales of our non-tea-leaf products remained relatively stable.

### ***Gross Profit and Gross Profit Margin***

During the Reporting Period, our gross profit was RMB1,220.8 million, representing an increase of 3.6% compared to approximately RMB1,178.6 million in 2024, which is basically in line with revenue growth. Our gross profit margin for the Year was 55.6%, representing a slight increase compared to 55.0% of the previous year, mainly due to the increase in the proportion of our self-produced products during the Reporting Period, which led to the increase in gross profit margin.

### ***Other Income***

During the Reporting Period, our other income was RMB18.1 million, representing a year-on-year increase of 11.5% compared to RMB16.2 million in 2024, mainly due to the increase in government subsidies we received.

### ***Selling and Marketing Expenses***

During the Reporting Period, our selling and marketing expenses were RMB700.3 million, representing an increase of 1.2% compared to RMB692.2 million in 2024, among which, advertising and promotion expenses increased from RMB276.2 million in 2024 to RMB303.3 million, primarily due to our proactive efforts to enhance brand reputation to increase brand exposure. Staff costs decreased from RMB247.6 million in 2024 to RMB241.9 million in 2025, primarily due to the implementation of the strategic store closure plan by the Company, which reduced related personnel costs.

### ***Administrative Expenses***

During the Reporting Period, our administrative expenses were RMB215.1 million, representing a year-on-year increase of 29.8% compared to RMB165.7 million in 2024, mainly because we incurred listing expenses related to the Global Offering during the Reporting Period, and the professional service fees, which were mainly in connection with the strategic consultancy services provided by a third party, increased during the Reporting Period as our business grew.

### ***Finance Costs***

During the Reporting Period, our finance costs was RMB8.1 million, representing a year-on-year decrease of 15.6% compared to RMB9.6 million in 2024, mainly due to the Company's continued strategy of closing loss-making self-operated stores, which resulted in recognizing less lease liabilities.

### ***Profit Before Taxation***

As a result of the foregoing, during the Reporting Period, our profit before taxation was RMB300.7 million, representing a year-on-year decrease of 2.5% compared to RMB308.4 million in 2024.

### ***Income Tax Expense***

During the Reporting Period, our income tax expense was RMB78.4 million, representing a year-on-year decrease of 6.9% compared to RMB84.2 million in 2024, mainly due to a deferred tax income of RMB8.7 million in 2025, as compared with a deferred tax expense of RMB0.7 million in 2024.

### ***Non-IFRS Adjusted Profit for the Year***

To supplement the consolidated financial statements of the Group prepared in accordance with the IFRSs, the Company also applies non-IFRS adjusted net profit as an additional financial measure, which provides a clearer assessment of financial performance by excluding items that we consider not to be indicators of business performance. The Company believes that such measure helps to reflect the profit for the Year from normal operations after excluding the potential impact of listing expenses and other related costs.

“Adjusted profit for the Year” is not a term defined by the IFRSs, and the Group’s calculation method may differ from that of other peer companies. Such measure has certain limitations as an analytical tool, as it does not cover all items affecting the Group’s profit for the 2025 financial year. Therefore, it should not be considered in isolation and cannot replace performance analysis prepared in accordance with the IFRSs.

The following table sets out the calculation process of the Group’s non-IFRS adjusted profit for the year as of the year indicated:

	<b>For the Year Ended</b>	
	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB’000</i></b>	<b><i>RMB’000</i></b>
Profit for the year	<b>222,338</b>	224,201
Listing expenses	<b>25,297</b>	13,978
Tax effects of non-IFRS adjustments	<b>(6,324)</b>	(3,495)
Adjusted net profit (non-IFRS measure)	<b><u>241,311</u></b>	<u>234,684</u>
Adjusted net profit margin (%) (non-IFRS measure)	<b><u>11.0</u></b>	<u>10.9</u>

### ***Profit for the Year***

During the Reporting Period, our profit for the Year was RMB222.3 million, representing a year-on-year decrease of 0.8% compared to RMB224.2 million in 2024.

### ***Inventories***

Our inventories primarily consist of raw materials, work in progress, and finished goods and goods in transit. The following table sets forth a summary of our balance of inventories as of the dates indicated:

	<b>For the Year Ended</b>	
	<b>December 31,</b>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Raw material	<b>110,430</b>	47,467
Work in progress	<b>56,581</b>	46,411
Finished goods and goods in transit	<b>412,180</b>	345,099
	<b><u>579,191</u></b>	<u>438,977</u>

Our inventories increased from RMB439.0 million as of December 31, 2024 to RMB579.2 million as of December 31, 2025, primarily due to (i) an increase in raw material of RMB62.9 million was in line with the product strategy plan; and (ii) an increase in finished goods and goods in transit of RMB67.1 million, primarily because the Group increased its finished goods inventory and goods in transit in the fourth quarter of 2025 to ensure market supply during the holiday due to the later Spring Festival in 2026, which postponed the peak sales season to January-February 2026.

The following table sets out the aging analysis of our inventories for the periods indicated:

	<b>As of December 31,</b>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 12 months	<b>356,548</b>	252,296
12 months to 24 months	<b>60,565</b>	57,402
24 months to 36 months	<b>41,986</b>	49,183
Over 36 months	<b>120,092</b>	80,096
<b>Total</b>	<b><u>579,191</u></b>	<u>438,977</u>

The balances of inventories aged within 12 months increased from RMB252.3 million as of December 31, 2024 to RMB356.5 million as of December 31, 2025, mainly due to the Group's increased finished goods inventory and goods in transit in the fourth quarter of 2025 in conjunction with the peak sales season of 2026.

The balances of inventories aged between 12 and 24 months increased from RMB57.4 million as of December 31, 2024 to RMB60.6 million as of December 31, 2025, remaining stable.

The balances of inventories aged between 24 and 36 months decreased from RMB49.2 million as of December 31, 2024 to RMB42.0 million as of December 31, 2025, which was mainly due to the continued aging of some Pu'er tea leaves purchased in 2022 during the Year, which resulted in the aging deferred to more than 36 months.

The balances of inventories aged more than 36 months increased from RMB80.1 million as of December 31, 2024 to RMB120.1 million as of December 31, 2025, which was mainly due to the fact that some Pu'er tea from 2022 and earlier years were still in the aging process to enhance their value and promote future sales. These inventories were carried forward to this range, and have not yet been sold or disposed of. As of December 31, 2025, management has not identified any material issues in relation to inventory provisions.

## Trade and Other Receivables

The current portion of our trade and other receivables primarily represent (i) trade receivables, which primarily represent the outstanding amounts due to us from e-commerce platforms, third party payment platforms, such as WeChat Pay and Alipay, and shopping malls; (ii) deposits, which primarily represent our deposits we made to landlord for leasing assets, and made to e-commerce platforms for on-line sales; (iii) value-added tax recoverable, which primarily represent certain tax recoverable in relation to expenditure on inventories and property, plant and equipment that we procure; (iv) amount due from local authority, which primarily represent the prepayment amount that is expected to be refunded by local authority resulting from the termination of our involvement in the joint development project of a building; and (v) prepayments to vendors.

The non-current portion of our trade and other receivables consist of (i) rental deposits, which primarily represent the deposits we made to landlords and operators of shopping malls and supermarkets pursuant to our relevant agreements with them in connection with leasing properties for our self-operated offline stores; and (ii) prepayment for purchase of property, plant and equipment and right-of-use assets.

The following table sets forth a breakdown of our trade and other receivables:

	As of December 31,	
	2025	2024
	RMB'000	RMB'000
<b>CURRENT</b>		
Trade receivables, net of loss allowance	85,740	64,039
Deposits	19,291	18,897
Value-added tax recoverable	5,629	11,464
Amounts due from local authorities	66,410	66,410
Other receivables	5,526	3,554
Payment for listing expenses	–	6,962
Prepayments to vendors	39,709	22,136
	<u>222,305</u>	<u>193,462</u>
<b>NON-CURRENT</b>		
Rental deposits	7,941	8,197
Prepayments for purchase of property, plant and equipment and right-of-use assets	926	953
	<u>926</u>	<u>953</u>

As of December 31, 2025, the current portion of our trade and other receivables was RMB222.3 million, representing a year-on-year increase of 14.9% from RMB193.5 million as of December 31, 2024. This was primarily due to the increased sales to a customer with credit term and an increase in prepayments to vendors in connection with promotion services.

As of the end of 2025, we had amounts due from local authorities of RMB66.4 million, which was collected in February 2026.

As of December 31, 2024 and 2025, the aging analysis of trade receivables (which are included in trade and other receivables), based on the revenue recognition date and net of provision for bad debts, is as follows:

	As of December 31,	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	85,407	63,502
More than 1 year but within 2 years	222	515
More than 2 years but within 3 years	111	22
	<u>85,740</u>	<u>64,039</u>

### Trade and Other Payables

Our trade and other payables primarily consist of (i) trade payables, which primarily represent our obligations to pay for goods that have been acquired in the ordinary course of business from our suppliers; (ii) deposits, which primarily represent deposits from franchisees; (iii) payables for purchase of property, plant and equipment; (iv) staff cost payables, which primarily represent our obligations to pay the salaries of employees; (v) other taxes payables, which primarily represent our tax payables other than enterprise income taxes; (vi) refund liabilities arising from sales rebate, which primarily represent our obligations to pay sales rebates to franchisees. We may provide sales rebates to franchisees who satisfy relevant requirements according to our agreements or franchisees incentivizing policies from time to time; and (vii) other payables, which primarily represent payables for promotion services provide by third parties. The typical credit term granted to us by our suppliers generally ranged from 30 to 60 days.

The following table sets forth our trade and other payables as of the dates indicated:

	As of December 31,	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	273,932	155,749
Deposits	82,198	74,385
Payables for purchase of property, plant and equipment	20,339	30,230
Staff cost payables	49,678	50,330
Other taxes payables	24,725	22,270
Dividend payable	56	50
Refund liabilities arising from sales rebate	14,121	12,726
Amounts due to related parties	2,275	1,734
Other payables	39,804	34,972
	<u>507,128</u>	<u>382,446</u>

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

Our trade and other payables increased from RMB382.4 million as of December 31, 2024 to RMB507.1 million as of December 31, 2025, primarily due to the expansion of our business for the Year, which led to an increase in our procurement from suppliers.

As of the end of the Reporting Period, the aging analysis of our trade and other payables by invoice date is as follows:

	<b>As of December 31,</b>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 1 year	<b>273,473</b>	155,530
Over 1 year	<b>459</b>	219
	<b><u>273,932</u></b>	<u>155,749</u>

### **Contract Liabilities**

Our contract liabilities primarily consist of (i) customer loyalty scheme, which primarily represents estimated loyalty points arising from our membership reward system, which could be redeemed and used in future purchases in our WeChat mall by members of our membership reward system; (ii) prepaid card, which primarily represents our obligation to sell products to customers for which we have received consideration from them in the form of prepaid cards; and (iii) advanced payment received, which primarily represents advanced payment from our franchisees for purchasing products from us.

Our contract liabilities increased from RMB53.1 million as of December 31, 2024 to RMB55.1 million as of December 31, 2025, remaining relatively stable.

### **Indebtedness**

As of December 31, 2025, our indebtedness mainly consists of lease liabilities. Our lease liabilities primarily relate to our leases for self-operated offline stores, warehouses and offices.

Our lease liabilities decreased from RMB183.4 million as of December 31, 2024 to RMB169.0 million as of December 31, 2025, primarily due to our further implementation of the strategy of closing loss-making stores, resulting in a reduction in the number of self-operated stores.

### **Significant Investment**

As at December 31, 2025, the Group did not have any significant investment.

## **Material Acquisitions and Disposals**

For the year ended December 31, 2025, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

## **Future Plans for Material Investments or Capital Assets**

As at December 31, 2025, save as disclosed in this results announcement and the Prospectus, the Group did not have specific plans for material investments or acquisitions of capital assets.

## **Charge or Pledge of Assets**

As at December 31, 2025, the Group did not have any charge or pledge of assets (December 31, 2024: Nil).

## **Gearing Ratio**

The gearing ratio equals total borrowings divided by total equity at the end of the Year, multiplied by 100%. As of December 31, 2025, the Group's gearing ratio is not applicable as we did not have any borrowings as of December 31, 2025 (December 31, 2024: not applicable, as we did not have any borrowings as of December 31, 2024).

## **Capital Structure**

The H Shares were successfully listed on the Main Board of Stock Exchange on October 28, 2025. There has been no change in the capital structure of the Company from the Listing Date to December 31, 2025. As of December 31, 2025, the share capital of the Company comprises of H Shares and Domestic Unlisted Shares. As of December 31, 2025, the total equity of the Group was approximately RMB1,701.0 million (December 31, 2024: approximately RMB1,127.5 million).

## **Liquidity and Capital Resources**

Our use of cash primarily related to the operating activities and capital expenditure. During the Reporting Period, we primarily financed our operations through cash generated from our operating activities.

As of December 31, 2025, we had cash and cash equivalents of RMB889.1 million (December 31, 2024: RMB347.2 million).

The Group adopts a prudent financial management approach to its treasury policy so as to ensure that the Group's liquidity structure (composed of assets, liabilities and other commitments) is able to meet its funding requirements at all times.

## **Contingent Liabilities**

As at December 31, 2025, the Group did not have any contingent liabilities (December 31, 2024: none).

## **Capital Expenditures**

Our capital expenditures mainly consisted of expenditures on property, plant and equipment and intangible assets.

Our capital expenditures decreased from RMB101.8 million as of December 31, 2024 to RMB64.7 million as of December 31, 2025, primarily due to decrease in payment for purchases of property, plant and equipment.

We expect that cash from operating activities, the net proceeds from the Global Offering and bank borrowings available to us will continue to fund these capital expenditures.

## **Currency Risk**

The Group is not exposed to significant foreign currency risk since the financial assets and liabilities denominated in currencies other than the functional currencies (RMB) of the Group are not significant. As such, we currently have no foreign currency hedging policy.

## **Human Resources, Employee and Remuneration Policy**

As at December 31, 2025, the Group had a total of 1,950 employees. For the Year, the Group's total staff remuneration amounted to RMB356.7 million.

We believe that our success depends in part on our ability to attract, recruit and retain quality employees. We have established a salary management system that takes into account both external competitiveness and internal fairness, which helps ensure employee stability and loyalty. In addition, we have established an effective training system. Through courses on, among others, product expertise, employee career management, store operations and sales skills, we continuously improve our employees' professional skills. We created a variety of trainings and programs in connection with various aspects of our businesses, such as product launches, online tea tastings and online knowledge competitions, to offer our employees personalized training.

We participated in various employee social security plans for our employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance, to safeguard their lawful rights and interests in accordance with the law.

## **Significant Events after the Reporting Period**

The Group has no significant events that had taken place subsequent to December 31, 2025 and up to the date of this announcement.

## Use of Proceeds from Global Offering

On October 28, 2025, the Company was listed on the Main Board of the Stock Exchange. The Company issued 9,000,000 H Shares at a price of HK\$50 per H Share, with a par value of RMB1 per share. After deducting underwriting commissions and other estimated expenses related to the Global Offering, the net proceeds received by the Company from the Global Offering were approximately HK\$389.9 million, which will be utilized in accordance with the use of proceeds disclosed in the Prospectus as follows:

Use of proceeds	Percentage of proceeds used	Net Proceeds (HK\$ million)	Utilized amount from Listing Date to December 31, 2025 (HK\$ million)	Unutilized amount as of December 31, 2025 (HK\$ million)	Expected timeline for full utilization
Expansion and upgrade of our production facilities and supply chain facilities	35%	136.5	0	136.5	By 2027
Enhancement of our brand value, and broadening product portfolio	20%	78.0	0	78.0	By 2027
Expansion of our self-operated offline store network	15%	58.5	0	58.5	By 2027
Enhancing the digitalization level of our business operation	10%	39.0	0	39.0	By 2027
Acquisition or investment <sup>(1)</sup>	10%	39.0	0	39.0	N/A
Working capital and other general corporate purposes	10%	39.0	0	39.0	N/A
<b>Total</b>	<b>100%</b>	<b>389.9</b>	<b>0</b>	<b>389.9</b>	

As of the date of this announcement, the Board is aware that the use of proceeds from the Global Offering has been delayed compared to the implementation plan disclosed in the Prospectus, primarily due to delay in completion of the foreign exchange registration and filing procedures for the proceeds from the Global Offering (completed in January 2026). We currently have no intention of changing the use of the unutilized net proceeds, and will continue to proceed as appropriate based on market conditions and the Company's overall business strategy. It is currently expected that the unutilized net proceeds will be fully utilized by December 31, 2027, depending on market conditions, the Company's business strategy, and the timing of suitable opportunities arising in the industry. We will make announcement(s) in due course if there are any changes to the intended use of the proceeds.

### Note:

- (1) As of the date of this announcement, we have not identified any specific acquisition targets. We intend to consider acquiring or investing in the players in China's tea industry that (i) have a good reputation in the industry; (ii) recorded positive revenue and profit in recent financial years; and (iii) recorded net profit of not less than RMB8.0 million for the latest financial year. The completion timetable depends on the duration of the relevant vetting/approval process.

## II. SELECTED FINANCIAL STATEMENTS AND NOTES

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

(Expressed in Renminbi)

	<i>Note</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	2	<b>2,196,348</b>	2,143,259
Cost of sales		<b>(975,585)</b>	(964,706)
<b>Gross profit</b>		<b>1,220,763</b>	1,178,553
Selling and marketing expenses		<b>(700,310)</b>	(692,154)
Administrative expenses		<b>(215,132)</b>	(165,699)
Research and development costs		<b>(14,019)</b>	(16,505)
Impairment losses on trade and other receivables		<b>(823)</b>	(2,691)
Other income	3	<b>18,095</b>	16,235
Other net income		<b>2,642</b>	2,462
Impairment losses of property, plant and equipment and right-of-use assets		<b>(2,403)</b>	(2,213)
<b>Profit from operations</b>		<b>308,813</b>	317,988
Finance costs		<b>(8,088)</b>	(9,624)
<b>Profit before taxation</b>	4	<b>300,725</b>	308,364
Income tax	5	<b>(78,387)</b>	(84,163)
<b>Profit and total comprehensive income for the year</b>		<b>222,338</b>	224,201
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>222,251</b>	224,344
Non-controlling interests		<b>87</b>	(143)
<b>Profit and total comprehensive income for the year</b>		<b>222,338</b>	224,201
<b>Earnings per share</b>			
Basic and diluted (RMB)	6	<b>2.86</b>	2.95

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION***(Expressed in Renminbi)*

	<i>Note</i>	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		<b>442,847</b>	448,540
Investment property		<b>6,949</b>	7,223
Right-of-use assets		<b>187,235</b>	201,585
Intangible assets		<b>23,540</b>	28,999
Deferred tax assets		<b>38,327</b>	29,630
Rental deposits		<b>7,941</b>	8,197
Prepayment for purchase of property, plant and equipment and right-of-use assets		<b>926</b>	953
		<b>707,765</b>	725,127
<b>Current assets</b>			
Inventories		<b>579,191</b>	438,977
Trade and other receivables	7	<b>222,305</b>	193,462
Deposits with a bank with original maturity date over three months		<b>90,000</b>	90,000
Restricted bank deposits		<b>10,294</b>	6,124
Cash and cash equivalents		<b>889,109</b>	347,199
		<b>1,790,899</b>	1,075,762
<b>Current liabilities</b>			
Trade and other payables	8	<b>507,128</b>	382,446
Contract liabilities		<b>55,109</b>	53,104
Lease liabilities		<b>54,443</b>	55,577
Current taxation		<b>55,399</b>	40,631
		<b>672,079</b>	531,758

	<i>Note</i>	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
<b>Net current assets</b>		<u>1,118,820</u>	<u>544,004</u>
<b>Total assets less current liabilities</b>		<b>1,826,585</b>	1,269,131
<b>Non-current liabilities</b>			
Lease liabilities		<b>114,565</b>	127,806
Deferred income		<u>10,972</u>	<u>13,853</u>
		<u>125,537</u>	<u>141,659</u>
<b>NET ASSETS</b>		<b><u>1,701,048</u></b>	<b><u>1,127,472</u></b>
<b>CAPITAL AND RESERVES</b>			
Share capital	<i>10</i>	<b>85,000</b>	76,000
Reserves		<u>1,614,220</u>	<u>1,049,226</u>
<b>Total equity attributable to equity shareholders of the Company</b>		<b>1,699,220</b>	1,125,226
<b>Non-controlling interests</b>		<u>1,828</u>	<u>2,246</u>
<b>TOTAL EQUITY</b>		<b><u>1,701,048</u></b>	<b><u>1,127,472</u></b>

## 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 results set out in this announcement do not constitute the Group’s financial statements for the year ended 31 December 2025 but are extracted from those financial statements.

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that financial assets measured at FVPL is 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 processing, production and sales of tea leaves and other tea products.

(i) **Disaggregation of revenue**

Disaggregation of revenue by major service lines is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers within the scope of IFRS 15		
Sales of tea leaves	1,953,366	1,901,031
Sales of tea ware	114,615	130,507
Sales of tea snacks	103,074	81,206
Sales of other products	16,838	23,873
Others ( <i>note (i)</i> )	7,402	5,426
	<u>2,195,295</u>	<u>2,142,043</u>
Revenue from other sources		
Gross rentals from investment properties	1,053	1,216
	<u>2,196,348</u>	<u>2,143,259</u>

*Note:*

- (i) Others mainly comprised the revenue generated from rendering pre-opening training services and tea lounge services.

(ii) **Disaggregated by timing of revenue recognition**

Disaggregation of revenue from contracts with customers by timing of revenue recognition is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Disaggregated by timing of revenue recognition		
– Point in time	2,191,398	2,139,458
– Over time	4,950	3,801
	<u>2,196,348</u>	<u>2,143,259</u>

No individual customer contributed over 10% of total revenue of the Group for the years ended 31 December 2025 and 2024.

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

*Contracts within the scope of IFRS 15*

The Group has applied the practical expedient in paragraph 121(a) of IFRS 15 to its contracts for sales tea products and rendering service that had an original expected duration of one year or less and does not disclose the information related to the aggregated amount of the transaction price allocated to the remaining performance obligations.

## (b) Segment Reporting

The directors of the Company have been identified as the Group's most senior executive management. The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. Therefore, the Group has one operating segment. The Group's most senior executive management reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment. Accordingly, no reportable segment information is presented.

As substantially all of the Group's operations and assets are in the PRC, no geographic information is presented.

## 3 OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income on:		
– bank deposits and others	2,952	2,376
– time deposits	2,460	2,460
– rental deposits	489	743
	<u>5,901</u>	<u>5,579</u>
Income from value-added tax exemption ( <i>note (i)</i> )	3,456	3,494
Government grants		
– Unconditional subsidies	5,857	4,566
– Conditional subsidies	2,881	2,596
	<u>18,095</u>	<u>16,235</u>

*Note:*

- (i) Income from value-added tax exemption represented the exemption on value-added tax granted by the government authorities to small and low profit-making enterprise 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) <b>Finance costs</b>		
Interest on bank loans	–	694
Interest on lease liabilities	8,088	8,930
	<u>8,088</u>	<u>9,624</u>
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
(b) <b>Staff costs (including directors' emoluments)</b>		
Salaries, wages and other benefits	331,041	323,778
Contributions to defined contribution retirement plans	22,405	19,336
Termination benefits	3,259	2,767
	<u>356,705</u>	<u>345,881</u>

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
<b>(c) Other net income</b>		
Gains on disposal of property, plant and equipment and right-of-use assets	<b>1,929</b>	2,625
Donation	<b>(638)</b>	(347)
Investment income from financial assets measured at FVPL	<b>2,230</b>	1,711
Termination cost of purchase contract for land use right (note 7(i))	–	(4,390)
Net foreign exchange loss	<b>(1,014)</b>	–
Others	<b>135</b>	2,863
	<b>2,642</b>	2,462
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
<b>(d) Other items</b>		
Amortisation of intangible assets	<b>9,400</b>	7,959
Depreciation charge		
– property, plant and equipment	<b>55,678</b>	54,740
– right-of-use assets	<b>62,109</b>	72,805
– investment property	<b>274</b>	274
	<b>118,061</b>	127,819
Impairment losses of property, plant and equipment and right-of-use assets	<b>2,403</b>	2,213
Auditor's remuneration		
– Audit services	<b>2,300</b>	372
– Other services (note (i))	<b>3,442</b>	1,827
Listing expenses	<b>25,297</b>	13,978

*Note:*

- (i) Other services include RMB3,242,000 (2024: RMB1,827,000) which is also included in the listing expenses disclosed separately below.

**5 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:**

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
<b>Current tax</b>		
Provision for the year	<b>87,084</b>	83,476
<b>Deferred tax</b>		
(Origination)/reversal of accumulated tax loss and temporary differences	<u>(8,697)</u>	<u>687</u>
	<b><u>78,387</u></b>	<b><u>84,163</u></b>

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Profit before taxation	<b><u>300,725</u></b>	<b><u>308,364</u></b>
Notional tax on profit before taxation	<b>75,181</b>	77,091
Statutory tax concession (i)	<b>(678)</b>	(302)
Tax effect of non-deductible expenses	<b>5,382</b>	6,061
Tax effect of non-taxable income	<b>(80)</b>	(95)
Tax effect of unused tax losses and deductible temporary differences not recognised	<b>1,013</b>	2,011
Tax effect of using deductible losses and deductible temporary differences not recognised	<b>(891)</b>	(603)
Others	<b><u>(1,540)</u></b>	<u>–</u>
Actual tax expense	<b><u>78,387</u></b>	<b><u>84,163</u></b>

*Notes:*

- (i) 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 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 for the year ended 31 December 2025 (2024: 5%).

- (ii) Subsidiary in Hong Kong which is newly set up in 2024, did not have any assessable profits for the year ended 31 December 2025 and 2024.

## 6 EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB222,251,000 (2024: RMB224,344,000) and the weighted average of 77,602,740 ordinary shares (2024: 76,000,000 shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares:

	2025	2024
Ordinary shares in issue at 1 January	76,000,000	76,000,000
Effect of ordinary shares issued upon initial public offerings	1,602,740	–
Weighted average number of ordinary shares at 31 December	<u>77,602,740</u>	<u>76,000,000</u>

### (b) Diluted earnings per share

For the years ended 31 December 2025 and 2024, there were no dilutive potential ordinary shares in existence and therefore diluted earnings per share were the same as basic earnings per share.

## 7 TRADE AND OTHER RECEIVABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Current</b>		
Trade receivables, net of loss allowance	85,740	64,039
Deposits	19,291	18,897
Value-added tax recoverable	5,629	11,464
Amount due from local authority ( <i>note (i)</i> )	66,410	66,410
Other receivables	5,526	3,554
Payments for listing expenses	–	6,962
Prepayments to vendors	39,709	22,136
	<u>222,305</u>	<u>193,462</u>
<b>Non-current</b>		
Rental deposits	7,941	8,197
Prepayment for purchase of property, plant and equipment and right-of-use assets	926	953
	<u>8,867</u>	<u>9,150</u>

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

For the year ended 31 December 2025, a reversal of impairment losses on other receivables of RMB359,000 (2024: impairment losses on other receivables of RMB1,616,000) was recognised in profit or loss in the consolidated statement of profit or loss and other comprehensive income.

*Note:*

- (i) In December 2023, the Company and a third party entered into a land use right transfer contract (the “Contract”) with the local authority for a jointly development project. The Company made a prepayment of RMB70,800,000 to local authority representing 60% its interest in the land use right.

In 2024, the third party withdrew from the project, leading the Company to terminate its involvement. The Company applied for a refund of the prepayment, which was approved in November 2024 by the local authority. A land occupation fee of RMB4,390,000 was payable by the Company to the local authority, which was recognised as an expense in “Other net income”. The refund after deducting the land occupation fee was received in February 2026.

**Ageing analysis:**

As of 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 and net of loss allowance, is as follows:

	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Within 1 year	<b>85,407</b>	63,502
More than 1 year but within 2 years	<b>222</b>	515
More than 2 years but within 3 years	<b>111</b>	22
	<b>85,740</b>	64,039

**8 TRADE AND OTHER PAYABLES**

	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Trade payables	<b>273,932</b>	155,749
Deposits	<b>82,198</b>	74,385
Payables for purchase of property, plant and equipment	<b>20,339</b>	30,230
Staff cost payables	<b>49,678</b>	50,330
Other taxes payables	<b>24,725</b>	22,270
Dividends payable	<b>56</b>	50
Refund liabilities arising from sales rebate	<b>14,121</b>	12,726
Amounts due to related parties	<b>2,275</b>	1,734
Other payables	<b>39,804</b>	34,972
	<b>507,128</b>	382,446

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

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

	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Within 1 year	<b>273,473</b>	155,530
After 1 year	<b>459</b>	219
	<b>273,932</b>	155,749

## 9 DIVIDENDS

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Final dividend proposed after the end of the year of RMB nil per ordinary share (2024: RMB0.48 per ordinary share)	–	36,181

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Final dividend in respect of the previous financial year of RMB0.48 per ordinary share (2024: RMB0.42)	36,181	31,920

## 10 SHARE CAPITAL

### Issued share capital

	2025		2024	
	<i>No. of shares</i>	<i>Nominal value of fully paid shares RMB'000</i>	<i>No. of shares</i>	<i>Nominal value of fully paid shares RMB'000</i>
<b>Ordinary shares of RMB1.00 each, issued and fully paid:</b>				
At 1 January	76,000,000	76,000	76,000,000	76,000
Shares issued by initial public offering <i>(note (i))</i>	9,000,000	9,000	–	–
At 31 December	85,000,000	85,000	76,000,000	76,000

### Note:

- (i) 9,000,000 ordinary shares of par value of RMB1.0 each were issued at a price of HK\$50.0 per ordinary share upon the listing of the shares of the Company on the Stock Exchange of Hong Kong Limited. The gross proceeds raised from the offering was HKD450,000,000 (equivalent to approximately RMB410,526,000). Net proceeds from the offering were RMB387,924,000 (after offsetting costs directly attributable to the issuance of shares of approximately RMB22,602,000), of which RMB9,000,000 was credited to the Company's share capital account and the remaining RMB378,924,000 was credited to the Company's capital reserve account.

### **III. OTHER INFORMATION**

#### **DIVIDENDS**

In accordance with the Company's long-term development strategy and capital expenditure needs, and taking into account subsequent market capitalization management, the Company has resolved not to distribute profits for the Year (dividends declared for the year ended December 31, 2024: RMB0.48 per share).

#### **ANNUAL GENERAL MEETING**

The Annual General Meeting will be held at 6/F, Comprehensive Building, Bama Tea Wuyishan Intelligent Ecological Industrial Park, No. 5 Xiantai Road, Wuyishan City, Nanping City, Fujian Province, the PRC on Tuesday, April 21, 2026 at 10:00 a.m. and a notice and circular convening the Annual General Meeting will be published and despatched to the Shareholders who request the printed copy in due course.

For determining the entitlement of the Shareholders to attend and vote at the Annual General Meeting, the register of members of H Shares will be closed from Thursday, April 16, 2026 to Tuesday, April 21, 2026, both dates inclusive, during which period no transfer of H Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all properly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's H 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, April 15, 2026. Shareholders whose names appear on the register of members of the Company on Tuesday, April 21, 2026 (being the record date) will be eligible to attend and vote at the Annual General Meeting.

For holders of H Shares, the proxy form together with the power of attorney or other authorization document (if any) must be lodged with the Company's H share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong; and for holders of Domestic Shares, the form of proxy should be returned to the Company's head office and principal place of business in the PRC at 7/F, Huaduyuan Building, Dongmen South Road, Nanhu Street, Luohu District, Shenzhen, Guangdong Province, the PRC, by personal delivery or by post, as soon as possible but in any event not less than 24 hours before the time fixed for holding the Annual General Meeting (i.e. no later than 10:00 a.m. on Monday, April 20, 2026) or any adjournment thereof (as the case may be) in order to be valid. Whether or not you are able to attend the Annual General Meeting, you are advised to read the notice of the Annual General Meeting and to complete and return the proxy form in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending the Annual General Meeting and voting in person if you so wish.

#### **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. Our Company has adopted the code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules as its own code of corporate governance.

During the period from the Listing Date to December 31, 2025, the Company has complied with all applicable code provisions as set out in the Corporate Governance Code. The Board will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

### **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 code of conduct for Directors to conduct transactions of the Company’s securities. The Company has made specific inquiries to Directors, and all Directors confirmed that they have complied with the required standards set out in the Model Code during the period from the Listing Date to December 31, 2025.

At the same time, our Company has also adopted its own code of conduct regarding employees’ securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished inside information of our Company in respect of their dealings in our Company’s securities. During the above-mentioned period, the Company was not aware of any case of non-compliance with the Model Code by the relevant employees.

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

During the period from the Listing Date to December 31, 2025, the Company or its subsidiaries did not purchase, sell or redeem any of the Company’s listed securities (including sale or transfer of treasury shares as defined in the Listing Rules). At the end of the Reporting Period, no treasury shares were held by the Company or its subsidiaries.

### **SCOPE OF WORK OF AUDITOR**

The figures in respect of the consolidated statements of financial position, consolidated statements of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed by the Company’s auditor, KPMG, as consistent with the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by KPMG in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance has been expressed by KPMG on this announcement.

### **AUDIT COMMITTEE**

The Audit Committee has reviewed the annual results and the audited consolidated financial statements of the Group for the year ended December 31, 2025 prepared in accordance with the IFRS Accounting Standards. 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 and the Company’s external auditor, KPMG. The Audit Committee is in the opinion that the applicable accounting principles, standards and requirements have been complied with and that adequate disclosures have been made.

## **PROPOSED AMENDMENTS TO THE EXISTING ARTICLES**

The Board resolved to propose certain amendments to the Articles (the “**Proposed Amendments**”) to reflect recent changes in the PRC laws and regulations and to ensure compliance with the latest PRC laws and regulations, as well as to make certain relevant amendments in relation to the proposed implementation and application of the H Share full circulation as stated in the Company’s announcement dated October 30, 2025. The Proposed Amendments are subject to approval of the shareholders by way of a special resolution at the forthcoming AGM.

A circular reflecting, among other matters to be tabled at the AGM, further details of the Proposed Amendments will be despatched to the Shareholders in due course in accordance with the Listing Rules.

## **PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement will be published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.bamatea.com](http://www.bamatea.com)). The 2025 annual report of the Company containing all the information required by the Listing Rules will be published on the aforesaid website of the Stock Exchange and the website of the Company in due course, and will be dispatched to H shareholders of the Company who have indicated that they wish to receive a printed version of the corporate communications of the Company.

## **DEFINITIONS**

“AGM” or “Annual General Meeting”	the 2025 annual general meeting of our Company to be held on April 21, 2026
“Articles”	the articles of the Company as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“Central China”	Henan Province, Hubei Province, and Hunan Province
“Chairman”	the chairman of the Board
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, the regions of Hong Kong, Macau Special Administrative Region and Taiwan of the People’s Republic of China, except where the content or context requires otherwise
“Company”	Bama Tea Co., Ltd. (八馬茶業股份有限公司), a limited liability company established in the PRC on July 28, 1997 and converted into a joint stock limited liability company on September 10, 2014
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Director(s)”	director(s) of the Company

“Domestic Unlisted Share(s)”	ordinary Shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“Eastern China”	Shanghai, Jiangsu Province, Zhejiang Province, Anhui Province, Fujian Province, Jiangxi Province, Shandong Province, and Taiwan
“first-tier cities”	Beijing, Shanghai, Guangzhou and Shenzhen
“Global Offering”	the Hong Kong Public Offering and the International Offering
“GMV”	gross merchandise value, which is the total value of products sold on a marketplace or a platform before deducting commission fees, discounts, or returns
“Group”, “we”, “us”, or “our”	the Company and its subsidiaries from time to time
“H Share(s)”	overseas-listed, foreign-invested, ordinary Shares with a nominal value of RMB1.00 each in the share capital of the Company
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“IAS”	International Accounting Standards
“IFRS”	IFRS Accounting Standards issued by the International Accounting Standards Board
“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange
“Listing Date”	October 28, 2025, being the listing date of the H Shares on the Stock Exchange
“new first-tier cities”	Chengdu, Hangzhou, Chongqing, Suzhou, Wuhan, Xi’an, Nanjing, Changsha, Tianjin, Zhengzhou, Dongguan, Ningbo, Wuxi, Qingdao and Hefei
“Northeastern China”	Liaoning Province, Jilin Province, and Heilongjiang Province
“Northern China”	Beijing, Tianjin, Hebei Province, Shanxi Province, and Inner Mongolia Autonomous Region
“Northwestern China”	Shaanxi Province, Gansu Province, Qinghai Province, Ningxia Hui Autonomous Region, and Xinjiang Uygur Autonomous Region
“Prospectus”	the prospectus of the Company dated October 20, 2025
“Reporting Period” or “Year”	for the year ended December 31, 2025

“RMB”	Renminbi, the lawful currency of the PRC
“second-tier cities”	Foshan, Shenyang, Kunming, Jinan, Xiamen, Fuzhou, Wenzhou, Changzhou, Dalian, Shijiazhuang, Nanning, Harbin, Jinhua, Nanchang, Changchun, Nantong, Quanzhou, Guiyang, Jiaxing, Taiyuan, Huizhou, Xuzhou, Shaoxing, Zhongshan, Taizhou, Yantai, Zhuhai, Baoding, Weifang and Linyi
“Share(s)”	ordinary share(s) with nominal value of RMB1.00 each in the share capital of the Company, comprising the Domestic Unlisted Shares and the H Shares
“Shareholder(s)”	holder(s) of Shares
“SKU”	Stock Keeping Unit (SKU), the basic unit for measuring inventory inflows and outflows, which can be measured in pieces, boxes, pallets, etc., and has now been extended to mean the abbreviation for a unique product unique serial number, with each product corresponding to a unique SKU number
“Southern China”	Guangdong Province, Guangxi Zhuang Autonomous Region, Hainan Province, Hong Kong Special Administrative Region, and Macao Special Administrative Region
“Southwestern China”	Chongqing, Sichuan Province, Guizhou Province, Yunnan Province, and Tibet Autonomous Region
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“third-tier and below cities”	cities other than first-tier, new first-tier and second-tier cities in the PRC
“%”	per cent

By order of the Board  
**Bama Tea Co., Ltd.**  
**Mr. Wang Wenli**  
*Chairman of the Board and Executive Director*

Hong Kong, March 27, 2026

*As at the date of this announcement, the Board of the Company comprises: (i) Mr. Wang Wenli, Mr. Wu Qingbiao, Mr. Wang Kunheng, Mr. Wang Wenchao and Mr. Wang Wenlong as executive Directors; (ii) Mr. Wang Wenbin as non-executive Director; and (iii) Ms. Chiu Mun Wai, Ms. Tong Naqiong and Mr. Wang Yuefei as independent non-executive Directors.*