

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Singapore Exchange Securities Trading Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Helens International Holdings Company Limited

海倫司國際控股有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Hong Kong Stock Code: 9869)

(Singapore Stock Code: HLS)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Helens International Holdings Company Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended December 31, 2025 (the “**Reporting Period**”), together with the audited comparative figures for the year ended December 31, 2024. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus of the Company dated August 31, 2021 (the “**Prospectus**”).

FINANCIAL HIGHLIGHTS

	For the year ended	
	December 31,	
	2025	2024
	<i>RMB in</i>	<i>RMB in</i>
	<i>thousands</i>	<i>thousands</i>
Revenue	539,009	752,206
Profit/(loss) before income tax	37,804	(76,567)
Profit/(loss) for the year attributable to owners of the Company	33,954	(77,976)
Adjusted net profit ⁽¹⁾	67,686	65,384

Non-HKFRS Measures

	For the year ended	
	December 31,	
	2025	2024
	<i>RMB in</i>	<i>RMB in</i>
	<i>thousands</i>	<i>thousands</i>
Profit/(loss) for the year	33,954	(77,976)
Add:		
Secondary listing expenses	—	13,287
Impairment loss of office properties	—	59,481
Losses from bars optimization and adjustment ⁽²⁾	10,338	105,763
Exchange loss/(gain)	23,394	(35,171)
Adjusted net profit	<u>67,686</u>	<u>65,384</u>

Notes:

- (1) We define adjusted net profit as profit/(loss) for the year adjusted by adding back secondary listing expenses, impairment loss of office properties, losses from bars optimization and adjustment, and exchange loss/(gain). For details of non-HKFRS measures, please refer to the sub-section headed “Management Discussion and Analysis — Non-HKFRS Measures”. We consider this change in definition to be more meaningful to the management for review and analysis purposes.
- (2) Losses from bars optimization and adjustment comprise impairment losses of plant and equipment and right-of-use assets, net impairment losses of trade receivables from franchisees, amortization of prepayment to franchisees, loss on disposal of plant and equipment, penalties and compensation for early termination, loss on rental deposits and gain on termination of leases.

Consolidated Statement of Financial Position

	As at December 31, 2025 <i>RMB in thousands</i> (audited)	As at December 31, 2024 <i>RMB in thousands</i> (audited)
Non-current assets	396,029	459,772
Current assets	729,693	916,203
Total assets	1,125,722	1,375,975
Total equity	874,665	1,118,791
Non-current liabilities	96,004	133,113
Current liabilities	155,053	124,071
Net current assets	574,640	792,132
Total liabilities	251,057	257,184
Total equity and liabilities	1,125,722	1,375,975

BUSINESS HIGHLIGHTS

Distribution of Our Bar Network

As of March 19, 2026, we had a total number of 578 bars globally, including Mainland China, Vietnam, Japan and Singapore, and covering 31 provincial-level administrative regions and 341 cities in China. The following table sets forth the number of Helen’s bars by geographic location and types as of March 19, 2026 and the dates indicated.

	March 19, 2026	As of December 31, 2025	December 31, 2024
Mainland China			
Bars in first-tier cities	38	38	35
Bars in second-tier cities	142	142	146
Bars in third and lower-tier cities	393	391	375
Other regions out of Mainland China	5	5	4
	<hr/>	<hr/>	<hr/>
Total	<u>578</u>	<u>576</u>	<u>560</u>

	March 19, 2026	As of December 31, 2025	December 31, 2024
Self-operated bars	108	108	112
Franchised bars	41	41	42
“HiBeer Partnership” bars	429	427	406
	<hr/>	<hr/>	<hr/>
Total	<u>578</u>	<u>576</u>	<u>560</u>

OPERATING INDICATORS

Average Daily Sales Per Bar Opened in Each City

The table below shows the average daily sales per bar opened in different tier cities during the indicated period.

	For the year ended December 31,	
	2025 <i>(RMB in thousands)</i>	2024 <i>(RMB in thousands)</i>
Average daily sales per self-operated bar and franchised bar		
Mainland China		
Bars in first-tier cities	8.6	8.3
Bars in second-tier cities	7.9	7.0
Bars in third and lower-tier cities	7.1	6.7
Overall	7.7	7.0

Average daily sale per “HiBeer Partnership”

Type of store	Store area	For the year ended December 31,	
		2025 <i>(RMB in thousands)</i>	2024 <i>(RMB in thousands)</i>
Large Store	240–260 square meters ⁽¹⁾	5.0	6.1
Medium Store	150–240 square meters ⁽²⁾	4.1	4.8
Small Store	90–150 square meters ⁽¹⁾	3.5	4.5
Overall	90–260 square meters	4.1	5.0

Notes:

(1): both numbers inclusive.

(2): both numbers exclusive.

Same-store Performance

The following table sets forth the same-store sales of Helen's self-operated and franchised bars during the Reporting Period. "Same-store" means bars that opened for at least 300 days in 2025 and 2024, respectively.

	For the year ended December 31,	
	2025	2024
Mainland China		
Number of same-store		135
Same-store sales (RMB'000)	414,650.9	508,037.2
Growth of same-store sales (%)		-18.4%
Same-store sales per day ⁽¹⁾ (RMB'000)	1,141.5	1,399.8
Growth of same-store sales per day (%)		-18.5%
Same-store average daily sales per store ⁽²⁾ (RMB'000)	8.5	10.4
Growth of same-store average daily sales per store (%)		-18.3%

Notes:

- (1) The aggregate amount of all same-store average daily sales.
- (2) The average amount of all same-store average daily sales.

In 2025, our same-store performance declined, mainly due to the complex and volatile domestic economic market.

The Company is taking various measures to improve its same-store performance, including:

- (i) further refining and enhancing frontline partner performance incentive schemes to achieve collaborative performance growth;
- (ii) intensifying efforts to launch new products and enhancing the attractiveness of stores by enriching the product matrix;
- (iii) further enhancing brand influence and customers' experience, and increasing our ability to continuously acquire new customers and facilitate the repurchase of old customers; and
- (iv) strengthening organizational systems and cultural development, optimizing bar operations management and services, and improving customer experience.

Contribution from Our Featured Products

The following table sets forth the overall contribution and contribution margin of all of Helen's branded alcoholic drinks and third-party brand alcoholic drinks during the indicated years.

	For the year ended December 31,	
	2025	2024
All Helen's branded alcoholic drinks		
Contribution (<i>RMB'000</i>)	148,759	213,561
Contribution margin	<u>79.8%</u>	<u>76.6%</u>
All third-party brand alcoholic drinks		
Contribution (<i>RMB'000</i>)	53,448	78,367
Contribution margin	<u>60.9%</u>	<u>51.2%</u>

Note:

Our contribution margin represents (i) the contribution of a given product, i.e. the revenue generated from the sales of a given product, less the costs of raw materials and consumables, divided by (ii) the revenue generated from the sales of the given product.

MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, our revenue decreased to RMB539 million from RMB752 million in 2024, mainly due to the fact that the number of self-operated bars in operation in 2025 decreased as compared with the full year of 2024 and that the same-store performance declined in 2025 as compared with 2024 due to the fluctuations in the market environment, which resulted in a decrease in revenue from self-operated business. As we continue to develop our bar network under the “HiBeer Partnership” programme, the proportion of our revenue from franchise business increased to 34.0% in 2025 from 25.9% in 2024. Despite the weak consumer market in 2025, we still scored good profitability, with an adjusted net profit of RMB67.7 million in 2025.

In 2025, our contribution margin of bars amounted to 73.77%, representing a further increase compared to 2024. Among these, the gross profit margin of Helen’s branded alcoholic drinks increased from 76.6% in 2024 to 79.8% in 2025, mainly benefiting from the improvement of our supply chain capabilities and the popularity of new products we launched, meanwhile, Helen’s own-brand products accounted for 72.4% of revenue in 2025, up from 70.5% in 2024.

In 2025, we continued to expand our bar network through the “HiBeer Partnership” programme, and the total number of our bars increased from 560 at the end of 2024 to 576 by the end of 2025, and further increased to 578 as of March 19, 2026, thereby maintaining our leadership position in the industry.

Looking forward, on the one hand, we will continue to consolidate and expand our self-operated bar network; on the other hand, we will further develop our franchise bar network through the continuously optimized “HiBeer Partnership” bar model. At the same time, we will continue to strengthen supply chain integration and space design capabilities, and leverage these two core strengths to explore new modes such as the “third space”, thereby constantly creating new value for consumers’ evolving lifestyles.

Revenue

Our revenue decreased by 28.3% from RMB752.2 million for the year ended December 31, 2024 to RMB539.0 million for the year ended December 31, 2025. This was mainly due to the fact that the number of self-operated bars in operation in 2025 decreased as compared with the full year of 2024 and that the same-store performance declined in 2025 as compared with 2024 due to the fluctuations in the market environment, which resulted in a decrease in revenue from self-operated business.

The following table sets forth the revenue by segment and services and a breakdown of revenue during the indicated years.

	For the year ended December 31,					
	2025			2024		
	(RMB in thousands)	% of total revenue	% of self-operated business	(RMB in thousands)	% of total revenue	% of self-operated business
Revenue from self-operated bars						
Helen's branded products	257,631	47.8	72.4	393,005	52.2	70.5
Helen's beer	35,222	6.5	9.9	48,993	6.5	8.8
Spirituous drinks	151,522	28.1	42.6	229,983	30.6	41.3
Snacks	70,887	13.2	19.9	114,029	15.1	20.4
Third-party brand alcoholic drinks	87,765	16.3	24.7	153,027	20.3	27.4
Other products⁽¹⁾	3,714	0.7	1.1	6,520	0.9	1.2
Others⁽²⁾	6,572	1.2	1.8	4,961	0.7	0.9
Sub-total	355,682	66.0	100	557,513	74.1	100
Revenue from franchise business⁽³⁾						
	<u>183,327</u>	<u>34.0</u>	—	<u>194,693</u>	<u>25.9</u>	—
Total	<u>539,009</u>	<u>100.0</u>		<u>752,206</u>	<u>100.0</u>	

Notes:

- (1) Including paper towels and other consumer goods that we provide to customers in bars.
- (2) Including the revenue generated from our mobile device charging service in bars.
- (3) Including (i) the revenue generated from providing franchising service to franchised bars and “HiBeer Partnership” bars; and (ii) the revenue generated from sales of products to “HiBeer Partnership” bars, please see note 3 to consolidated financial statements for details.

Other Income

Our other income increased from RMB1.0 million for the year ended December 31, 2024 to RMB1.5 million for the year ended December 31, 2025, mainly due to an increase in rental income from investment properties.

Cost of Raw Materials and Consumables Used

The cost of our raw materials and consumables used was RMB222.8 million for the year ended December 31, 2025, including the cost of raw materials and consumables of self-operated bars of RMB93.3 million and the cost of raw materials and consumables generated by sales of products to partnership bar of RMB129.5 million, representing a decrease of 29.6% from RMB316.3 million for the year ended December 31, 2024, primarily due to the decrease in sales revenue from our self-operated bars.

Employee Benefit and Manpower Service Expenses

Our employee benefit and manpower service expenses decreased by 34.9% from RMB173.7 million for the year ended December 31, 2024 to RMB113.1 million for the year ended December 31, 2025. The substantial decrease in employee benefit and manpower service expenses was mainly attributable to a decrease in the employee wages and benefits as the number of employees reduced as a result of the adjustment of our existing store network.

Depreciation of Right-of-Use Assets

The depreciation of our right-of-use assets decreased by 40.6% from RMB60.8 million for the year ended December 31, 2024 to RMB36.1 million for the year ended December 31, 2025. The decrease is primarily due to the termination of certain self-operated bars' lease contracts under the optimization and adjustment of the strategic transformation of the Company.

Depreciation of Property, Plant and Equipment

The depreciation of our property, plant and equipment decreased by 48.3% from RMB63.6 million for the year ended December 31, 2024 to RMB32.9 million for the year ended December 31, 2025. The decrease was primarily due to a reduction in the fixed assets of self-operated bars, as the number of bars declined.

Depreciation of Investment Properties

For the year ended December 31, 2025, our depreciation of investment properties amounted to RMB3.3 million (for the year ended December 31, 2024: RMB1.9 million). This is primarily due to our conversion of part of our office assets for rental purposes, which was subsequently classified as investment properties, resulting in depreciation.

Short-Term Rental and Other Related Expenses

Our short-term rental and other related expenses decreased by 12.4% from RMB23.3 million for the year ended December 31, 2024 to RMB20.4 million for the year ended December 31, 2025. The decrease was primarily because the number of employees in self-operated bars declined as a result of the implementation of optimization and adjustment of our bar network, leading to a decrease in the number of short-term dormitories we leased for employees.

Utilities Expenses

Our utilities expenses decreased by 38.7% from RMB19.4 million for the year ended December 31, 2024 to RMB11.9 million for the year ended December 31, 2025. The decrease was primarily because the electricity charge, the network energy consumption costs and the dormitory electricity and water utilities expenses decreased with the decrease in the number of bars accordingly.

Travelling and Related Expenses

Our travelling and related expenses decreased by 14.3% from RMB8.4 million for the year ended December 31, 2024 to RMB7.2 million for the year ended December 31, 2025. The decrease was primarily due to our implementation of refined management and cost control.

Advertising and Promotion Expenses

Our advertising and promotion expenses decreased by 69.6% from RMB12.5 million for the year ended December 31, 2024 to RMB3.8 million for the year ended December 31, 2025. The decrease is mainly due to the refined management of our online promotion.

Secondary Listing Expenses

For the year ended December 31, 2025, we did not have any secondary listing expenses (for the year ended December 31, 2024: RMB13.3 million).

Other Expenses

Our other expenses decreased by 13.6% from RMB70.4 million for the year ended December 31, 2024 to RMB60.8 million for the year ended December 31, 2025 mainly due to the corresponding decrease in our daily operation and maintenance expenses as the number of self-operated bars decreased.

Impairment Losses of Plant and Equipment and Right-of-Use Assets

Our impairment losses of plant and equipment and right-of-use assets decreased from RMB85.8 million for the year ended December 31, 2024 to RMB4.9 million for the year ended December 31, 2025.

Valuation methods and key inputs used in the valuation

As a result of the downturn of the overall domestic real estate market in the PRC, the management of the Group identified impairment indicators on the Group's headquarter building with portion held for own use under "property, plant and equipment" and the leased out portion under "investment properties" (together as the "**Properties**") and therefore conducted impairment assessment.

The recoverable amount of the Properties is determined with reference to the fair value less cost of disposal, which is higher than the value-in-use. When assessing the fair value of the Properties, the Group has engaged an independent professional valuer to perform a valuation (the "**Valuation**") which has incorporated valuation methods and key inputs as set out below:

- According to the valuation report of the independent professional valuer, the market approach is adopted for the Valuation. The market approach is a method that, based on the principle of substitution, compares and analyses the target properties with the transaction examples of similar properties in the period close to the valuation base date. According to the transaction prices of the latter, by making adjustments for the differences between the Properties and the comparable property in terms of transaction conditions, dates, regions and individual factors, etc., the market value of the Properties is derived.
- The Valuation refers to the comparable sales transactions with similar characteristics and located in the same local area as the Properties. The unit prices of these comparable transactions range from approximately RMB10,000 to RMB10,426 per square meter, and adjustments and analysis have been considered for various factors including but not limited to the differences in locations between the comparable and the properties to arrive at the fair value for the properties.

- In addition to the above specific analysis and adjustments, the Valuation also adopted general assumptions including but not limited to:
 - The seller sells the target properties' interest at market value without benefiting from any deferred term contracts, leaseback agreements, joint ventures, management agreements, or any similar arrangements that could affect the values of the property interests;
 - No allowance has been made in the valuation for any charges, mortgages liens or liabilities and any possible expenses or taxation that may be incurred at the time of sale. Unless otherwise stated, the target properties' interests are not subject to any burdens, restrictions, or encumbrances that could affect their value; and
 - The properties can be freely and independently traded in the market without the need to pay land transfer payment or any other fees or charges.

Based on the results of the impairment assessment conducted by the Group, the carrying amount of these properties exceeded their recoverable amount and therefore impairment of RMBnil and RMBnil (for the year ended December 31, 2024: RMB50,015,000 and RMB9,466,000) were recognised for the Properties under “property plant and equipment” and “investment properties”, respectively, in the Group’s consolidated statement of comprehensive income for the year ended 31 December 2025.

For details, please refer to note 12 to the consolidated financial statements of this announcement.

Impairment Losses of Investment Properties

For the year ended December 31, 2025, our impairment loss of investment properties amounted to RMBnil (for the year ended December 31, 2024: RMB9.5 million).

As explained above, the Group engaged an independent professional valuer to value the investment properties. The valuation methods adopted, the key inputs used in the valuation, as well as the valuation basis and assumptions are consistent with those for the above-mentioned plant and equipment.

Net Impairment Losses of Trade Receivables

For the year ended December 31, 2025, our net impairment losses of trade receivables amounted to RMB51 thousands (for the year ended December 31, 2024: RMB16.7 million). This was primarily due to the shutdown of several franchised bars resulted from the optimization and adjustment of the bar network.

Other gains/(losses), net

For the year ended December 31, 2025, we incurred net other gains of RMB0.1 million which primarily comprised (i) gains on optimization and adjustment of our bars of RMB12.7 million (including loss on disposal of plant and equipment (approximately RMB0.5 million), loss on rental deposits (approximately RMB0.3 million), penalties and compensation for early termination of leases (approximately RMB0.6 million), and gains on termination of leases (approximately RMB14.0 million)); and (ii) exchange loss of RMB23.4 million mainly due to appreciation of USD and/or HKD denominated assets; and (iii) fair value changes of financial assets at fair value through profit or loss (approximately RMB10.8 million).

Finance Income

Our finance income decreased by 54.8% from RMB48.4 million for the year ended December 31, 2024 to RMB21.9 million for the year ended December 31, 2025. The decrease was primarily due to the decrease in amount of bank deposits.

Finance Costs

Our finance expenses decreased by 33.9% from RMB11.2 million for the year ended December 31, 2024 to RMB7.4 million for the year ended December 31, 2025. The decrease in financial costs was mainly attributable to lease liabilities decline with a decrease in the number of bars, resulting in a decrease in related interest.

Profit/(Loss) Before Income Tax

As a result of the foregoing, our profit before income tax was RMB37.8 million for the year ended December 31, 2025, and the loss before income tax was RMB76.6 million for the year ended December 31, 2024.

Income Tax Expense

The income tax expense was RMB1.4 million for the year ended December 31, 2024, compared with the income tax expense of RMB3.9 million for the year ended December 31, 2025. This was mainly because temporary differences and deferred tax assets arising from tax losses for the year have not been fully recognized.

Non-HKFRS Measures

To supplement the comprehensive statement of profit or loss presented in accordance with HKFRS Accounting Standards, we also use adjusted net profit as a non-HKFRS measure, which is not required by, or presented in accordance with, HKFRSs. We believe that the presentation of such non-HKFRS measure when shown in conjunction with the corresponding HKFRS measures provides useful information to investors and management in facilitating a comparison of our operating performance from period to period by eliminating certain non-operating or non-recurring expenses that do not affect our ongoing operating performance (including secondary listing expenses, impairment loss of office properties, foreign exchange gains and losses and losses from bars optimization and adjustment). Such non-HKFRS measures allow investors to consider metrics used by our management in evaluating our performance. We believe that secondary listing expenses, impairment loss of office properties, foreign exchange gains and losses and losses from bars optimization and adjustment are non-operating or non-recurring expenses and incomes that will not affect our ongoing operating performance. We believe that adjusted net profit provides investors with useful information in facilitating a comparison of our operating performance from period to period by eliminating potential impacts of secondary listing expenses, impairment loss of office properties, foreign exchange gains and losses and losses from bars optimization and adjustment.

	For the year ended	
	December 31,	
	2025	2024
	<i>RMB in</i>	<i>RMB in</i>
	<i>thousands</i>	<i>thousands</i>
Profit/(Loss) for the year	33,954	(77,976)
Add:		
Secondary listing expenses	—	13,287
Impairment loss of office properties	—	59,481
Losses from bars optimization and adjustment ⁽¹⁾	10,338	105,763
Exchange loss/(gain)	23,394	(35,171)
	<hr/>	<hr/>
Adjusted net profit	<u>67,686</u>	<u>65,384</u>

Note 1: The losses from bars optimization and adjustment comprise impairment losses of plant and equipment and right-of-use assets, net impairment losses of trade receivables from franchisees, amortization of prepayment to franchisees, loss on disposal of plant and equipment, penalties and compensation for early termination, loss on rental deposits and gain on termination of leases.

From time to time in the future, there may be other items that we may exclude from reviewing our financial results. The use of the non-HKFRS measures has limitations as an analytical tool, and shareholders of the Company and potential investors should not consider it in isolation from, or as a substitute for or superior to analysis of, our results of operations or financial condition as reported under HKFRS. In addition, the non-HKFRS financial measures may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

Property, Plant and Equipment

Our property, plant and equipment represent (i) building, (ii) office equipment such as printers, (iii) computer equipment, (iv) furniture and fixture used in bars such as tables and chairs and facilities in kitchens, (v) leasehold improvement and (vi) motor and vehicle. Our property, plant and equipment decreased from RMB217.9 million as of December 31, 2024 to RMB159.9 million as of December 31, 2025. The decrease is mainly due to shutdown of certain bars and depreciation.

Intangible Assets

Our intangible assets mainly include office systems and software that we have purchased. Our intangible assets remained generally stable at RMB41,000 and RMB24,000 as of December 31, 2024 and December 31, 2025, respectively.

Right-of-Use Assets

Our right-of-use assets (i.e. our confirmed long-term leased properties) decreased from RMB95.7 million as of December 31, 2024 to RMB78.2 million as of December 31, 2025. The decrease is mainly due to the termination of certain self-operated bars' lease contracts under the optimization and adjustment of the strategic transformation of the Company and depreciation.

Investment Properties

As of December 31, 2025, our investment properties amounted to RMB66.9 million (as of December 31, 2024: RMB33.0 million). This is primarily because several properties previously held for our own use have been leased to tenants under operating leases, with rent paid quarterly or semi-annually to obtain rental income. The change in the use of these properties led to their reclassification from “Property, Plant, and Equipment” to “Investment Properties.”

Inventories

Our inventories refer to the alcoholic drinks, food, and consumables used in our bar operations.

The following table sets forth our inventory balance as of the dates indicated.

	As at	
	December 31,	December 31,
	2025	2024
	<i>(RMB in</i>	<i>(RMB in</i>
	<i>thousands)</i>	<i>thousands)</i>
Inventories		
Alcoholic drinks	11,472	16,359
Food	3,219	3,095
Consumables	857	668
	<hr/>	<hr/>
Total	15,548	20,122
	<hr/> <hr/>	<hr/> <hr/>

Our inventories decreased from RMB20.1 million as of December 31, 2024, to RMB15.5 million as of December 31, 2025, basically remaining stable.

Our inventory turnover days increased from 23.3 days as of December 31, 2024 to 29.2 days as of December 31, 2025, mainly due to the slowdown of inventory turnover efficiency.

Prepayments, Deposits and Other Receivables

Our prepayments, deposits and other receivables primarily include rental and other deposits, other tax receivable and other prepayments. The decrease in balance from approximately RMB99.2 million as of December 31, 2024 to approximately RMB63.0 million as of December 31, 2025 was mainly due to the Group's strategic consideration of bars optimization and adjustment, resulting in the decrease in rental deposits.

Trade Receivables

Our trade receivables decreased by 7.7% from RMB28.4 million for the year ended December 31, 2024 to RMB26.2 million for the year ended December 31, 2025, mainly due to the structural changes in the revenue from franchise business. In 2025, our revenue from franchise business was mainly from the sales of products to "HiBeer Partnership" bars. Trade receivables corresponding to such revenue had a faster turnover, resulting in a decrease in the balance of trade receivables.

Cash and Bank Balance

Our cash and bank balance comprise cash and cash equivalents, term deposits with original maturity over three months and restricted cash. Our cash and bank balance were RMB806.4 million and RMB588.9 million as of December 31, 2024 and December 31, 2025, respectively. The decrease was mainly due to the payment of dividends in 2025.

Lease Liabilities

We had lease liabilities of RMB145.4 million and RMB102.4 million as of December 31, 2024 and December 31, 2025, respectively. The decrease in lease liabilities was due to the termination of certain self-operated bars' lease contracts as a result of the Group's strategic consideration of bars optimization and adjustment.

Trade Payables

Our trade payables mainly represent the expenses payable to our suppliers to purchase raw materials, equipment and other supplies that are necessary for our bar operations. Our trade payables decreased from RMB28.7 million as of December 31, 2024 to RMB21.8 million as of December 31, 2025. The decrease was primarily due to the decline in our revenue, which has subsequently led to a decrease in our purchases from suppliers.

The turnover days of our trade payables increased from 34.3 days as of December 31, 2024 to 45.3 days as of December 31, 2025, resulting from the improved management capacity of our suppliers.

Other Payables and Accruals

Our other payables and accruals increased from RMB12.6 million as of December 31, 2024 to RMB19.3 million as of December 31, 2025. Such increase was mainly due to the increase in product procurement accompanied by an increase in other payables for logistics, labor services, and other related operations.

Liquidity and Capital Resources

We have adopted a prudent treasury management policy. We place a strong emphasis on having funds readily available and accessible and are in a stable liquidity position with sufficient funds in standby banking facilities to cope with daily operations and meet its future development demands for capital.

During the Reporting Period, we mainly used cash generated from operating activities for our business. Our cash and bank balance were RMB806.4 million and RMB588.9 million as of December 31, 2024 and December 31, 2025, respectively. Our cash is mainly used to meet the needs of business operations.

Going forward, we expect to continue to fund our operations with revenue generated from operations of our bars. However, with the continuing expansion of our business, we may require further funding through public or private equity offerings, debt financing and other sources. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

Indebtedness

Bank borrowings

As of December 31, 2025, we had bank borrowings of RMB40.0 million secured with guarantee (2024: nil).

Contingent Liabilities

As of December 31, 2025, we did not have any material contingent liabilities.

Capital Commitments

As of December 31, 2025, we did not have any capital commitments.

Capital Expenditures

Our capital expenditures were incurred primarily for opening new bars, acquiring equipment, refurbishing existing bars and purchasing furniture and equipment required for bar operations. Our total capital expenditures increased from RMB8.2 million as of December 31, 2024 to RMB15.9 million as of December 31, 2025. Such increase resulted from the active transformation of the Group towards a platform-based company with a light-asset model.

Gearing Ratio

As of December 31, 2025, our gearing ratio was 4.6% (as of December 31, 2024: nil). The gearing ratio is calculated as total debt (including interest-bearing bank and other borrowings) divided by total equity at the end of the year, then multiplied by 100%.

Foreign Exchange Risk

For the year ended December 31, 2025, we mainly operated in China. We are exposed to foreign exchange risk primarily because the proceeds from the Global Offering are denominated in Hong Kong dollars and certain bank deposits denominated in US dollars.

During the Reporting Period, the Group had not engaged in any foreign exchange hedging related activity. However, our management monitors foreign exchange exposure and will consider appropriate hedging measures should the need arise in the future.

Pledge and Charge of Assets

As of December 31, 2025, the Group did not pledge any group assets and no charge was created on the Group's assets.

Significant Investment, Material Acquisition and Disposal

For the year ended December 31, 2025, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures. In addition, except for the expansion plan disclosed in sections headed "Business" and "Future Plans and Use of Proceeds" in the Prospectus, the Group did not have any specific plans for significant investments or acquisition of material capital assets or other businesses. The Group, however, will continue to identify new business development opportunities.

Employees and Remuneration Policies

As of December 31, 2025, we had 559 employees and 796 outsourced personnel, most of whom were based in China. We offer competitive wages and other benefits to the employees and provide discretionary performance bonus as a further incentive. For more details, please refer to the sections headed "Pre-IPO RSU Schemes" and "Post-IPO RSU Scheme" in the Report of the Directors of the annual report of the Company which will be published in due course. We have also improved career development pathways and talent training systems for employees to facilitate their self-growth. The Group's remuneration policies are formulated based on the performance of individual employees and are reviewed regularly.

During the year ended December 31, 2025, the total employee benefit (including directors' remuneration) and manpower service expenses were RMB113.1 million.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme, a defined contribution scheme managed by an independent trustee. As stipulated under the relevant rules and regulations in the PRC, the subsidiaries operating

in the PRC contribute to state-sponsored retirement plans contributions and the applicable housing provident funds and various social insurance plans for employees initiated by local and provincial governments. The Group and the PRC-based employees are required to make monthly contributions to these plans calculated as a specific percentage of the employees' salaries. There was no forfeited contribution utilized to offset employers' contributions and there was no forfeited contribution available to reduce the contribution for the years ended December 31, 2024 and 2025.

KEY RISKS AND UNCERTAINTIES

There are certain key risks and uncertainties that may cause the Group's financial conditions or results to materially deviate from the expected or historical results, such risks and uncertainties can be categorized into the following areas: (i) risks related to our business; and (ii) risks related to our industry. Set out below are the details of the material risks and uncertainties that we face:

Risks Related to our Business

The sales and profitability of our Helen's branded products are affected by many factors, many of which are out of our control, such as market trends and customer tastes, preferences and perceptions. Therefore, in the event of any unfavourable trends in the sales or the profitability of our Helen's branded products, our business operations, financial performance and future growth could be harmed. Moreover, counterfeit brands or products of Helen's and the quality issues of food and alcoholic drinks brought by customers may significantly damage our reputation and brand image, diverting potential customers.

With a view to mitigating the risks related to our business, the Company is committed to meeting the needs of our guests and adapting to changes in consumer tastes and preferences by continuously launching new products. Furthermore, the Group protects the proprietary recipes for the Helen's branded alcoholic drinks by confidentiality agreements between the Group and its employees and confidentiality provisions in relevant supply agreements with the relevant suppliers. The Group also installs security cameras in the bars to provide full visibility which allows the staff to closely monitor the customers and food and beverages brought into the bars by customers. In addition, staff are trained to observe customers for any signs of discomfort or distress.

Risks Related to our Industry

We are exposed to the risks relating to foodborne diseases, sanitary epidemics and other outbreak of illnesses. Our businesses may be affected by outbreaks of foodborne diseases, epidemics and other illnesses. We cannot guarantee that our internal controls and training can fully and effectively prevent all food infectious diseases. In addition, our reliance on third-party brand alcoholic drinks suppliers and distributors increases the uncontrollable risks of food infectious disease events that may be caused by third-party brand alcoholic drinks suppliers and distributors, and the risks happening in bars in multiple locations instead of a single bar. Drug resistant diseases or diseases with a longer incubation period (such as mad cow disease) may occur in the future, which may further increase the risks that we are exposed to. If there is wide media coverage on foodborne diseases, it may have a negative impact on the entire industry and our businesses, regardless of whether we are liable to the spread of diseases. In addition, other diseases (such as hand-foot-mouth disease or avian flu) may adversely affect some of our food supplies and significantly increase our costs, thereby affecting the sales of our bars and forcing the closure of some of our bars, and this may have a material adverse impact on our results of operation.

We are also exposed to the risks associated with epidemics. The outbreak of the COVID-19 had caused varying degrees of damage to China's national and local economies. It also had caused adverse impact on our financial position and business operations. If the COVID-19 pandemic is repeated, it may have material adverse impact on our business, financial position and results of operation.

In order to mitigate the risks related to our industry, the Group has always adhered to food safety and quality assurance, by establishing and improving food safety risk assessment and control mechanisms, strictly select suppliers and choose only high-quality suppliers in the industry.

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares.

FINANCIAL INFORMATION

The Board announces the audited consolidated results of the Group for the year ended December 31, 2025, with comparative figures for the year ended December 31, 2024, as follows:

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Year ended 31 December	
		2025 RMB'000	2024 RMB'000
Revenue	3	539,009	752,206
Other income	5	1,534	970
Raw materials and consumables used		(222,829)	(316,344)
Employee benefit and manpower service expenses	7	(113,129)	(173,748)
Depreciation of right-of-use assets	16	(36,097)	(60,786)
Depreciation of property, plant and equipment	12	(32,873)	(63,551)
Depreciation of investment properties	13	(3,267)	(1,876)
Amortisation of intangible assets		(17)	(17)
Short-term rental and other related expenses		(20,381)	(23,320)
Utilities expenses		(11,900)	(19,436)
Travelling and related expenses		(7,223)	(8,350)
Advertising and promotion expenses		(3,805)	(12,485)
Listing expenses		—	(13,287)
Other expenses	4	(60,778)	(70,396)
Impairment losses of plant and equipment and right-of-use assets	12&16	(4,949)	(85,786)
Impairment losses of investment properties		—	(9,466)
Net impairment losses of trade receivables		(51)	(16,707)
Other gains, net	6	118	8,639
Finance income	8	21,876	48,364
Finance costs	8	(7,434)	(11,191)
Profit/(Loss) before income tax		37,804	(76,567)
Income tax expense	9	(3,850)	(1,409)
Profit/(Loss) for the year attributable to owners of the Company		33,954	(77,976)
Other comprehensive income:			
<i>Item that may be subsequently reclassified to profit or loss</i>			
Currency translation differences		15,167	(31,535)
Total comprehensive income/(loss) for the year attributable to owners of the Company		49,121	(109,511)
Profit/(Loss) per share for profit/(loss) attributable to owners of the Company (expressed in RMB per share)			
Basic	10	0.027	(0.062)
Diluted	10	0.027	(0.062)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2025

		As at 31 December	
	<i>Note</i>	2025	2024
		RMB'000	RMB'000
Assets			
Non-current assets			
Property, plant and equipment	12	159,882	217,911
Intangible assets		24	41
Right-of-use assets	16	78,169	95,676
Investment properties	13	66,867	33,001
Deposits and prepayments	14	19,782	37,988
Deferred tax assets		71,305	75,155
		396,029	459,772
Current assets			
Inventories		15,548	20,122
Prepayments, deposits and other receivables	14	43,166	61,250
Trade receivables	15	26,239	28,407
Financial assets at fair value through profit or loss		55,824	—
Term deposits with original maturity over three months		443,832	671,832
Cash and cash equivalents		143,481	131,802
Restricted cash		1,603	2,790
		729,693	916,203
Total assets		<u>1,125,722</u>	<u>1,375,975</u>
Equity			
Equity attributable to owners of the Company			
Share capital		1	1
Reserves		874,664	1,118,790
Total equity		<u>874,665</u>	<u>1,118,791</u>

		As at 31 December	
	<i>Note</i>	2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Liabilities			
Non-current liability			
Contract liabilities		14,417	21,218
Other payables		21,367	18,048
Lease liabilities	<i>16</i>	60,220	93,847
		96,004	133,113
Current liabilities			
Trade payables	<i>18</i>	21,750	28,744
Contract liabilities		14,386	13,470
Other payables and accruals		19,288	12,648
Borrowings	<i>17</i>	40,000	—
Lease liabilities		42,182	51,585
Current income tax liabilities		17,447	17,624
		155,053	124,071
Total liabilities		251,057	257,184
Total equity and liabilities		1,125,722	1,375,975

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

The Company was incorporated in the Cayman Islands on 16 January 2018 as an exempted company with limited liability under the Companies Act (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of its registered office is Palm Grove Unit 4, 265 Smith Road, George Town, P.O. Box 52A Edgewater Way, #1653, Grand Cayman KY1-9006, Cayman Islands. The Company's shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Listing**") on 10 September 2021 (the "**Listing Date**"), and have been successfully listed its ordinary shares on the Singapore Exchange Securities Trading Limited on 19 July 2024.

The Company is an investment holding company and its subsidiaries comprising the Group principally engage in bar operations and franchise business primarily in Chinese Mainland and Hong Kong. The ultimate controlling shareholder is Mr. Xu Bingzhong ("**Mr. Xu**" or the "**Controlling Shareholder**") who has been controlling the group companies since their incorporation.

The financial statements are presented in Renminbi ("**RMB**"), unless otherwise stated, and have been approved for issue by the Company's board of directors (the "**Board**") on 31 March 2026.

2 Summary of accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 *Basis of preparation*

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRS Accounting Standards comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards,
- Hong Kong Accounting Standards, and
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires the directors of the Company to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements.

New or revised standards, amendments and interpretations not yet adopted

Standards, amendments and interpretations that have been issued but not yet effective and not been early adopted by the Group during the year ended 31 December 2025 are as follows:

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments (amendments)	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 9 and HKFRS 7	Amendments to the Contracts Referencing Nature-dependent Electricity (amendments)	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures (new standard)	1 January 2027
HKFRS 19	Amendments to HKFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (amendments)	1 January 2027
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	To be determined

Except for new HKFRS 18 mentioned below, the Group will adopt the above new or revised standards, amendments and interpretations to existing standards as and when they become effective. Management has performed a preliminary assessment and does not anticipate any significant impact on the Group's financial position and results of operations upon adopting these standards, amendments and interpretations to the existing HKFRSs.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace HKAS 1 Presentation of Financial Statements. The new standard introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 Statement of Cash Flows are also made. HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The Group does not plan to early adopt HKFRS 18. HKFRS 18 will impact the presentation of financial statements, and is not expected to have significant impact on the financial performance and position of the Group.

3 Revenue and segment information

The Company is an investment holding company and its subsidiaries now comprising the Group are principally engaged in bar operations and franchise business.

The chief operating decision-maker (“**CODM**”) has been identified as the directors of the Company. The directors review the Group’s internal reporting in order to assess performance and allocate resources. The directors have determined the operating segment based on these reports.

The directors consider the Group’s operation from a business perspective and determine that the Group is managed as one single reportable operating segment.

During the years ended 31 December 2025 and 2024, all of the Group’s revenues are from contracts with customers.

(a) *Disaggregation of revenue*

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

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Revenue from self-operated bars	355,682	557,513
Revenue from sales of goods to franchisees	182,232	184,626
Revenue from provision of franchising services to franchisees:		
Franchising services — gross	19,183	36,820
Less: amortization of prepayment to franchisees as a reduction of service fees charged to franchisees	(18,088)	(26,753)
Franchising services — net	1,095	10,067
	<u>539,009</u>	<u>752,206</u>
Disaggregated by timing of revenue recognition:		
— Point in time	537,914	742,139
— Over time	1,095	10,067
	<u>539,009</u>	<u>752,206</u>

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

(b) Segment revenue by customers' geographical location

The Group's revenue by geographical location, which is determined by the operation's locations, is as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Chinese Mainland	510,893	731,954
Outside of Chinese Mainland	28,116	20,252
	<u>539,009</u>	<u>752,206</u>

(c) Non-current assets by geographical location

As at 31 December 2025 and 2024, most of the Group's non-current assets (other than deposits and prepayments, intangible assets and deferred tax assets) were located in the Chinese Mainland.

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Chinese Mainland	281,350	329,454
Outside of Chinese Mainland	23,568	17,134
	<u>304,918</u>	<u>346,588</u>

(d) Liabilities related to contracts with customers

	31 December	31 December
	2025	2024
	RMB'000	RMB'000
Contract liabilities	<u>28,803</u>	<u>34,688</u>

Contract liabilities of the Group represent non-refundable initial fees received from franchisees which are recognised as revenue on a straight-line basis over the expected franchise period.

During the year ended 31 December 2025, revenue of approximately RMB8,467,000 (2024: RMB9,802,000) related to the aforementioned upfront initial fees are recognised.

The amount of transaction prices allocated to the remaining unsatisfied or partially unsatisfied performance obligations as at 31 December 2025 are as follows:

	31 December 2025	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Amount expected to be recognised as revenue		
— Within one year	14,386	13,470
— More than one year but less than four years	14,417	21,218
	28,803	34,688

4 Other expenses

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Logistics and warehousing-related costs	26,103	31,370
Software development fees	6,498	4,104
Service fees to third-party platform service providers	5,848	7,698
Office expenses	2,623	4,142
Repair and maintenance	2,674	3,858
Auditor's remuneration		
— Audit services	2,380	2,680
— Non-audit services	—	250
Cleaning and garbage handling fees	847	1,543
Others	13,805	14,751
	60,778	70,396

5 Other income

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Government grants	484	532
Rental income (<i>Note 13</i>)	1,050	438
	<u>1,534</u>	<u>970</u>

6 Other gains, net

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Loss on disposal of plant and equipment (<i>a</i>)	(462)	(41,174)
Loss on rental deposits (<i>a</i>)	(285)	(7,969)
Penalties and compensation for early termination (<i>a</i>)	(567)	(5,004)
Gain on termination of leases (<i>a</i>)	14,013	27,615
Exchange (losses)/gains	(23,394)	35,171
Fair value changes of financial assets at fair value through profit or loss-net	10,813	—
	<u>118</u>	<u>8,639</u>

- (a) Due to the Group's strategic consideration of bars' optimization and adjustments including the closure of certain bars, the Group incurred net gains/(losses) arising from the aggregation of loss on disposal of plant and equipment, loss on rental deposits, penalties and compensation for early termination and gain on termination of leases during the years ended 31 December 2025 and 2024.

Additional details on the impairment of plant and equipment are set out in Note 12.

7 Employee benefit expenses (including directors' emoluments) and manpower service expenses

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Wages, salaries, and other benefits	61,881	79,257
Pension costs — defined contribution schemes	7,537	12,180
	<hr/>	<hr/>
Total employee benefit expenses (including directors' remunerations)	69,418	91,437
Manpower service expenses	43,711	82,311
	<hr/>	<hr/>
	113,129	173,748
	<hr/> <hr/>	<hr/> <hr/>

8 Finance income and costs

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Finance income		
Interest income on bank deposits	21,876	48,364
	<hr/> <hr/>	<hr/> <hr/>
Finance costs		
Interest expenses on lease liabilities	(6,289)	(11,191)
Interest expenses on borrowings	(1,145)	—
	<hr/>	<hr/>
	(7,434)	(11,191)
	<hr/> <hr/>	<hr/> <hr/>
Finance income, net	14,442	37,173
	<hr/> <hr/>	<hr/> <hr/>

9 Income tax expense

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Current income tax		
— PRC corporate income tax expense	—	—
Deferred income expense	<u>3,850</u>	<u>1,409</u>
Income tax expense	<u><u>3,850</u></u>	<u><u>1,409</u></u>

(a) *Hong Kong profits tax*

During the years ended 31 December 2025 and 2024, no provision for Hong Kong profits tax has been made at the rate of 16.5% as the Group did not derive any income subject to Hong Kong profits tax during the years ended 31 December 2025 and 2024.

(b) *PRC corporate income tax*

During the years ended 31 December 2025 and 2024, the Group's subsidiaries in the PRC are subject to corporate income tax ("CIT") at a standard rate of 25%, except for Shenzhen Helens Management Co., Ltd. which is an enterprise established in the Qianhai Shenzhen-Hong Kong Modern Services Industry Cooperation Zone ("**Qianhai Zone**") and is engaged in business that falls within the catalogue for CIT preferential treatments of Qianhai Zone and therefore subject to a preferential corporate income tax rate of 15%.

10 Earnings per share

(a) Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2025 and 2024.

	Year ended 31 December	
	2025	2024
Profit/(Loss) for the year attributable to owners of the Company (<i>RMB'000</i>)	33,954	(77,976)
Weighted average number of ordinary shares in issue (<i>Thousand</i>)	1,253,579	1,260,817
Basic profit/(loss) per share (<i>RMB</i>)	<u>0.027</u>	<u>(0.062)</u>

(b) Diluted

There were no dilutive potential ordinary shares during the year ended 31 December 2025 and 2024. Accordingly, diluted profit/(loss) per share for the year ended 31 December 2025 and 2024 is the same as basic profit per share.

11 Dividends

During the year ended 31 December 2025, the Company declared and paid dividends of approximately RMB277,600,000 (2024: RMB593,105,000) to its shareholders.

12 Property, plant and equipment

	Building RMB'000	Office equipment RMB'000	Computer equipment RMB'000	Furniture and fixture RMB'000	Motor and Vehicle RMB'000	Leasehold improvement RMB'000	Total RMB'000
At 1 January 2024							
Cost	211,082	10	800	176,056	5,925	268,338	662,211
Accumulated depreciation	(10,947)	(10)	(414)	(54,127)	(183)	(96,839)	(162,520)
Exchange adjustments	—	—	—	(7)	—	—	(7)
Impairment losses	—	—	—	(12,387)	—	(63,874)	(76,261)
Net book amount	<u>200,135</u>	<u>—</u>	<u>386</u>	<u>109,535</u>	<u>5,742</u>	<u>107,625</u>	<u>423,423</u>
Year ended 31 December 2024							
Opening net book amount	200,135	—	386	109,535	5,742	107,625	423,423
Additions	—	—	26	3,273	509	4,404	8,212
Transfer to investment properties (Note 13)	(31,477)	—	—	(12,866)	—	—	(44,343)
Depreciation	(5,393)	—	(181)	(22,487)	(995)	(34,495)	(63,551)
Disposals	—	—	(122)	(1,690)	(1,761)	(40,316)	(43,889)
Impairment losses	(36,392)	—	(14)	(17,572)	—	(7,975)	(61,953)
Exchange adjustments	—	—	—	7	—	5	12
Closing net book amount	<u>126,873</u>	<u>—</u>	<u>95</u>	<u>58,200</u>	<u>3,495</u>	<u>29,248</u>	<u>217,911</u>
At 31 December 2024							
Cost	177,491	6	400	132,004	4,641	122,776	437,318
Accumulated depreciation	(14,226)	(6)	(291)	(50,785)	(1,146)	(59,772)	(126,226)
Exchange adjustments	—	—	—	7	—	5	12
Impairment losses	(36,392)	—	(14)	(23,026)	—	(33,761)	(93,193)
Net book amount	<u>126,873</u>	<u>—</u>	<u>95</u>	<u>58,200</u>	<u>3,495</u>	<u>29,248</u>	<u>217,911</u>

	Building RMB'000	Office equipment RMB'000	Computer equipment RMB'000	Furniture and fixture RMB'000	Motor and Vehicle RMB'000	Leasehold improvement RMB'000	Total RMB'000
At 1 January 2025							
Cost	177,491	6	400	132,004	4,641	122,776	437,318
Accumulated depreciation	(14,226)	(6)	(291)	(50,785)	(1,146)	(59,772)	(126,226)
Exchange adjustments	—	—	—	7	—	5	12
Impairment losses	(36,392)	—	(14)	(23,026)	—	(33,761)	(93,193)
Net book amount	<u>126,873</u>	<u>—</u>	<u>95</u>	<u>58,200</u>	<u>3,495</u>	<u>29,248</u>	<u>217,911</u>
Year ended 31 December 2025							
Opening net book amount	126,873	—	95	58,200	3,495	29,248	217,911
Additions	2,130	—	—	4,039	515	9,258	15,942
Transfer to investment properties (Note 13)	(27,732)	—	—	(9,401)	—	—	(37,133)
Depreciation	(3,876)	—	(35)	(13,141)	(919)	(14,902)	(32,873)
Disposals	—	—	(60)	(882)	(2,077)	(399)	(3,418)
Impairment losses	—	—	—	(277)	—	(298)	(575)
Exchange adjustments	—	—	—	11	—	17	28
Closing net book amount	<u>97,395</u>	<u>—</u>	<u>—</u>	<u>38,549</u>	<u>1,014</u>	<u>22,924</u>	<u>159,882</u>
At 31 December 2025							
Cost	139,869	6	32	108,694	1,917	122,664	373,182
Accumulated depreciation	(14,232)	(6)	(18)	(52,333)	(903)	(64,032)	(131,524)
Exchange adjustments	—	—	—	18	—	22	40
Impairment losses	(28,242)	—	(14)	(17,830)	—	(35,730)	(81,816)
Net book amount	<u>97,395</u>	<u>—</u>	<u>—</u>	<u>38,549</u>	<u>1,014</u>	<u>22,924</u>	<u>159,882</u>

Impairment assessment for bars

Management reviews the performance of each bar at the end of each reporting period to identify impairment indicators, and performs impairment assessment where impairment indicator is identified.

Each of the bars is identified as a cash generating unit (“CGU”) by management in the impairment assessment. The recoverable amount of each of the bars with impairment indicators identified is assessed at the end of each reporting period.

As a result of the continuous changes in the PRC and overseas economy and operating environment, the Group has experienced negative conditions including closure and suspension of operation of certain bars, lukewarm customer consumptions for certain periods of time during the years ended 31 December 2025 and 2024, and the consequential decline in operating results of certain bars.

The management of the Group therefore concluded that there were impairment indicators identified on the plant and equipment and right-of-use assets of certain bars and conducted impairment assessment on these bars.

The recoverable amount of each CGU is determined based on value-in-use calculations derived from cash flow projections forecasted by management covering the remaining lease term, which is higher than the fair value less costs of disposal. The cash flows are discounted using pre-tax discount rates primarily ranging from 16.86% to 24.47% as at 31 December 2025 (2024: 16.73% to 23.84%). The discount rates used reflect the specific risks relating to the restaurant and beverage industries in which the relevant CGUs operate and the CGUs themselves. The discount rates used have been reassessed as at 31 December 2025 and increase in discount rates are primarily attributable to overall increase in the market risk premium of the PRC market and the risk of the restaurant and beverage industries due to macroeconomic uncertainties.

Other than discount rates, other key assumptions for the value-in-use calculations related to the estimation of CGUs' cash flows included forecasted revenue, forecasted raw material costs-to-revenue ratio, employee benefit and manpower service expenses-to-revenue ratio, which are estimated based on the CGUs' past performance and management's plan for these CGUs. All of these assumptions have been reassessed as at 31 December 2025 taking into account the uncertainties on how the forward-looking customer consumptions in the PRC will recover from the continuous changes in the PRC economy and operating environment.

Based on the results of the impairment assessment conducted, the carrying amount of certain bars exceeded their recoverable amount and therefore impairment of approximately RMB575,000 and RMB4,374,000 (Note 16(b)) was recognised for these bars' plant and equipment and right-of-use assets, respectively, in the Group's consolidated statement of comprehensive income for the year ended 31 December 2025 (2024: RMB11,938,000 and RMB23,833,000, respectively).

Furthermore, due to the closure of certain bars during the years ended 31 December 2025 and 2024, the Group disposed of certain plant and equipment with an aggregate carrying amount of approximately RMB3,418,000 (2024: RMB43,889,000) for cash proceeds of approximately RMB2,956,000 (2024: RMB2,715,000), resulting in a loss of approximately RMB462,000 (2024: RMB41,174,000).

Impairment assessment for properties

For the Group's headquarter building, the Group recognised the portion held for own use under "property plant and equipment" and the leased-out portion under "investment properties", both of which were measured at cost. Management performs impairment assessment for these properties where impairment indicator is identified.

As a result of the continuous changes in the PRC economy and operating environment, the Group has experienced decline in its overall operating results and the commercial property market has also declined during the year ended 31 December 2024 and 2025.

The management of the Group therefore concluded that there were impairment indicators identified on these properties and conducted impairment assessment. The recoverable amount is determined with reference to the fair value less cost of disposal, which is higher than the value-in-use. The fair value measurements categorised within Level 3. Based on the valuation performed by an independent professional valuer (the "**Valuation**"), management assessed the fair value less cost of disposal for the properties under "property plant and equipment" and "investment properties" to be approximately RMB128,550,000 and RMB68,450,000 (Note 13), respectively, as at 31 December 2025 (2024:RMB174,372,000 and RMB33,001,000).

The Valuation used the market approach by making reference to comparable sales transactions as available in the same local region with similar characteristics as the Group's properties. The unit price of these comparable ranges from approximately RMB10,000 to RMB10,426 (2024: RMB10,000 to RMB10,619) per square metre, and adjustments and analysis have been considered for various factors including but not limited to the differences in locations between the comparable and the properties to arrive at the fair value for the properties.

Based on the results of the impairment assessment conducted, the recoverable amount exceeded their carrying amount of these properties and therefore no impairment loss (2024: RMB50,015,000 and RMB9,466,000) (Note 13) was recognised for the properties under "property plant and equipment" and "investment properties", respectively, in the Group's consolidated statement of comprehensive income for the year ended 31 December 2025.

13 Investment properties

RMB'000

At 1 January 2024

Cost	—
Accumulated depreciation	—
	<hr/>
Net book amount	—
	<hr/> <hr/>

Year ended 31 December 2024

Opening net book amount	—
Transfer from property, plant and equipment (<i>Note 12</i>)	44,343
Depreciation	(1,876)
Impairment losses (<i>Note 12</i>)	(9,466)
	<hr/>
Closing net book amount	33,001
	<hr/> <hr/>

At 31 December 2024

Cost	50,662
Accumulated depreciation	(8,195)
Accumulated impairment losses	(9,466)
	<hr/>
Net book amount	33,001
	<hr/> <hr/>

At 1 January 2025

Cost	50,662
Accumulated depreciation	(8,195)
Accumulated impairment losses	(9,466)
	<hr/>
Net book amount	33,001
	<hr/> <hr/>

Year ended 31 December 2025

Opening net book amount	33,001
Transfer from property, plant and equipment (<i>Note 12</i>)	37,133
Depreciation	(3,267)
Impairment losses (<i>Note 12</i>)	—
	<hr/>
Closing net book amount	66,867
	<hr/> <hr/>

RMB'000

At 31 December 2025

Cost	110,926
Accumulated depreciation	(23,392)
Accumulated impairment losses	(20,667)
	<hr/>
Net book amount	<u>66,867</u>

During the year ended 31 December 2025, certain portions of the Group's properties previously held for own use were leased out to tenants under operating leases with rentals payable quarterly or semi-annually for rental yields. Such change in use for these portions resulted in their reclassification from "property, plant and equipment" to "investment properties" which the Group continues to measure using cost model.

As at 31 December 2025 and 2024, the fair value less cost of disposal of the Group's investment properties were approximately RMB68,450,000 (2024: RMB33,001,000). These fair values are determined by the directors of the Company with reference to a valuation performed by an independent professional valuer using the market approach. Accordingly, management performed impairment assessment and no impairment loss was recognised (2024: RMB9,466,000) for these investment properties in the Group's consolidated statement of comprehensive income. For details, refer to Note 12.

The following amounts have been recognised in the consolidated statement of comprehensive income for the investment properties:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Rental income from operating leases (<i>Note 5</i>)	1,050	438
Direct operating expenses from property that generated rental income	(113)	(92)
	<hr/>	<hr/>
	<u>937</u>	<u>346</u>

14 Prepayments, deposits, and other receivables

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current portion		
Rental and other deposits	10,516	13,805
Prepayment made to a related party	5,885	7,455
Other prepayments	3,381	16,728
	<u>19,782</u>	<u>37,988</u>
Current portion		
Rental and other deposits	3,205	4,112
Prepayments	10,201	12,505
Other tax receivable	18,429	28,782
Other prepayments	1,507	6,248
Others	9,824	9,603
	<u>43,166</u>	<u>61,250</u>

15 Trade receivables

	As at	As at
	31 December	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	43,238	45,355
Loss allowance	(16,999)	(16,948)
	<u>26,239</u>	<u>28,407</u>

Trade receivables mainly arose from sales of goods and provision of franchising services to franchisees, and the credit terms of 1 year are granted for these receivables.

At 31 December 2025 and 2024, the ageing analysis of the trade receivables based on recognition date at the end of reporting period were as follows:

	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000
0–180 days	40,146	44,319
1–2 years	3,092	1,036
	<u>43,238</u>	<u>45,355</u>

16 Leases

(a) *The Group's leasing activities*

The Group leases various properties and the rental contracts are typically made for fixed periods of 3 to 8 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. None of the Group's leases contain variable lease payment terms that are linked to sales generated from the leased premises.

Certain of the Group's leases contain extension options to allow the Group to notify and negotiate with the lessors on renewal of leases a few months in advance before the expiry of leases. Termination options are also included in a number of the Group's property leases and exercisable by the Group. Options which are reasonably certain to be exercised are taken into account when determining lease terms and measuring lease liabilities.

(b) *Amounts recognised in the consolidated statements of financial position*

The consolidated statements of financial position included the following amounts relating to leases:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Right-of-use assets-properties		
Opening net book amount	95,676	182,779
Additions	27,240	55,263
Depreciation charge	(36,097)	(60,786)
Impairment losses (<i>Note 12</i>)	(4,374)	(23,833)
Exchange adjustments	116	24
Derecognition from termination of leases	(4,392)	(57,771)
	<u>78,169</u>	<u>95,676</u>
Lease liabilities		
Non-current portion	60,220	93,847
Current portion	42,182	51,585
	<u>102,402</u>	<u>145,432</u>

17 Borrowings

	As of 31 December 2025 RMB'000	As of 31 December 2024 RMB'000
Secured with guarantee (<i>a</i>)	<u>40,000</u>	<u>—</u>

- (a) As of 31 December 2025, RMB40,000,000 of borrowings were secured by certain buildings of the Group. The interest rates of these borrowings were ranging from 3.05% to 3.10% per annum and repayable in one year.

18 Trade payables

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	<u>21,750</u>	<u>28,744</u>

As at 31 December 2025 and 2024, the aging analysis of trade payables, based on invoice date, were as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0–90 days	<u>21,750</u>	<u>28,744</u>

CORPORATE GOVERNANCE RELATED INFORMATION

Compliance with the Corporate Governance Code

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Company has adopted corporate governance practices based on the principles and code provisions as set out in Part 2 of Appendix C1 to the Listing Rules (“**Corporate Governance Code**”) as its own code of corporate governance practices.

The Board is of the view that during the Reporting Period, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, except for the code provision C.2.1 described in the paragraph headed “C. Directors’ Responsibilities, Delegation and Board Proceedings — C.2 Chairman and Chief Executive”. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim of maintaining a high standard of corporate governance.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of Chairman of the Board and Chief Executive Officer should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established and set out in writing.

The roles of Chairman of the Board and Chief Executive Officer of the Company are currently held by Mr. Xu Bingzhong (“**Mr. Xu**”). As Mr. Xu has extensive contributions since the establishment of the Group and has rich experience, we believe that vesting the roles of Chairman and Chief Executive Officer by Mr. Xu will enable the Group’s leadership to be strong and consistent, and enhance the efficiency of business strategy execution. We believe that it is appropriate for Mr. Xu to continuously serve as Chairman and Chief Executive Officer, which is beneficial to the business development and prospects of the Group. Therefore, we have no intention at present to separate the functions of Chairman and Chief Executive Officer. Although this arrangement deviates from code provision C.2.1 of the Corporate Governance Code, the Board considers that the structure will not impair the balance of power and authority between the Board and the management of the Company. The reasons are: (i) the Board has sufficient checks and balances because its decisions must be approved by at least a majority of directors and the Board includes three independent non-executive directors, which complies with the Listing Rules; (ii) Mr. Xu and the other Directors acknowledge and undertake to fulfil their fiduciary duties as directors, which require them, among other things, to act in the interests of the Company in a manner that is in the best interests of the Company and to make decisions for the Group accordingly; and (iii) the Board is made up of experienced and talented people who meet regularly to discuss matters affecting the operations of the Company to ensure a balance of power and authority. In addition, the Group’s overall strategic and other major businesses, financial and operational policies have been formulated jointly by the Board and senior management after detailed discussion.

The Board will continuously review the effectiveness of the Group’s corporate governance structure to assess whether there is a need to distinguish between the roles of Chairman of the Board and Chief Executive Officer.

Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix C3 to the Listing Rules 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 in relation to the Group or the Company’s securities. Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period.

No incident of non-compliance of the Model Code by the employees was noted by the Company for the Reporting Period.

Purchase, Sale or Redemption of the Company’s Securities

During the year ended December 31, 2025, the Company repurchased a total of 475,000 Shares (the “**Repurchased Shares**”) on the Stock Exchange at an aggregate consideration of HK\$466,740 (excluding expenses). The Repurchased Shares represent approximately 0.0375% of the issued Shares as of December 31, 2025. Details of the Repurchased Shares are as follows:

Month	No. of Shares repurchased	Price paid per Share		Aggregate consideration (excluding expenses) (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
November 2025	375,000	1.02	0.98	373,740
December 2025	100,000	0.93	0.93	93,000
Total	475,000	1.02	0.93	466,740

All of the Repurchased Shares were subsequently canceled by the Company after the Reporting Period. Save as disclosed, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company’s listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period.

As of December 31, 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

Material Litigation

The Company was not involved in any material litigation or arbitration during the Reporting Period. The Directors are also not aware of any material litigation or claims that were pending or threatened against the Group during the Reporting Period.

Audit Committee

The audit committee of the Board (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Mr. Li Dong, Mr. Wang Renrong and Mr. Ler Soon Hock Leonard. The chairman of the Audit Committee is Mr. Li Dong who holds the appropriate qualification as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has reviewed the audited consolidated financial statements for the year ended December 31, 2025 with the management and the auditor of the Company. The Audit Committee considers that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management of the Company.

Auditors

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

EVENTS AFTER THE REPORTING PERIOD

The Company is not aware of any material subsequent events from December 31, 2025 to the date of this Announcement.

FINAL DIVIDEND

The Board recommended the payment of a final dividend of RMB0.0554 per ordinary share of the Company in issue out of the share premium account of the Company for the year ended December 31, 2025 (2024: RMB0.1146). The actual total amount of final dividends to be paid will be subject to the total number of issued share capital of the Company as at the record date for determining the entitlement of shareholders to the final dividend.

The proposed dividend payment is subject to the approval by the shareholders at the forthcoming annual general meeting (the “AGM”) to be held on Thursday, May 14, 2026. Upon shareholders’ approval, the final dividend will be paid to the shareholders on or around Tuesday, June 2, 2026.

For the purpose of determination of the Shareholders registered under the Company’s register of members in Hong Kong and register of members in Singapore for receiving the final dividend in Hong Kong dollars or Singapore dollars respectively, any removal of the Shares between the Company’s register of members in Hong Kong and register of members in Singapore has to be made by the Shareholders no later than 4:30 p.m. (both Hong Kong and Singapore times) on May 7, 2026.

For Hong Kong Shareholders

For the purpose of determining Hong Kong Shareholders’ entitlements to the final dividend, the register of members of the Company in Hong Kong will be closed from May 20, 2026 to May 21, 2026 (both days inclusive), during which period no transfer of Shares will be registered. For Hong Kong Shareholders, the record date for determination of entitlements under the final dividend will be on May 21, 2026. Hong Kong Shareholders whose names appear on the register of members of the Company in Hong Kong on May 21, 2026 will be entitled to receive the final dividend. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. (Hong Kong time) on May 19, 2026. The dividend warrants for the payment of dividend will be posted by ordinary mail to the Hong Kong Shareholders whose names shall appear on the register of members of the Company on May 21, 2026 at their own risk. The final dividend will be paid in Hong Kong dollars based on the official exchange rate of Renminbi against Hong Kong dollars as quoted by the People’s Bank of China on Thursday, May 14, 2026. Final dividend will be paid in Hong Kong dollars to Hong Kong Shareholders.

For Singapore Shareholders

In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Singapore share transfer agent, In.Corp Corporate Services Pte. Ltd. at 36 Robinson Road, #20-01 City House, Singapore 068877 for registration no later than 5:00 p.m. (Singapore time) on May 21, 2026. The final dividend will be paid in Singapore dollars based on the official exchange rate of Renminbi against Singapore dollars as quoted by the People's Bank of China on Thursday, May 14, 2026. Final dividend will be paid in Singapore dollars to Singapore Shareholders.

AGM AND CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

The register of members of the Company will be closed from Monday, May 11, 2026 to Thursday, May 14, 2026, both days inclusive, in order to determine the identity of shareholders who are entitled to attend and vote at the AGM. Shareholders whose names appear on the register of members of the Company on Thursday, May 14, 2026 will be entitled to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfers accompanied by relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. (Hong Kong time) on Friday, May 8, 2026, and the Company's Singapore share transfer agent, In.Corp Corporate Services Pte. Ltd. at 36 Robinson Road, #20-01 City House, Singapore 068877 before 5:00 p.m. (Singapore time) on Friday, May 8, 2026.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk), the Singapore Exchange Securities Trading Limited ("SGX-ST") (www.sgx.com) and the Company (www.helensbar.com).

The annual report of the Company for the year ended December 31, 2025 containing all the information required by the Listing Rules will be published on the websites of the Stock Exchange, the SGX-ST and the Company in due course.

By order of the Board
Helens International Holdings Company Limited
Mr. Xu Bingzhong
Chairman of the Board and Chief Executive Officer

Hong Kong and Singapore, March 31, 2026

As at the date of this announcement, the executive Directors are Mr. Xu Bingzhong, Ms. Cai Wenjun, Ms. Yu Zhen and Mr. He Daqing, and the independent non-executive Directors are Mr. Li Dong, Mr. Wang Renrong and Mr. Ler Soon Hock Leonard.