Qingdao Gon Technology Co., Ltd.

青 島 國 恩 科 技 股 份 有 限 公 司

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

(Stock Code: 2768)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

ANNUAL RESULTS

The Board of Qingdao Gon Technology Co., Ltd. hereby announces the audited consolidated annual results of the Company and its subsidiaries for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024.

FINANCIAL SUMMARY

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Revenue	**21,251,231**	19,187,511
Gross profit	**2,210,390**	1,592,172
Gross profit margin	**10.4%**	8.3%
Profit for the year	**836,802**	720,586
Net profit margin	**3.9%**	3.8%
Profit attributable to owners of the Company	**851,944**	685,232
Basic earnings per share *(RMB per share)*	**3.22**	2.56

For the year ended 31 December 2025, the total revenue of the Group was approximately RMB21,251.2 million, representing an increase of approximately 10.8% from approximately RMB19,187.5 million for the year ended 31 December 2024.

For the year ended 31 December 2025, the gross profit of the Group was approximately RMB2,210.4 million, representing an increase of approximately 38.8% from approximately RMB1,592.2 million for the year ended 31 December 2024. The Group's gross profit margin was approximately 10.4%, representing an increase of approximately 2.1% as compared with the gross profit margin of approximately 8.3% for the year ended 31 December 2024.

For the year ended 31 December 2025, the profit of the Group was approximately RMB836.8 million, representing an increase of approximately 16.1% from approximately RMB720.6 million for the year ended 31 December 2024.

The Board has resolved to recommend a final dividend of RMB0.5 per share for the year ended 31 December 2025 and the 2025 Capital Reserve Capitalization Plan, subject to the approval at the forthcoming annual general meeting of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*(Expressed in Renminbi (**"RMB"**))*

		Year ended 31 December	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
Revenue	*3*	**21,251,231**	19,187,511
Cost of sales		**(19,040,841)**	(17,595,339)
Gross profit		**2,210,390**	1,592,172
Other income, gains and losses, net		**101,425**	337,522
Selling and distribution expenses		**(144,185)**	(135,046)
Administrative expenses		**(319,584)**	(252,315)
Research and development expenses		**(685,480)**	(591,284)
Finance costs		**(181,444)**	(144,568)
Share of result of a joint venture		**(17,997)**	(5,414)
Share of results of associates		**(2,093)**	(3,992)
Profit before tax		**961,032**	797,075
Income tax expense	*5*	**(124,230)**	(76,489)
Profit for the year	*6*	**836,802**	720,586
Attributable to:			
– Owners of the Company		**851,994**	685,232
– Non-controlling interests		**(15,192)**	35,354
		836,802	720,586
Other comprehensive expense			
Item that will be reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**(15,099)**	(615)
Other comprehensive expense for the year		**(15,099)**	(615)
Total comprehensive income for the year		**821,703**	719,971

		Year ended 31 December	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
Attributable to:			
– Owners of the Company		**836,891**	684,617
– Non-controlling interests		**(15,188)**	35,354
		821,703	719,971
Earnings per share for profit attributable to owners of the Company *(RMB per share)*			
– Basic		**3.22**	2.56
– Diluted		**3.22**	2.56

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in RMB)

		As at 31 December	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
Non-current assets			
Property, plant and equipment		**5,962,315**	5,620,502
Right-of-use assets		**616,670**	705,878
Investment properties		**2,226**	2,577
Goodwill		**331,975**	333,630
Intangible assets		**262,442**	309,129
Interests in a joint venture		**176,589**	194,586
Interests in associates		**16,256**	17,908
Equity instruments designated at fair value through other comprehensive income ("**FVTOCI**")		**35,196**	35,196
Deferred tax assets		**23,120**	17,961
Prepayments		**102,550**	100,477
Total non-current assets		**7,529,339**	7,337,844
Current assets			
Inventories		**3,875,222**	3,377,655
Trade and bills receivables	*7*	**3,567,541**	3,454,614
Bills receivables at FVTOCI		**516,713**	356,224
Other receivables, deposits and prepayments		**839,554**	797,673
Financial assets at fair value through profit or loss ("**FVTPL**")		**–**	2,471
Pledged bank deposits		**1,089,662**	1,010,203
Bank balances and cash		**2,202,805**	2,014,764
		12,091,497	11,013,604
Assets classified as held for sale		**167,016**	–
Total current assets		**12,258,513**	11,013,604

	Notes	As at 31 December 2025 RMB'000	2024 RMB'000
Current liabilities			
Trade and other payables	*8*	**5,027,001**	4,755,502
Contract liabilities		**147,227**	81,650
Tax liabilities		**46,570**	39,711
Bank and other borrowings		**2,805,468**	2,217,366
Convertible bonds		**354,287**	340,635
Lease liabilities		**20,135**	20,711
Total current liabilities		**8,400,688**	7,455,575
Net current assets		**3,857,825**	3,558,029
Total assets less current liabilities		**11,387,164**	10,895,873
Non-current liabilities			
Bank and other borrowings		**3,448,159**	3,627,482
Deferred tax liabilities		**156,541**	149,236
Lease liabilities		**11,868**	24,939
Deferred income		**70,258**	61,887
Total non-current liabilities		**3,686,826**	3,863,544
Net assets		**7,700,338**	7,032,329
Equity			
Capital and reserves			
Share capital	*9*	**271,250**	271,250
Treasury share		**(130,291)**	(130,291)
Reserves		**5,581,259**	4,823,164
Equity attributable to owners of the Company		**5,722,218**	4,964,123
Non-controlling interests		**1,978,120**	2,068,206
Total equity		**7,700,338**	7,032,329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in RMB unless otherwise indicated)

1. CORPORATE INFORMATION

Qingdao Gon Technology Co., Ltd. (the "**Company**") was incorporated in Qingdao City of Shandong Province of the People's Republic of China (the "**PRC**") as a joint stock company with limited liability on 22 December 2000. The Company's A shares were listed on Shenzhen Stock Exchange on 30 June 2015 (stock code: 002768), and H shares were listed on the Stock Exchange of Hong Kong Limited on 4 February 2026 (stock code: 2768). The addresses of the registered office of the Company and principal places of business of the Company are No. 2 Qingda Industrial Park Jihongtan Subdistrict, Chengyang District of Qingdao City. In the opinion of the directors, during the Year ended 31 December 2025 and up to the date of this report, the Company is ultimately controlled by Mr. Wang Aiguo, Mrs. Xu Bo and Qingdao Century Xinghao Investment Co., Ltd. ("**Xinghao Investment**") which is controlled by Mrs. Xu Bo (the "**Controlling Shareholders**").

The Company and its subsidiaries are principally engaged in research, development, production, and sales of plastic raw materials and products, modified plastics, plastic alloy materials, functional plastic sheets, molds, composite materials and products. The main products of the Group comprise organic polymer-modified materials, organic polymer composite materials, green petrochemical materials, gelatin, collagen peptides and their derivatives, empty capsules, etc.

The consolidated financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("**IASB**") and include applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users.

These consolidated financial statements have been prepared on an accrual basis and under the historical cost convention except for financial assets/liabilities at fair value through profit or loss and other comprehensive income that have been measured at fair value. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to IFRS 9 and IFRS 7	Contracts referencing Nature-dependent Electricity[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[1]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[2]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual periods beginning on or after 1 January 2027
3 Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation in the statement of profit or loss and other comprehensive income and disclosures of the Group's financial performance. The new standard is not expected to have any impact on the Group's results of operations and financial position but has impact on the presentation and disclosure of the Group's financial statements. Other than IFRS 18, so far, the Group considers that IFRS 19 and other amended IFRS Accounting Standards are unlikely to have a significant impact on the Group's results of operations and financial position.

3. REVENUE

An analysis of the Group's revenue for the year is as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Types of goods or services		
Sales of goods		
Green petrochemical materials	**5,289,697**	3,869,138
Organic polymer modified materials	**10,357,221**	10,324,910
Organic polymer composite materials	**3,917,302**	3,175,422
Gelatin, collagen and their derivatives	**331,659**	483,574
Empty capsules	**411,768**	366,635
	20,307,647	18,219,679
Others – trading of other chemical products and health products	**943,203**	967,451
Revenue from contracts with customers	**21,250,850**	19,187,130
Rental income	**381**	381
Total	**21,251,231**	19,187,511
Timing of revenue recognition		
At a point of time	**21,250,850**	19,187,130
Rental income	**381**	381
Total	**21,251,231**	19,187,511

Performance obligations for contracts with customers

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

Sale of goods

For domestic industrial products and health products sales, the performance obligation is satisfied upon obtaining the delivery receipt after the customer's acceptance. For export industrial products and health products sales, the Group fulfills its performance obligation upon obtaining the bill of lading after arranging for a third-party logistics provider to ship the goods to the port, load them onto the vessel, and complete customs clearance for export.

Transaction price allocated to the remaining performance obligation for contracts with customers

The sales contracts are with an original expected duration of one year or less or contracts for which revenue is recognised at the amount to which that Group has the right to invoice for the goods sold. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of each reporting period.

4. SEGMENT INFORMATION

Information regularly reported to the Group's chief executive officer (the chief operating decision maker) for the purposes of resource allocation and assessment of performance focuses on the type of operation. The Group's reportable and operating segments under IFRS 8 Operating Segments are as follows:

New chemical materials – production and sale of chemicals product
Health and wellness – production, and sales of gelatin, collagen, and their extensions
Others – lease of investment properties

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of unadjusted profit/loss before tax.

No operating segments have been aggregated in arriving at the reportable segments of the Group. The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Year ended 31 December 2025			
	New chemical materials	**Health and wellness**	**Others**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Revenue				
Sales to external customers	**20,506,084**	**744,766**	**381**	**21,251,231**
Segment results	**967,111**	**(6,127)**	**48**	**961,032**
Profit before tax				**961,032**

	Year ended 31 December 2024			
	New chemical materials	Health and wellness	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Revenue				
Sales to external customers	18,334,935	852,195	381	19,187,511
Segment results	696,667	100,419	(11)	797,075
Profit before tax				797,075

Geographical information

The Group's operations and location of non-current assets are substantially in the People's Republic of China (the "**PRC**"). Information about the Group's revenue from external customers is presented based on location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets. All non-current assets are allocated to reportable and operating segments.

Revenue from the external customers, based on the location of its customers, are as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Geographical region		
Mainland China	**20,948,676**	18,884,010
Overseas	**302,555**	303,501
Total	**21,251,231**	19,187,511

Non-current assets based on their locations are as follows:

	As at 31 December	
	2025	2024
	RMB'000	*RMB'000*
Geographical region		
Mainland China	**7,294,864**	7,105,546
Hong Kong	**176,159**	179,141
Total	**7,471,023**	7,284,687

Note: Non-current assets excluded equity instruments designated at FVTOCI and deferred tax assets.

Information about major customers

None of the customer accounted for 10% or more of aggregate revenue of the Group during both years.

5. INCOME TAX EXPENSE

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Current tax-Mainland China Charge for the year	**123,055**	72,840
Deferred tax	**1,175**	3,649
Total	**124,230**	76,489

The income tax expense can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Profit before taxation	**961,032**	797,075
Tax at the domestic income tax rate of 25%	**240,258**	199,269
Tax effect of different tax rates of subsidiaries	**(99,533)**	(69,988)
Losses attributable to joint ventures and associates	**2,947**	253
Income not subject to tax	**(1,096)**	(40,172)
Tax effect of non-deductible expenses	**7,097**	3,688
Tax effect of utilisation of deductible temporary differences not recognised	**(5,067)**	(6,038)
Deductible temporary differences and tax losses not recognised	**54,298**	62,221
Effect on opening deferred tax of decrease in rates	**–**	(805)
Profits Tax concession	**(124)**	(238)
Additional deduction for qualified research and development expenses	**(74,550)**	(71,701)
Income tax expense	**124,230**	76,489

6. PROFIT FOR THE YEAR

	Year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Profit before tax has been arrived at after charging (crediting):		
Directors' emoluments	**4,266**	3,762
Other staffs' salaries	**603,845**	483,967
Other staffs' retirement benefit scheme contributions	**70,435**	61,254
Total staff costs	**678,546**	548,983
Cost of inventories sold	**17,211,649**	15,970,465
Auditor's remuneration	**3,750**	2,150
Listing fees expensed off	**607**	–
Depreciation of property, plant and equipment	**299,207**	244,858
Depreciation of right-of-use assets	**42,460**	32,281
Depreciation of investment properties	**351**	392
Amortisation of intangible assets	**9,633**	9,438
Expense relating to short-term leases	**2,249**	1,001
Reversal of impairment loss (impairment loss) of bills and trade receivables, net	**7,589**	(1,363)
Reversal of impairment loss of other receivables, net	**2,307**	4,432
Provision for impairment losses on assets		
– Goodwill	**1,655**	6,503
– Intangible assets	**49,298**	11,120
– Inventories	**69,157**	85,954
	120,110	103,577

7. TRADE AND BILLS RECEIVABLES

		As at 31 December	
	Notes	**2025**	2024
		RMB'000	*RMB'000*
Trade receivables	*(a)*	**2,951,599**	2,889,964
Less: Expected credit losses		**(104,209)**	(114,909)
		2,847,390	2,775,055
Bills receivables	*(b)*	**723,770**	682,974
Less: Expected credit losses		**(3,619)**	(3,415)
		720,151	679,559
		3,567,541	3,454,614

(a) The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the date of revenue recognition:

	As at 31 December	
	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**2,790,111**	2,702,008
1 to 2 years	**12,613**	14,334
2 to 3 years	**4,494**	7,807
Over 3 years	**40,172**	50,906
	2,847,390	2,775,055

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during.

(b) As at 31 December 2025, except for those discounted and endorsed bills receivables as disclosed in note 7(b), bills receivables of the Group amounting to approximately RMB250,000 (2024: RMB71,593,000), were pledged to secure bank and other borrowings granted to the Group.

8. TRADE AND OTHER PAYABLES

	As at 31 December	
	2025	2024
	RMB'000	*RMB'000*
Trade payables	**499,493**	624,700
Bills payables	**3,892,225**	3,490,639
Other deposits	**1,256**	1,770
Interest payables	**7,999**	5,561
Construction payables	**181,418**	216,902
Other taxes payables	**156,644**	168,636
Payroll and welfare payables	**67,864**	69,690
Endorsed bills receivables to suppliers	**149,583**	131,381
Other payables	**70,519**	46,223
	5,027,001	4,755,502

The trade and bills payables of the Group and the Company are non-interest-bearing and are normally settled ranged from 30 days to 180 days. The fair value of trade and bills payables approximates to their carrying amount.

The following is an aged analysis of trade and bills payables presented based on the date of service provided and date of goods acceptance at the end of the reporting period:

	As at 31 December	
	2025	2024
	RMB'000	*RMB'000*
Within one year	**4,360,563**	4,087,449
Over 1 years	**31,155**	27,890
	4,391,718	4,115,339

9. SHARE CAPITAL

	As at 31 December	
	2025	2024
	RMB'000	*RMB'000*
A shares of RMB1.00 each	**271,250**	271,250

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

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

The Group is a domestic core supplier of new chemical materials as well as gelatin and collagen series products, with business covering such two segments as the new chemical materials and the health and wellness segment. The Group primarily engages in the R&D, production, and sales of relevant products widely used by clients in both industrial and commercial sectors.

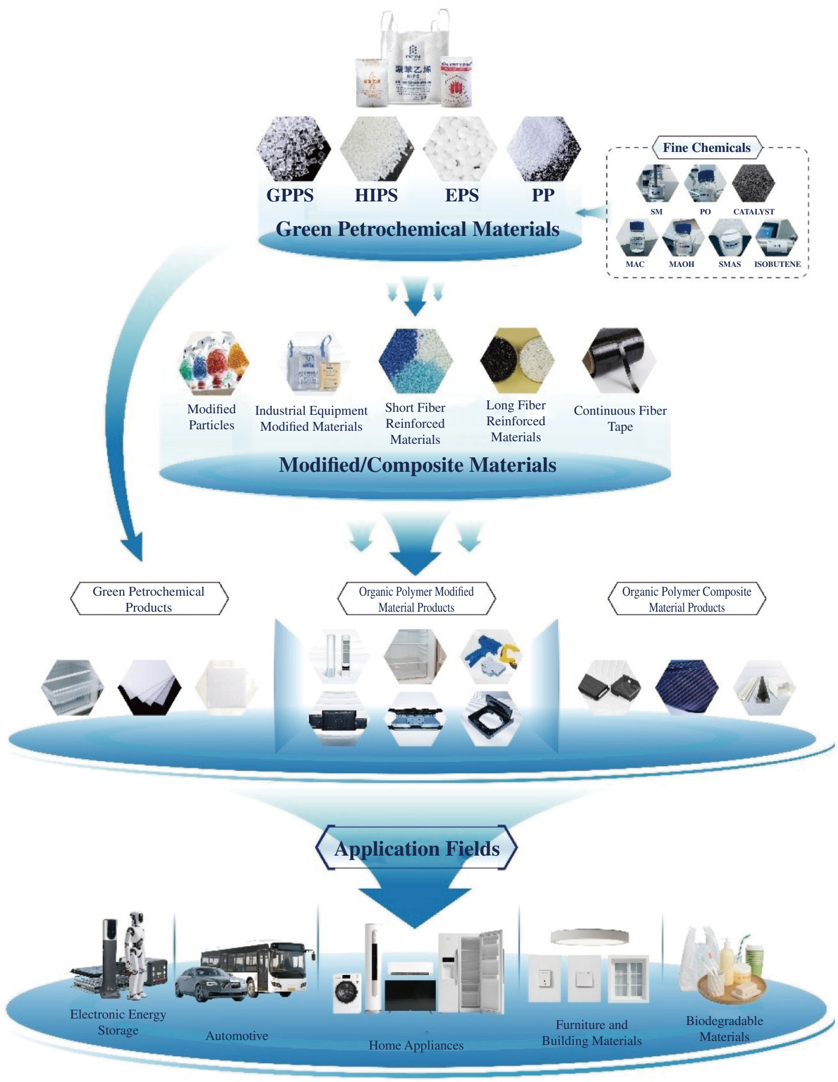
During the Reporting Period, the Group derived its revenue primarily from two business segments, namely, (i) new chemical materials segment; and (ii) health and wellness segment.

1. New Chemical Materials Segment

In this field, the Group has implemented a vertically integrated development strategy centered on new chemical materials. Its main products include green petrochemical materials, organic polymer modified materials and organic polymer composite materials, forming a complete vertically integrated value chain spanning 'monomers – synthetic resins – polymer modified materials/composite materials – products'. Applications of its products cover a wide range of major industries, including home appliances, automotive, new energy, consumer electronics, home building materials, communication, packaging, healthcare, and biodegradable materials. The Group has extended its business to chemical monomers and fine chemical segment, advancing the R&D and industrialization process of special new materials such as PEEK (polyetheretherketone) and CPMMA (aviation-grade cross-linked polymethyl methacrylate acrylic glass) to further improve the vertical integration layout.

During the Reporting Period, the Group delivered a cumulative number of 652,500 tons of green petrochemical materials, 1.1785 million tons of organic polymer modified materials, and 478,700 tons of organic polymer composite materials.

The diagram below illustrates its vertically integrated business model and product matrix of the new chemical materials segment:



2. *Health and Wellness Segment*

In this field, the Group has integrated its industrial resources through its holding subsidiary, Dongbao Bio-tech (300239.SZ). Dongbao Bio-tech specializes in the R&D, production and sales of gelatin, collagen, empty capsules, and B2C series products. Leveraging its expertise in natural bone collagen extraction, the Group has established a full value chain system from raw materials (i.e. its gelatin, collagen peptides/collagen), containers for dosage forms of medication or supplement (i.e. its empty capsules) to final consumer products (i.e. its collagen+ series). This has enabled the Group to build an ecosystem in which its B2B products and its B2C "collagen+" series mutually reinforce and benefit. The Group continuously advances the development of high-value-added collagen derivatives products and widens the offerings, gradually expanding applications to subsegments of the health and wellness market, including "medical, beauty, wellness, food" segments as well as emerging niche such as the advanced materials segment.

During the Reporting Period, the Group delivered a cumulative number of 5,500 tons of gelatin and collagen peptides, as well as 34.56 billion empty capsules.

The diagram below illustrates its vertically integrated business model and product matrix of the health and wellness segment:

The H Shares were listed on the Main Board of the Stock Exchange on 4 February 2026 by way of Global Offering.

Outlook

In 2026, the Group remains committed to making its products, platform, and services more global through the following development strategies:

1. ***Develop overseas markets through investing in Hong Kong and deploying overseas production capacity:***

   According to Frost & Sullivan, the size of the overseas organic polymer material modification market was approximately RMB0.96 trillion in 2024 and projected to reach RMB1.64 trillion by 2029, with an estimated compound annual growth rate of approximately 14.3% from 2025 to 2029. In view of low concentration of this industry and technological advantages possessed by Chinese companies, coupled with the trend of home appliance manufacturers expanding overseas, the Company plans to explore overseas markets, establish a regional headquarters in Hong Kong, and develop overseas production capacity and sales networks to create new growth drivers and enhance its global brand value.

   The Company plans to establish a regional headquarters in Hong Kong as a global strategic hub, integrating R&D centers, brand showcases, and global marketing functions. Leveraging Hong Kong Petrochemical's production capacity for high-performance polystyrene (PS) and the deep-water port capable of accommodating 6,000-ton vessels, it aims to build an overseas production and shipping base while upgrading related facilities.

   The Company has chosen Thailand as the first stop for its overseas production capacity layout, leveraging local geographical and policy advantages to serve downstream industrial clusters. Relying on future circumstances, it may further expand production in other overseas regions, following the global expansion of leading downstream home appliance enterprises to enhance customer loyalty and diversify revenue streams.

2. ***Continue to expand production capacity layout to maintain economies of scale and increase market share:***

   The Company plans to increase the market share in new chemical materials by expanding production capacity and establishing a multi-regional presence across the country. According to Frost & Sullivan, the size of the domestic new chemical materials market reached RMB1.12 trillion in 2024 and is expected to exceed RMB1.60 trillion by 2029, with a compound annual growth rate of approximately 7.4% from 2024 to 2029. Establishing production bases across multiple regions will facilitate integration into the industrial ecosystem, synergistic development and market expansion.

Located in Qingdao's new materials industrial cluster with its subsidiary Gon Polymer 1 based in Zhoushan, Zhejiang, the headquarters leverage both road and sea transportation advantages to serve customers in East China, North China, South China, and overseas regions. The Company plans to expand production bases for organic polymer modified materials and composite materials in the Yangtze River Delta region, capitalizing on the area's convenient transportation network to efficiently connect with markets and supply chains, thereby reducing raw material procurement and logistics costs. Additionally, the Company has strategically invested in Gon Chemical (Dongming), establishing a production base in Heze, Shandong – a hub for fine chemical industry clusters to further strengthen its upstream supply chain layout.

In the future, the Company will establish Qingdao headquarters as its core and develop a local integrated industrial cluster production base across Shandong, Zhejiang, Jiangsu, and other regions from basic chemicals and fine chemicals to material modification and material compounding from point to area. By dynamically allocating production capacity and lines, the Company aims to meet market demands, reduce costs, enhance efficiency, and increase market share.

3. ***Drive high-quality development in the health and wellness sector with high value-added, technologically advanced products as the engine:***

The health and wellness segment is an important part of the Company's "One Core, Two Wings" strategy. China's health and wellness market continues to experience rapid growth, with a compound annual growth rate of approximately 8.0%. It is projected to further expand to RMB14.8 trillion by 2029. The gelatin and empty capsule markets also maintain stable development, offering broad opportunities for business expansion. The Company places strong emphasis on R&D innovation, focusing on high-value, high-tech barrier products to solidify its market position, optimize its product portfolio, and enhance profitability.

As the sole domestic supplier in the plasma substitute gelatin field, the related products have been commercialized and selected into the national *Guide for Excellent and Innovative Consumer Goods* (《升級和創新消費品指南》). Its downstream product, succinylated gelatin injection, has been included in the Category B of the National Reimbursement Drug List. Ultra-low endotoxin gelatin, processed through special production techniques and technology, reduces endotoxin content to below 30 EU/g, meeting stringent requirements for high-end medical and aesthetic applications, with market connection already initiated. Specialized collagen for cashmere textiles enables environmentally friendly production and addresses industry pain points, currently undergoing production line testing. Specialized collagen additives for electrolytic copper foil have been commercialized, and the Company continues to optimize processes to capitalize on opportunities in the new energy industry.

Going forward, the Company will rely on the dual drivers of technological innovation and refined management to solidify its internal growth momentum and propel self-driven development to new heights.

4. ***Further enhance R&D capabilities to explore high-value products and improve production efficiency:***

The Group has thoroughly capitalized on the opportunities presented by the new energy revolution and the "dual carbon" strategy. Through core technology reserves, optimized production capacity layout, and dynamic market responsiveness, it has deepened its strategic focus on polymer material innovation. Key initiatives include in-depth research and development of high-purity dianhydride monomers and polyimide polymer materials, PSPI photoresist materials, C9 mixed aromatic hydrocarbon pre-hydrogenation materials, low-temperature resistant lubricating greases based on isononyl acid esters and isononyl acid, as well as high-purity paramethylstyrene (PVT). The Group is intensifying development efforts and investments while establishing a dynamic evaluation mechanism. It will initiate related project construction in a timely manner based on industry trends and market demands.

5. ***Extend the industrial chain through acquisition or investment and strengthen the innovation chain and value chain:***

Leveraging over two decades of industry expertise and a solid operational track record, the Group will continue to explore strategic partnerships, investments, and acquisition opportunities that generate business synergies. The Group believes that extending the industrial chain through acquisitions and investments will not only accelerate the development of an integrated industrial platform but also introduce external innovation drivers, strengthen innovation capabilities, and enhance value chain positioning.

The Group intends to focus on the new chemical materials and health and wellness industries both domestically and internationally, selecting and investing in high-quality targets. Key considerations include: having strong synergies with the Company's existing businesses, possessing leading R&D capabilities within the industry, and being located within core industrial clusters.

Financial Review

Revenue

The following table sets forth a breakdown of the Group's revenues generated from sales of products and provision of services during the periods indicated. The amount of revenue generated from the new chemical materials segment represented approximately 95.6% and 96.5% of revenue generated from sales of products in 2024 and 2025, respectively. The amount of revenue generated from health and wellness segment represented 4.4% and 3.5% of revenue generated from provision of services in 2024 and 2025, respectively.

	Year ended 31 December			
	2025		2024	
	RMB	***%***	*RMB*	*%*
	(in thousands, except for percentages)		*(in thousands, except for percentages)*	
New Chemical Materials Segment				
Green Petrochemical Materials	**5,289,697**	**24.9**	3,869,138	20.2
Organic polymer modified materials	**10,357,221**	**48.7**	10,324,910	53.8
Organic polymer composite materials	**3,917,302**	**18.4**	3,175,422	16.5
Others	**941,483**	**4.5**	965,465	5.1
Health and Wellness				
Gelatin, collagen and their derivatives	**331,659**	**1.6**	483,574	2.5
Empty capsules	**411,768**	**1.9**	366,635	1.9
Others	**2,101**	**0.0**	2,367	0.0
Total	**21,251,231**	**100.0**	19,187,511	100.0

In fiscal year 2025, the Group's revenue amounted to approximately RMB21,251.2 million, representing an increase of approximately 10.8% from approximately RMB19,187.5 million in fiscal year 2024, mainly reflecting the following:

(i) revenue from sales of new chemical materials increased by approximately 11.8% from approximately RMB18,334.9 million for the year ended 31 December 2024 to approximately RMB20,505.7 million for the year ended 31 December 2025, primarily attributable to (i) the green petrochemical bases (including the Zhejiang (Zhoushan) and Jiangsu (Yizheng) bases) focusing on polystyrene and polypropylene polymerization and related industries, with strengthened efforts in research and development, production, and marketing; and (ii) enhanced cooperation with existing customers to promote continuous sales growth.

(ii) revenue from Health and Wellness segment decreased by approximately 12.6% from approximately RMB852.6 million for the year ended 31 December 2024 to approximately RMB745.5 million for the year ended 31 December 2025, primarily due to the intensified market fluctuations in gelatin-related market, resulting in a decrease in product prices, sales volume and sales revenue.

Cost of Sales

The Group's cost of sales comprises (i) raw material costs, such as resins for the new chemical materials segment and bone granules for the health and wellness segment; and (ii) other costs, including (a) employee compensation and benefits, (b) depreciation of plant and equipment, and (c) transportation costs. The Group's cost of sales decreased from approximately RMB17,595.3 million for the year ended 31 December 2024 to approximately RMB19,040.8 million for the year ended 31 December 2025, which was generally in line with the revenue trend.

Gross Profit and Gross Profit Margin

The following table sets forth the Group's gross profit and gross profit margin by business line for the periods indicated:

	2025		2024	
	RMB	**%**	*RMB*	%
	(in thousands, except for percentages)		*(in thousands, except for percentages)*	
New Chemical Materials Segment				
Green Petrochemical Materials	**307,315**	**5.8**	168,431	4.4
Organic polymer modified materials	**1,231,343**	**11.9**	918,492	8.9
Organic polymer composite materials	**491,135**	**12.5**	279,067	8.8
Others[(1)]	**27,311**	**2.9**	28,546	3.0
Subtotal	**2,057,104**	**10.0**	1,394,536	7.6
Health and Wellness Segment				
Gelatin, collagen and their derivatives[(2)]	**56,767**	**17.1**	121,040	25.0
Empty capsules	**95,218**	**23.1**	76,548	20.9
Others[(3)]	**1,301**	**61.9**	48	2.0
Subtotal	**153,286**	**20.6**	197,636	23.2
Total	**2,210,390**	**10.4**	1,592,172	8.3

The Group's gross profit increased by approximately 38.8% from approximately RMB1,592.2 million for the year ended 31 December 2024 to approximately RMB2,210.4 million for the year ended 31 December 2025, primarily due to the increase in sales volume and gross profit margin of the products in the Group's new chemical materials segment.

The Group's gross profit margin for the year ended 31 December 2025 was approximately 10.4%, representing an increase of approximately 2.1% as compared with the gross profit margin of approximately 8.3% for the year ended 31 December 2024, primarily due to the economies of scale brought by the increase in capacity utilization rate of the new chemical materials segment, resulting in a decrease in unit costs, and enhanced production efficiency as a result of improved production processes and technological upgrades.

Other Income and Gains

The Group's other income and gains decreased by approximately 70.0% from approximately RMB337.5 million for the year ended 31 December 2024 to approximately RMB101.4 million for the year ended 31 December 2025, primarily due to (i) a decrease in additional value-added tax deductions of RMB30.7 million; (ii) the recognition of impairment losses on intangible assets and goodwill of RMB49.3 million and RMB1.7 million, respectively, resulting from the lower-than-expected performance of Dongbao Bio-Tech; and (iii) a reduction in bargain purchase gains arising from the acquisition of subsidiaries, from RMB168.2 million in 2024 to RMB77 thousand in 2025.

Sales and Marketing Expenses

The Group's sales and marketing expenses increased by approximately 6.8% from approximately RMB135.0 million for the year ended 31 December 2024 to RMB144.2 million for the year ended 31 December 2025, primarily due to (i) with the growth of the Group's revenue, more sales and marketing personnel were recruited, resulting in an increase in salaries, remuneration and benefits; and (ii) as construction in progress was gradually transferred to plant and buildings (part of which are used as our sales centers and offices for the marketing department)), resulting in an increase in depreciation and amortization.

Administrative Expenses

Administrative expenses and research and development costs increased by approximately 26.7% from approximately RMB252.3 million for the year ended 31 December 2024 to RMB319.6 million for the year ended 31 December 2025, primarily due to the (i) an increase in employee compensation and office expenses resulting from the expansion of business operations and the associated increase in the number of administrative personnel; (ii) an increase in depreciation and amortization expenses arising from the acquisition of office properties and equipment; (iii) an increase in taxes and surcharges due to the gradual capitalization of construction in progress as well as an increase in land use rights and properties; and (iv) an increase in urban maintenance and construction tax and education surcharges attributable to the increase in gross profit margin on sales.

Research and Development Costs

Research and development costs increased by approximately 15.9% from approximately RMB591.3 million for the year ended 31 December 2024 to RMB685.5 million for the year ended 31 December 2025, primarily due to (i) an increase in raw materials used in research and development projects resulting from intensified R&D efforts across various application materials; and (ii) an increase in depreciation and amortization arising from newly added R&D-related office buildings and equipment.

Finance Costs

Financial costs increased by approximately 25.4% from RMB144.6 million for the year ended 31 December 2024 to approximately RMB181.4 million for the year ended 31 December 2025, primarily due to (i) interest expenses on bank and other borrowings increased by RMB28.5 million, which was due to the Group's strategic decision to increase borrowings in 2025 (a period of relatively low interest rates) to support business operations; and (ii) interest on discounted bills receivable increased by RMB 12.4 million.

Income Tax Expenses

Income tax expenses increased by approximately 62.4% from approximately RMB76.5 million for the year ended 31 December 2024 to approximately RMB124.2 million for the year ended 31 December 2025, primarily due to the increase in our profit before tax.

Profit for the Year

As a result of the foregoing, profit for the year increased by approximately 16.1% from approximately RMB720.6 million for the year ended 31 December 2024 to approximately RMB836.8 million for the year ended 31 December 2025.

Property, Plant and Equipment

The Group's property plant and equipment mainly consist of construction-in-progress, plant and buildings, machinery and equipment, furniture and fixtures, motor vehicles.

The value of the property, plant and equipment increased by approximately 6.1% from approximately RMB5,620.5 million as at 31 December 2024 to approximately RMB5,962.3 million for the year ended 31 December 2025, primarily due to continued investment in production bases, as well as the transfer of certain construction-in-progress projects in Qingdao, Zhejiang and other locations to fixed assets.

Trade and Bills Receivables

As part of the Group's and the Company's cash flow management, a substantial part of the trade receivables are settled by bills received from customers and the Group and the Company have the practice of endorsing substantial part of the bills to suppliers or discounting the bills to banks before the bills are due for payment and derecognises the bills endorsed or discounted on the basis that the Group has transferred substantially all risks and rewards to the relevant counterparties. Accordingly, such bills receivables were considered as within the business model to hold to collect contractual cash flows and to sell business model, and classified as bills receivables at Equity instruments designated at fair value through other comprehensive income (FVTOCI).

The Group's trade and bills receivables (less: expected credit loss) increased from approximately RMB3,454.6 million as at 31 December 2024 to approximately RMB3,567.5 million for the year ended 31 December 2025. The increase in trade and bills receivables was broadly in line with the increase in sales during the same period.

Financial Assets at Fair Value

The Group's financial assets at fair value through profit and loss (FVTPL) decreased by approximately 100% from approximately RMB2.5 million as at 31 December 2024 to approximately RMB0 million as at 31 December 2025, mainly due to the disposal of financial assets at FVTPL during the current period.

Trade and Other Payables

Trade and other payables primarily consist of (i) trade payables and bills payable, which refer to the unpaid amounts due to our suppliers of production materials, (ii) construction payables, (iii) taxes other than income tax, and (iv) unrecognised and unmatured endorsed bills receivable.

The Group's trade and other payables increased by approximately 5.7% from approximately RMB4,755.5 million as at 31 December 2024 to approximately RMB5,027.0 million as at 31 December 2025, primarily due to the increase in notes payable resulting from the increased use of notes.

Cash and Cash Equivalents

The Group's cash and cash equivalents increased by approximately 9.3% from approximately RMB2,014.8 million as at 31 December 2024 to approximately RMB2,202.8 million as at 31 December 2025 (approximately 96.0% of which was denominated in RMB).

Net Current Assets

The Group's net current assets increased from approximately RMB3,558.0 million as at 31 December 2024 to approximately RMB3,857.8 million as at 31 December 2025, primarily attributable to (i) an increase in inventories of RMB497.6 million; (ii) an increase in bank balances and cash of RMB188.0 million; (iii) an increase in bills receivables at FVTOCI of RMB160.5 million; (iv) an increase in assets classified as held for sale of RMB167.0 million; (v) an increase in trade and bills receivables of RMB112.9 million, partially offset by (i) an increase in bank and other borrowings of RMB588.1 million; and (ii) an increase in trade and other payables of RMB271.5 million.

Liquidity and Capital Resources

The Group financed its operations primarily through cash generated from its operating activities and proceeds from bank borrowings. As at 31 December 2025, cash and cash equivalents of the Group amounted to approximately RMB2,202.8 million (31 December 2024: approximately RMB2,014.8 million). Looking ahead, we believe that our liquidity needs will be satisfied by cash generated from operating activities, bank facilities and the net proceeds from the Listing.

Bank and Other Borrowings

As at 31 December 2025, the Group had bank and other borrowings of approximately RMB6,147.3 million (31 December 2024: approximately RMB5,743.5 million). The amount of fixed-rate borrowings was RMB2,399.4 million, accounting for 39.0% of the total loans.

Pledge of Assets

As at 31 December 2025, the Group had pledged assets of RMB1,038.8 million (31 December 2024: RMB1,434.3 million).

Gearing Ratio

Gearing ratio equals total debt divided by the Company's total equity as of the end of the period. Total debt includes lease liabilities, convertible bonds and borrowings. The Group's gearing ratio for the year ended 31 December 2025 was 86.2% (31 December 2024: approximately 88.6%).

Contingent Liabilities

As at 31 December 2025, the Group did not have any outstanding material contingent liabilities (31 December 2024: nil).

Capital Expenditures

The Group's capital expenditures primarily consist of expenditures for property, plant and equipment, right-of-use assets, intangible assets and acquisition of subsidiaries. The Group has financed its capital expenditures primarily through cash flow from operations and bank and other borrowings. The Group incurred capital expenditures of approximately RMB745.6 million for the year ended 31 December 2025 (2024: approximately RMB705.5 million).

Market Risk

The Group is exposed to a variety of market risks, including interest rate risk, foreign currency risk, credit risk and liquidity risk, as set out below. The Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. During the Reporting Period, the Group did not hedge or consider necessary to hedge any of these risks.

Interest Rate Risk

The Group's cash flow interest rate risk mainly relates to its floating-rate bank borrowings, restricted bank deposits and bank balances.

The Group is also exposed to fair value interest rate risk, which mainly relates to fixed-rate bank and other borrowings, the interest-bearing portion of convertible bonds. The Group currently does not conduct any interest rate swaps to hedge its exposure to fair value interest rate risk. However, our management will consider hedging significant interest rate risks when necessary.

Foreign Currency Risk

The Group's transactions are primarily denominated in RMB, the functional currency of the Company and its subsidiaries, and its major receivables and payables are denominated in RMB. The Group is subject to foreign exchange risk arising from assets and liabilities denominated in currency other than the functional currency of the relevant group entity. The majority of the Group's foreign currency transactions and balances are denominated in HKD, EUR and USD. Our management closely monitors foreign currency exposure and will consider hedging significant foreign currency exposures when necessary.

Credit Risk

To minimise the credit risk of trade and bills receivables, our management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts.

In addition, the Group reviews the recoverable amounts of these balances individually and/or collectively at the end of the year/period to ensure that adequate impairment losses are made for irrecoverable amounts.

Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and the flexibility through the use of borrowings. The management of the Company closely monitor the liquidity position and its compliance with lending covenants and expect to have adequate sources of funding to finance the Group's operations.

Other Information

Significant Investments, Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Company did not have any significant investment, acquisition or disposal of subsidiaries, associates and joint ventures during the Reporting Period.

Future Plans for Material Investments or Capital Assets

The Group will arrange future investment or capital asset acquisition plans in accordance with the strategic planning and actual operating conditions.

Use of Proceeds from the Offering

The 30,000,000 H Shares were listed on the Main Board of the Stock Exchange on the Listing Date with an offer price of HK$36.0 per H Share, with net proceeds received by the Company from the Global Offering in the amount of approximately HK$1,000.4 million after deducting the listing expenses payable by the Company in connection with the Global Offering. The Company intends to apply the net proceeds in the same manner and proportions as set out in the section titled "Future Plans and Use of Proceeds" in the Prospectus. As of the date of this announcement, the Company has not utilized the proceeds from the Global Offering.

For details on the use of proceeds, please refer to the Prospectus published by the Company on the websites of the Hong Kong Stock Exchange and the Company on 27 January 2026, respectively.

Employees and Remuneration Policy

As at 31 December 2025, the Group had a total of 5,532 full-time employees (31 December 2024: 5,687), substantially all of whom are stationed in China. For the year ended 31 December 2025, the employee benefit expenses of the Group amounted to approximately RMB678.5 million (for the year ended 31 December 2024: approximately RMB549.0 million).

The Group believes that the expertise, experience and professional development of its employees contributes to its growth. The Group proactively recruits qualified personnel with professional capabilities and working experience related to the Company's business in the new chemical materials and health and wellness segment to support the sustainable growth of business.

The remuneration package of employees of the Group includes salary and bonus, which are generally based on their qualifications, industry experience, position and performance. In addition, the Group provides training programs regularly for employees, in compatible with practical needs, covering key areas in its business operations, including but not limited to corporate culture and policies, technical knowledge required for certain positions, leadership skills and general knowledge about the nature of the Group's services.

As at the Latest Practicable Date, the Company has no outstanding future employee incentive plan or restricted share incentive plan.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting high standards of corporate governance, which is essential to the Group's development and protection of the interests of its Shareholders. The Company has adopted the relevant code provisions of the Corporate Governance Code as the basis for its corporate governance practices.

The Board is of the view that the Company has complied with all the applicable code provisions set out in the Corporate Governance Code since Listing Date and up to the Latest Practicable Date except for the following deviation. Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Wang Aiguo is the Chairman and general manager of the Company. The Board believes that vesting the roles of Chairman and general manager in the same individual, who is also the founder of the Group, provides the Group with strong and consistent leadership in the development and execution of long-term business strategies. The Board will continue to review and monitor the corporate governance practices of the Company with the aim of maintaining a high standard of corporate governance.

Compliance with the Model Code

The Company has adopted the Model Code as its code of conduct regarding dealings in the securities of the Company by the Directors and the Group's employees who, because of his/her office or employment, are likely to possess inside information. Specific enquiries have been made by the Company to all the Directors, and all of the Directors have confirmed that they have complied with the Model Code since the Listing Date and up to the Latest Practicable Date. No incident of non-compliance of the Model Code by the employees was identified by the Company since the Listing Date and up to the Latest Practicable Date.

Purchase, Sale or Redemption of Listed Securities of the Company

As at the Latest Practicable Date, there were 6,250,000 A Shares repurchased and held as treasury shares in the Company's share repurchase account. 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) since the Listing Date and up to the Latest Practicable Date.

Final Dividend and the 2025 Capital Reserve Capitalization Plan

The Board has resolved to recommend a final dividend of RMB0.5 per share for the year ended 31 December 2025, amounting to approximately RMB147.5 million, subject to the approval at the forthcoming annual general meeting of the Company (the "**AGM**"). The record date for Shareholders entitled to receive the proposed final dividend, the book closure period for share transfer registration procedures, and other information related to the dividend distribution will be announced by the Company in due course.

Furthermore, to further reward the Shareholders, the Board resolved to propose the 2025 Capital Reserve Capitalization Plan as follows: based on the total share capital as at the record date for the equity distribution less the shares repurchased in the specific repurchase account of the Company, to issue Shares (excluding the 6,250,000 treasury shares) on the basis of 4.8 Capitalization Shares for every ten (10) Shares in issue by way of capitalization of the Company's capital reserve. If the Company's total share capital changes on the record date of distribution, the Company will maintain the amount of distribution per Share and transfer proportion unchanged, and adjust the total amount of distribution per Share and transfer accordingly. In such case, the Company will make further announcement to the Shareholders.

For the avoidance of doubt, the 6,250,000 treasury shares are not entitled to the proposed final dividend, and are not subject to the 2025 Capital Reserve Capitalization Plan.

Proposed Capitalization Issue under the 2025 Capital Reserve Capitalization Plan

Based on the total number of issued Shares of 301,250,000 (consisting of 271,250,000 A Shares and 30,000,000 H Shares) as at the date of this Announcement, after deducting the 6,250,000 repurchased shares in the specific repurchase account of the Company, assuming no further Shares will be issued or repurchased and cancelled before the record date (excluding the 6,250,000 treasury shares), the aggregate number of A Shares proposed to be distributed is 127,200,000; and the aggregate number of H Shares proposed to be distributed is 14,400,000 ("**Capitalization Shares**").

Immediately upon completion of the issuance of Capitalization Shares ("**Capitalization Issue**"), the total number of Shares in issue of the Company will increase to 442,850,000 Shares. In the event of change in the total issued Shares before the record date for the distribution, the Company will maintain the amount of distribution per Share and transfer proportion unchanged, and the total number of new Shares to be issued under the Capitalization Issue to all Shareholders will be adjusted accordingly. The record date and arrangements for distribution will be further detailed in the circular to be despatched to the Shareholders.

Conditions to the Capitalization Issue

The Capitalization Issue is conditional on the satisfaction of the following conditions:

(a) approval of the 2025 Capital Reserve Capitalization Plan by the Shareholders by way of special resolution(s) at the AGM;

(b) the Listing Committee of the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the new H Shares to be allotted and issued under the Capitalization Issue; and

(c) compliance with the relevant legal procedures and requirements under the Company Law and approval of the Capitalization Issue by the relevant authorities in the PRC (if so required) to effect the Capitalization Issue (including the change of registration with the competent administration in respect of the increase of the registered capital in accordance with PRC laws).

Status of the Capitalization Shares

The Capitalization Shares will rank pari passu in all respects with the Shares in issue on the date of the Capitalization Issue. Holders of Capitalization Shares will be entitled to receive all future dividends and distributions (if any) which are declared, made or paid after the date on which the Capitalization Shares are allotted and issued. The Capitalization Shares should not result in any change to the rights of the Shares.

Reasons for the 2025 Capital Reserve Capitalization Plan

The profit for the year of the Company amounted to approximately RMB836.8 million and the balance of capital reserve was approximately RMB926.2 million for the year ended 31 December 2025. The Company had sufficient distributable profits and capital reserve for the 2025 Capital Reserve Capitalization Plan.

Given that the Company is currently in sound operational and financial performance, with full consideration of the interests of investors and ensuring normal operations and long-term development, the 2025 Capital Reserve Capitalization Plan will enable all Shareholders to share in the Company's business achievements, contribute to the optimization of share capital structure, maintain alignment between capital expansion and performance growth, achieve deeper integration between investors and consumers, expand the investor base, enhance stock liquidity, and improve engagement and a sense of gain among investors.

Based on the above, the Board is of the view the Capitalization Issue is in the interests of the Company and the Shareholders as a whole.

The 2025 Capital Reserve Capitalization Plan is subject to Shareholders' approval at the AGM by way of special resolution(s). The Board agrees with the 2025 Capital Reserve Capitalization Plan, and subject to the authorisation by the Shareholders' meeting, it is agreed that Mr. Wang Aiguo, the Chairman of the Board, be authorised to have the right to deal with and decide at his absolute discretion on the specific implementation of the 2025 Capital Reserve Capitalization Plan, including but not limited to: (a) to apply to the relevant domestic and overseas regulatory authorities, institutions and stock exchanges for review and examination, registration, filing, approval and consent and other procedures, and to apply for the listing of, and permission to deal in, the shares on the stock exchanges; and (b) to consider, approve and sign the documents, applications, announcements, instructions and other relevant documents in relation to the plan, and to approve the signing, execution, amendment and supplementation of such documents.

A circular containing, among other things, details of the 2025 Capital Reserve Capitalization Plan, including the Capitalization Issue, together with the notices of the AGM will be despatched in due course.

Subsequent Events after the Reporting Period

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

REVIEW OF FINANCIAL INFORMATION

Audit Committee

The Audit Committee consists of three members, namely Mr. Sun Jianqiang, Mr. Wang Yaping and Ms. Hong Ting. The chairman of the Audit Committee is Mr. Sun Jianqiang, who is an independent non-executive Director and possesses the appropriate professional qualifications.

The Audit Committee has reviewed the audited consolidated annual results of the Group for the year ended 31 December 2025 with the management and the auditor of the Company. The Audit Committee considered that the audited consolidated annual results of the Group for the year ended 31 December 2025 are in compliance with the applicable accounting standards, laws and regulations. The Audit Committee has also discussed the matters with respect to the accounting policies and practices adopted by the Company and issues in relation to internal control, risk management and financial reporting.

Scope of Work of the Auditor

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Shinewing (HK) CPA Limited, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Shinewing (HK) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Shinewing (HK) CPA Limited on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND 2025 ANNUAL REPORT

This announcement is published on the websites of the Company (www.qdgon.com) and the Stock Exchange (http://www.hkexnews.hk). The 2025 annual report will be made available on the websites of the Company and the Stock Exchange in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meaning set out below.

"associate(s)"	has the meaning ascribed to it under the Listing Rules

"A Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are subscribed for or credited as paid in Renminbi and is/are listed for trading on the Shenzhen Stock Exchange
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"Capitalization Share(s)"	the new Shares to be allotted and issued under the 2025 Capital Reserve Capitalization Plan
"China" or "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires, excluding Taiwan, the Macau Special Administrative Region and Hong Kong
"Company"	Qingdao Gon Technology Co., Ltd. (青島國恩科技股份有限公司), a limited liability company incorporated in the PRC on 22 December 2000, and converted into a joint stock company with limited liability on 3 August 2011, its A shares are listed on the Shenzhen Stock Exchange (stock code: 002768.SZ), and its H shares are listed on The Stock Exchange of Hong Kong Limited (stock code: 2768.HK)
"Corporate Governance Code"	the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of the Company
"Dongbao Bio-Tech"	Baotou Dongbao Bio-Tech Co., Ltd. (包頭東寶生物技術股份有限公司), a company established in the PRC with limited liability on 12 March 1997, the A Shares of which are listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300239.SZ), and a non-wholly owned subsidiary of the Company
"Global Offering"	has the same meaning as defined in the Prospectus
"Group", "our Group", "we", "our" or "us"	Our Company and its subsidiaries

"Gon Chemical (Dongming)"	Gon Chemical (Dongming) Co., Ltd.* (國恩化學(東明)有限公司), a company established in the PRC with limited liability on 15 September 2010, and an indirect nonwholly owned subsidiary of the Company
"Gon Polymer.1"	Gon Polymer.1 (Zhejiang) New Material Technology Co., Ltd. (國恩一塑(浙江)新材料科技有限公司), a company established in the PRC with limited liability on 10 July 2020, and a non-wholly owned subsidiary of the Company
"H Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are listed and trading on the Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Petrochemical"	Hong Kong Petrochemical Company Limited (香港石油化學有限公司) (formerly known as FRANIALIMITED), a company established in Hong Kong with limited liability on 26 August 1988, and an indirect non-wholly owned subsidiary of the Company
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	4 February 2026, the date on which dealings in the H Shares on the Stock Exchange first commence
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Prospectus"	the prospectus of the Company dated 27 January 2026
"Renminbi" or "RMB"	the lawful currency of the PRC

"Reporting Period"	the year ended 31 December 2025
"Share(s)"	ordinary share(s) with nominal value of RMB1.00 each in the share capital of the Company, comprising A Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"treasury shares"	has the meaning ascribed to it under the Listing Rules
"2025 Capital Reserve Capitalization Plan" or "Capitalization Issue"	the proposed issue of 4.8 Capitalization Shares for every ten (10) Shares to all Shareholders by way of capitalization of capital reserve, subject to the terms of such issue to be further detailed in the circular to be despatched to the Shareholders
"%"	percent

* *The English translation and/or transliteration of the names of PRC nationals, entities, enterprises, government authorities, departments, facilities, certificates, titles, laws and regulations included in this announcement is included for identification purposes only. In the event of any inconsistency between the English translation and/or transliteration and the Chinese versions, the Chinese versions shall prevail.*

By order of the Board
Qingdao Gon Technology Co., Ltd.
Mr. Wang Aiguo
Chairman of the Board and Executive Director

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises: (i) Mr. Wang Aiguo, Mr. Li Zonghao, Ms. Li Huiying and Mr. Han Bo as executive Directors; and (ii) Mr. Wang Yaping, Mr. Sun Jianqiang and Ms. Hong Ting as independent non-executive Directors.