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嘉士利集團有限公司  
**Jiashili Group Limited**



(incorporated in the Cayman Islands with limited liability)

(Stock code: 1285)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Jiashili Group Limited (the “**Company**” or “**Jiashili**”) is hereby to announce the consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”, “**we**” or “**our**”) for the year ended December 31, 2025, together with the comparative figures for the year 2024 as agreed with Messrs. Deloitte Touche Tohmatsu as follows:

**FINANCIAL HIGHLIGHTS**

	Year ended December 31,		Increase/Decrease
	2025 (RMB'000)	2024 (RMB'000)	
Revenue	1,627,152	1,802,587	↓9.7%
Gross profit	481,752	513,233	↓6.1%
Gross profit margin	29.6%	28.5%	↑1.1 percentage points
Profit for the year	106,520	48,285	↑120.6%
Profit attributable to owners of the Company	108,763	54,461	↑99.7%
Earnings before interest, tax, depreciation and amortisation (EBITDA) <sup>1</sup>	256,675	203,108	↑26.4%
Operating profit (EBIT) <sup>2</sup>	159,551	106,029	↑50.5%
Earnings per share — Basic and diluted (RMB cents)	26.21	13.12	↑99.8%
Net profit margin	6.5%	2.7%	↑3.8 percentage point
Proposed final dividend per share (HKD cents)	10.00	10.00	—

Notes:

1. include profit before tax but excluding finance costs and total depreciation and amortisation
2. include profit before tax but excluding finance costs

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

	<i>NOTES</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
Revenue	4&5	<b>1,627,152</b>	1,802,587
Cost of sales		<b>(1,145,400)</b>	(1,289,354)
Gross profit		<b>481,752</b>	513,233
Other income	6	<b>43,746</b>	73,532
Other gains and losses	7	<b>(690)</b>	(14,525)
Selling and distribution expenses		<b>(188,439)</b>	(242,475)
Administrative expenses		<b>(103,267)</b>	(111,376)
Other expenses	8	<b>(74,308)</b>	(77,999)
Impairment losses (including reversals of impairment losses or impairment gains) on financial assets	9	<b>1,002</b>	(33,202)
Share of results of associates		<b>(245)</b>	(1,159)
Finance costs	10	<b>(22,078)</b>	(28,634)
Profit before tax		<b>137,473</b>	77,395
Income tax expense	11	<b>(30,953)</b>	(29,110)
Profit for the year	12	<b><u>106,520</u></b>	<u>48,285</u>
<b>Other comprehensive expense</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on the translation of foreign operations		<b>(490)</b>	(674)
Total comprehensive income for the year		<b><u>106,030</u></b>	<u>47,611</u>
Profit (loss) for the year attributable to:			
Owners of the Company		<b>108,763</b>	54,461
Non-controlling interests		<b>(2,243)</b>	(6,176)
		<b><u>106,520</u></b>	<u>48,285</u>
Total comprehensive income (expense) attributable to:			
Owners of the Company		<b>108,273</b>	53,787
Non-controlling interests		<b>(2,243)</b>	(6,176)
		<b><u>106,030</u></b>	<u>47,611</u>
Earnings per share	14		
— Basic ( <i>RMB cents</i> )		<b><u>26.21</u></b>	<u>13.12</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT DECEMBER 31, 2025

	<i>NOTES</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		658,202	697,709
Right-of-use assets		223,871	247,277
Investment properties		16,495	20,465
Goodwill		54,197	56,118
Other intangible assets		73,202	86,573
Interests in associates		20,668	20,145
Loan receivables	17	72,959	93,972
Loan to a non-controlling shareholder of a subsidiary		640	—
Amount due from an associate		—	7,000
Financial assets at fair value through profit or loss ("FVTPL")	15	155,256	154,806
Deferred tax assets		7,059	4,340
Other receivables and deposits	16	32,132	1,551
		<b>1,314,681</b>	<b>1,389,956</b>
<b>CURRENT ASSETS</b>			
Inventories		201,473	220,483
Trade, bills and other receivables	16	207,563	170,168
Loan receivables	17	47,595	22,900
Amounts due from associates		24,702	39,455
Amounts due from non-controlling shareholders of subsidiaries		15,237	11,358
Amounts due from related parties		97	36
Loans to associates		3,839	—
Loans to non-controlling shareholders of subsidiaries		80	2,300
Income tax recoverable		6,491	6,751
Pledged/restricted bank deposits		—	3,718
Cash and cash equivalents		448,536	379,129
		<b>955,613</b>	<b>856,298</b>
Assets classified as held for sale		12,295	21,750
		<b>967,908</b>	<b>878,048</b>

	<i>NOTES</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	245,292	343,839
Contract liabilities		198,818	101,728
Income tax payables		23,243	19,874
Bank borrowings		533,398	578,938
Other borrowing		—	1,059
Amount due to a non-controlling shareholder of a subsidiary		3	16
Amounts due to related parties		38	117
Amounts due to associates		976	1,053
Deferred income		1,704	1,994
Lease liabilities		5,174	4,476
		<u>1,008,646</u>	<u>1,053,094</u>
Liabilities directly associated with assets classified as held for sale		407	463
		<u>1,009,053</u>	<u>1,053,557</u>
<b>NET CURRENT LIABILITIES</b>		<u>(41,145)</u>	<u>(175,509)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,273,536</u>	<u>1,214,447</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		1,548	4,530
Bank borrowings		139,276	106,134
Other borrowing		—	581
Deferred income		28,121	42,796
Lease liabilities		43,042	46,484
		<u>211,987</u>	<u>200,525</u>
<b>NET ASSETS</b>		<u><u>1,061,549</u></u>	<u><u>1,013,922</u></u>
<b>CAPITAL AND RESERVES</b>			
Share capital		3,285	3,285
Reserves		1,030,428	980,332
		<u>1,033,713</u>	<u>983,617</u>
Equity attributable to owners of the Company		27,836	30,305
Non-controlling interests		<u>1,061,549</u>	<u>1,013,922</u>
<b>TOTAL EQUITY</b>		<u><u>1,061,549</u></u>	<u><u>1,013,922</u></u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

### 1. GENERAL INFORMATION

Jiashili Group Limited (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands on December 19, 2013. Its ultimate and immediate holding company is Great Logistics Global Limited and Kaiyuan Investments Limited, respectively. Its ultimate controlling shareholder is Mr. Huang Xianming and his family. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of the principal place of business of the Company is Room 1001, 10 Floor, Tai Yau Building, 181 Johnston Road, Wanchai, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “**Group**”) are manufacturing and sales of biscuit and other products in Chinese Mainland.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“**IFRS**”) ACCOUNTING STANDARDS

#### **Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by International Accounting Standards Board (“**IASB**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on January 1, 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
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The application of the amendments to an IFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

#### **Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB. 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. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

In preparing the consolidation financial statements, the directors of the Company have given careful consideration to the future liquidity of the Company in light of the fact that the Group's current liabilities exceeded its current assets by approximately RMB41,145,000 as at December 31, 2025.

In view of the above circumstances, the directors of the Company have given careful consideration to the future liquidity and financial position of the Group and its available sources of financing in assessing whether the Company have sufficient financial resources to continue as going concern, although contract liabilities of RMB198,818,000 that would not have cash outflow was included in current liabilities.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Certain plans and measures have been taken to mitigate the liquidity position and improve the financial position which include, but not limited to, the followings:

- As at December 31, 2025, the Group has undrawn bank facilities of approximately RMB40,000,000 available to the Group;
- The Group estimates to generate adequate cash inflow from operating activities in expected timeline;
- The Group assesses the cash sufficiency for coming twelve months from the date of this report; and
- The Group expects the short-term revolving bank borrowings of RMB275,140,000 would be refinanced upon maturity based on previous experience. Up to February 28, 2026, the Group refinanced these short-term revolving bank borrowings amount to RMB35,000,000.

The directors of the Company are of the opinion that, taken into account of the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operation and to meet its financial obligations for at least twelve months from the date of approval of these consolidated financial statements. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

#### **4. REVENUE**

##### **(i) Disaggregation of revenue from contracts with customers**

An analysis of the Group's revenue from major products and service and revenue by geographical locations is set out in note 5 as such analysis form part of the segment information reported to the management of the Group. The Group's food products revenue and service revenue are recognised at a point in time and over time, respectively.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Sales channels</b>		
Distributors	1,384,497	1,623,055
Supermarkets	140,293	111,252
Retail customers	102,362	68,280
	<u>1,627,152</u>	<u>1,802,587</u>
<b>Timing of revenue recognition</b>		
A point in time	1,607,406	1,782,189
Over time	19,746	20,398
	<u>1,627,152</u>	<u>1,802,587</u>

(ii) **Performance obligations for contracts with customers and revenue recognition policies**

*Sales of food products*

The Group sells biscuit and other products to distributors, supermarkets and retail customers in Chinese Mainland and also export biscuit and other products to locations other than the Chinese Mainland.

For offline sales of biscuit and other products to customers, revenue is recognised at a point in time when control of the biscuit and other products is transferred, being when the goods have been shipped to the customers' specific location (delivery). Transportation and handling activities that occur before customers obtain control are considered as fulfilment activities. Following delivery, the customers have primary responsibility to resell the goods in the designated region and bear the risks of obsolescence and loss in relation to the goods.

For online sales of biscuit and other products to customers in e-commerce platform, the Group generally offer customers an unconditional right of returning products purchased for a period of seven days upon receipt of products via platforms online. The associated revenue is recognised when the customers confirm receipt of the products or the return period expires.

For distributors and retail customers, the Group normally receives an advance from customer before the good is delivered. For supermarkets, the normal credit term is from 30 to 180 days upon delivery.

Certain distributors would be offered discount or rebate if sales target is achieved in a specific period. The Group uses its accumulated historical experience to estimate the amount of discount or rebate using the expected value method. Amounts of such discount or rebate are included in transaction price to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the specific period expired.

### *Hotel services*

The Group provides hotel services to retail customers in Kaiping City, Guangdong Province. Hotel revenue from room rental is recognised over time during the period of stay for the hotel guests. Revenue from other ancillary services is generally recognised at the point in time when the services are rendered.

#### **(iii) Transaction price allocated to the remaining performance obligation for contracts with customers**

All contracts for sale of biscuit and other products and hotel service of room rental are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

## **5. SEGMENT INFORMATION**

Information reported to the executive directors of the Group, being the chief operating decision maker (“CODM”), for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The CODM reviews operating results and financial information on a product category by product category basis. For operating segments that exhibit similar long-term financial performance as they have similar economic characteristics, and are using similar production processes to produce goods and distribute or sell to similar classes of customers, their segment results are aggregated into one reportable segment. The CODM assesses the performance of the operating segments based on a measure of segment profit or loss which represents the gross profit of each operation segment.

Specifically, the Group’s reportable segments under IFRS 8 *Operating Segments* are as follows:

1. Biscuit products
2. Pasta products
3. Flour products

In addition to the above reportable segments, none of the other operating segments met the quantitative thresholds for the reportable segments in both current and prior year. Accordingly, these were grouped in “Others”.

### **Segment revenue and results**

The following is an analysis of the Group’s revenue and results by reportable segments.

**For the year ended December 31, 2025**

	Biscuit products <i>RMB'000</i>	Pasta products <i>RMB'000</i>	Flour products <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue					
External sales	1,183,100	188,518	167,199	88,335	1,627,152
Inter-segment sales	4,517	48	118,055	11,444	134,064
	<u>1,187,617</u>	<u>188,566</u>	<u>285,254</u>	<u>99,779</u>	<u>1,761,216</u>
Segment results	<u>401,088</u>	<u>44,524</u>	<u>18,441</u>	<u>17,699</u>	<u>481,752</u>
Other income					43,746
Other gains and losses					(690)
Selling and distribution expenses					(188,439)
Administrative expenses					(103,267)
Other expenses					(74,308)
Impairment losses (including reversals of impairment losses or impairment gains) on financial assets					1,002
Share of results of associates					(245)
Finance costs					(22,078)
Profit before tax					<u>137,473</u>

**For the year ended December 31, 2024**

	Biscuit products <i>RMB'000</i>	Pasta products <i>RMB'000</i>	Flour products <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue					
External sales	1,360,780	162,277	176,227	103,303	1,802,587
Inter-segment sales	26,796	97	122,546	3,215	152,654
	<u>1,387,576</u>	<u>162,374</u>	<u>298,773</u>	<u>106,518</u>	<u>1,955,241</u>
Segment results	<u>429,367</u>	<u>38,689</u>	<u>26,119</u>	<u>19,058</u>	<u>513,233</u>
Other income					73,532
Other gains and losses					(14,525)
Selling and distribution expenses					(242,475)
Administrative expenses					(111,376)
Other expenses					(77,999)
Impairment losses (including reversals of impairment losses or impairment gains) on financial assets					(33,202)
Share of results of associates					(1,159)
Finance costs					(28,634)
Profit before tax					<u>77,395</u>

## Segment assets and liabilities

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

## Other segment information

Amounts included in the measurement of segment results:

### For the year ended December 31, 2025

	Biscuit products <i>RMB'000</i>	Pasta products <i>RMB'000</i>	Flour products <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Depreciation of property, plant and equipment	50,611	10,337	5,249	5,368	71,565
Depreciation of right-of-use assets	8,673	181	733	1,715	11,302
Depreciation of investment properties	—	152	—	734	886
Amortisation of other intangible assets	5,309	—	7,154	908	13,371

### For the year ended December 31, 2024

	Biscuit products <i>RMB'000</i>	Pasta products <i>RMB'000</i>	Flour products <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
Depreciation of property, plant and equipment	48,868	10,301	4,102	6,712	69,983
Depreciation of right-of-use assets	8,892	181	733	2,277	12,083
Depreciation of investment properties	—	280	—	1,584	1,864
Amortisation of other intangible assets	5,087	—	7,154	908	13,149

## Revenue from major products

The following is an analysis of the Group's revenue from its major products:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue by products</b>		
Biscuit		
— Sweet single piece biscuits	479,750	523,004
— Salty single piece biscuits	28,051	41,381
— Sandwich biscuits	395,451	412,090
— Wafers	115,699	152,244
— Coarse grain biscuits	39,619	59,072
— Other biscuits	86,106	172,989
	<u>1,144,676</u>	<u>1,360,780</u>
Pasta	188,518	162,277
Flour	167,199	176,227
Others ( <i>note</i> )	107,013	82,905
	<u>1,607,406</u>	<u>1,782,189</u>
<b>Revenue by service</b>		
Hotel services	19,746	20,398
	<u>1,627,152</u>	<u>1,802,587</u>
Total	<u><u>1,627,152</u></u>	<u><u>1,802,587</u></u>

*Note:* Others represents miscellaneous products other than biscuits, pasta and flour, such as fresh breads, mooncakes, candies and soymilk.

## Geographical information

All of the Group's operations are located in the PRC. Information about the Group's revenue from external customers by location of the relevant customers and non-current assets by location of assets is presented below:

	Revenue from external customers		Non-current assets ( <i>note a</i> )	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese Mainland (country of domicile)	1,623,831	1,798,574	1,076,814	1,128,831
Others ( <i>note b</i> )	3,321	4,013	1,183	781
	<u>1,627,152</u>	<u>1,802,587</u>	<u>1,077,997</u>	<u>1,129,612</u>

*Notes:*

- (a) Non-current assets excluded financial instruments and deferred tax assets.
- (b) Others represent export sales to locations other than Chinese Mainland.

No single customer contributed over 10% of the total revenue of the Group during both years.

## 6. OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grants	9,787	33,017
Interest income on:		
— bank balances and deposits	1,482	2,910
— loan receivables	8,886	8,848
— loans to associates	41	24
— loans to non-controlling shareholders of subsidiaries	127	400
— advance to third parties	180	438
Sales of scrap and packaging materials	16,719	20,771
Rental income	4,149	5,622
Others	2,375	1,502
	<u>43,746</u>	<u>73,532</u>

## 7. OTHER GAINS AND LOSSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Fair value gains (losses) on financial assets at FVTPL	450	(160)
Net foreign exchange (losses) gains	(190)	39
Losses on disposal of property, plant and equipment	(372)	(1,653)
Gain on disposal of right-of-use assets	2,020	—
Impairment losses recognised in respect of property, plant and equipment	—	(1,091)
Impairment losses recognised in respect of goodwill	(1,921)	(8,967)
Allowance recognised on inventories	(677)	(2,693)
	<u>(690)</u>	<u>(14,525)</u>

## 8. OTHER EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Research expenses	48,847	53,424
Donation expenses	4,564	4,982
Cost of scrap and packaging materials sold	14,725	15,731
Building lease expenses	1,947	2,401
Other non-operating expenses	4,225	1,461
	<u>74,308</u>	<u>77,999</u>

## 9. IMPAIRMENT LOSSES (INCLUDING REVERSALS OF IMPAIRMENT LOSSES OR IMPAIRMENT GAINS) ON FINANCIAL ASSETS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Impairment losses (reversed) recognised on:		
— loan receivables	(5,035)	21,863
— loans to associates	265	—
— loans to non-controlling shareholders of subsidiaries	180	1,579
— amounts due from associates	941	—
— amounts due from non-controlling shareholders of subsidiaries	(784)	323
— trade receivables	3,642	2,831
— other receivables	(211)	6,606
	<u>(1,002)</u>	<u>33,202</u>

## 10. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest expenses on		
— bank borrowings	21,541	28,583
— other borrowing	84	288
— lease liabilities	2,266	2,355
	<u>23,891</u>	<u>31,226</u>
Total borrowing costs	23,891	31,226
Less: amounts capitalised in the cost of qualifying assets	(1,813)	(2,592)
	<u>22,078</u>	<u>28,634</u>

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 2.77% (2024: 3.27%) per annum to expenditure on qualifying assets.

## 11. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax:		
PRC Enterprise Income Tax (“EIT”)		
— Current year	31,141	33,544
— Underprovision (overprovision) in prior years	263	(490)
Withholding tax on distributed profits	5,250	—
	<u>36,654</u>	<u>33,054</u>
Deferred tax:	(5,701)	(3,944)
	<u>30,953</u>	<u>29,110</u>

No provision for Hong Kong Profits Tax has been made for both years as the Group has no assessable profits arising in Hong Kong.

Guangdong Jiashili Food Group Company Limited\* (廣東嘉士利食品集團有限公司) (“**Guangdong Jiashili**”) and Guangdong Kangli Food Group Co. Limited\* (廣東康力食品集團有限公司) (“**Kangli**”) were accredited as a High-New Technology Enterprise by the Science and Technology Bureau of Guangdong Province (廣東省科學技術廳) and relevant authorities in the PRC with effect from January 2025 and 2023 for a term of three years, respectively. Guangdong Jiashili and Kangli were registered with the local tax authority to be eligible to the reduced 15% EIT rate for three years from 2025 to 2027 and 2023 to 2025.

Guangdong Kailan Flour Co. Limited\* 廣東開蘭麵粉有限公司 (“**Kailan Flour**”) engages in manufacture and sale of flour. According to Cai Shui 2008 No. 149, a joint circular of Ministry of Finance and State Administration of Taxation, wheat preliminary processing for flour is in the scope of EIT exemption. Kailan Flour is registered with Kaiping Administration for Market Regulation to be eligible to grain processing.

\* *English name for identification purpose only.*

For other group entities in the PRC, under the Law of the PRC on EIT (the “**EIT Law**”) and Implementation Regulations of the EIT Law, the EIT rate was 25% for both years.

According to Cai Shui 2008 No. 1, a joint circular of Ministry of Finance and State Administration of Taxation, dividend distributed out of the profits generated since January 1, 2008 by a PRC entity to a non-PRC tax resident shall be subject to withholding EIT pursuant to Articles 3 and 19 of the EIT Law.

The Company’s subsidiaries that are PRC tax resident are required to withhold the PRC withholding EIT of 10% on dividend payment to their non-PRC resident immediate holding company, unless such dividend payment is qualified for the 5% reduced tax rate under the Arrangement between Chinese Mainland and Hong Kong for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the “**PRC-HK DTA**”).

Jiashili (Hong Kong) Limited (“**Jiashili HK**”) is qualified as a Hong Kong tax resident. During the year ended December 31, 2025, Jiashili HK has obtained the Hong Kong resident certificate for the calendar year 2024 and would valid for three years until December 31, 2026. Jiashili HK enjoys a reduced withholding tax rate of 5%, under State Administration of Taxation Bulletin [2018] No. 9 (國家稅務總局公告2018年第9號) on dividend income for the years ended December 31, 2025 and 2024, pursuant to the PRC-HK DTA.

## 12. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Directors' and chief executive's emoluments	4,543	5,912
Other employee benefits expenses:		
Salaries and allowances	226,276	256,591
Contributions to retirement benefits scheme	27,900	27,403
	<hr/>	<hr/>
Total employee benefits expenses	<u>258,719</u>	<u>289,906</u>
Depreciation of property, plant and equipment	71,565	69,983
Depreciation of right-of-use assets	11,302	12,083
Depreciation of investment properties	886	1,864
Amortisation of other intangible assets (included in cost of sales)	13,371	13,149
	<hr/>	<hr/>
Total depreciation and amortisation	<u>97,124</u>	<u>97,079</u>
Auditors' remuneration	1,939	1,924
Cost of inventories recognised as an expense (including recognition of allowance on inventories amounting to RMB677,000 (2024: RMB2,693,000))	1,138,492	1,284,297
	<hr/>	<hr/>

## 13. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2025 Interim — HK5 cents (2024: 2024 Interim — nil) per share	18,944	—
2024 Final — HK10 cents (2024: 2023 Final — HK10 cents) per share	37,889	37,802
	<hr/>	<hr/>
	<u>56,833</u>	<u>37,802</u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended December 31, 2025 of HK10 cents (2024: HK10 cents) per share, amounting to approximately HK\$41,500,000 (equivalent to approximately RMB36,642,000) (2024: approximately HK\$41,500,000 (equivalent to approximately RMB37,889,000)), has been proposed by the directors of the Company and is subject to the approval by the shareholders at the forthcoming Annual General Meeting of the Company.

#### 14. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<i>Earnings</i>		
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	<u>108,763</u>	<u>54,461</u>
	2025 '000	2024 '000
<i>Number of shares</i>		
Number of ordinary shares for the purpose of basic earnings per share	<u>415,000</u>	<u>415,000</u>

No diluted earnings per share for both 2025 and 2024 were presented as there were no potential ordinary shares in issue for both 2025 and 2024.

#### 15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Financial assets designated at FVTPL:		
— unlisted equity investment fund in the PRC	128,856	128,806
— unlisted equity investment in the PRC	<u>26,400</u>	<u>26,000</u>
	<u>155,256</u>	<u>154,806</u>

## 16. TRADE, BILLS AND OTHER RECEIVABLES/OTHER RECEIVABLES AND DEPOSITS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade and bills receivables	73,276	56,341
Less: allowance for ECL	<u>(11,487)</u>	<u>(10,700)</u>
Total trade and bills receivables, net	61,789	45,641
Prepayments for purchase of raw materials ( <i>note a</i> )	49,932	17,643
Other tax recoverable ( <i>note b</i> )	39,407	35,368
Other receivables, net of allowance ( <i>note c</i> )	37,026	34,187
Other prepayments ( <i>note d</i> )	15,606	30,687
Temporary payment on behalf of bakery stores	4,574	7,649
Deposits paid for acquisition of unlisted equity investments	19,400	—
Deposits paid for acquisition of right-of-use assets and property, plant and equipment	<u>11,961</u>	<u>544</u>
	239,695	171,719
Less: amount shown under current assets	<u>(207,563)</u>	<u>(170,168)</u>
Amount shown under non-current assets as other receivables and deposits ( <i>note e</i> )	<u><u>32,132</u></u>	<u><u>1,551</u></u>

### Trade and bills receivables

As at January 1, 2024, trade and bills receivables from contracts with customers amounted to RMB55,240,000.

The following is an analysis of trade and bills receivables by age, net of allowance for ECL, presented based on the date of delivery of goods, which approximated the respective revenue recognition, at the end of the reporting period.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 2 months	54,604	29,020
Over 2 months but within 3 months	2,776	9,754
Over 3 months but within 6 months	3,044	5,374
Over 6 months but within 1 year	1,331	1,276
Over 1 year	<u>34</u>	<u>217</u>
	<u><u>61,789</u></u>	<u><u>45,641</u></u>

As at December 31, 2025, total bills receivables amounting to RMB2,230,000 (2024: RMB1,610,000) are held by the Group for future settlement of trade receivables. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills receivables held by the Group are with a maturity period of less than one year.

As at December 31, 2025, included in the Group's trade and bills receivables balance are debtors with aggregate carrying amount of RMB4,374,000 (2024: RMB8,005,000) which are past due as at the reporting date. Out of the past due balances, RMB1,365,000 (2024: RMB1,493,000) has been past due 90 days or more and is not considered as in default.

The Group does not hold any collateral over trade and bills receivables.

### ***Prepayments, other receivables and deposits***

*Notes:*

- (a) Prepayments for purchase of goods mainly comprised of prepayments for candy and biscuit for trading and raw materials mainly comprised of prepayments for sugar, palm oil, flour, wheat and packaging materials.
- (b) The amount mainly comprised of value added tax deductible to be certified.
- (c) Other receivables net of allowance represent logistic deposits, advances to staff and other miscellaneous deposits, which are unsecured and non-interest bearing.

During the year ended December 31, 2025, the Group has reversed an impairment loss of RMB211,000 (2024: recognition of RMB6,606,000) on other receivables in the profit or loss.

- (d) Other prepayments represent prepaid logistic fee and fuel, water, electricity charges and other miscellaneous fee for production.
- (e) The amount mainly represents deposits paid for acquisition of unlisted equity investments, right-of-use assets and property, plant and equipment and other rental and utility deposits due after one year and therefore, classified as non-current.

## **17. LOAN RECEIVABLES**

	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
Fixed-rate loan receivables	<b>175,665</b>	177,018
Less: allowance for ECL	<b>(55,111)</b>	(60,146)
	<b><u>120,554</u></b>	<u>116,872</u>
Analysed as		
Current	<b>47,595</b>	22,900
Non-current	<b>72,959</b>	93,972
	<b><u>120,554</u></b>	<u>116,872</u>

The effective interest rate of the loan receivables is ranged from 0.0% to 18.0% (2024: 0.0% to 18.0%) per annum.

## 18. TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	134,980	191,020
Transportation fee payables	11,206	19,427
Payroll and welfare payables	29,086	39,354
Accrued expenses	30,836	49,497
Other payables	31,151	31,707
Other tax payables	8,033	12,834
	<u>245,292</u>	<u>343,839</u>

### Trade payables

The following is an analysis of trade payables by age, presented based on the invoice date at the end of each reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	132,594	182,381
Over 3 months but within 6 months	551	6,697
Over 6 months but within 1 year	477	468
Over 1 year	1,358	1,474
	<u>134,980</u>	<u>191,020</u>

The credit period on purchase of goods is mainly ranged from 30 to 60 days from the invoice date. The Group has financial risk management policies in place to ensure that all payables are settled within the credit limit frame.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### Industry Overview

In 2025, China's economy demonstrated resilient growth amidst a complex global environment, successfully achieving the government's annual targets. According to official data released in early 2026, the Gross Domestic Product ("GDP") of the People's Republic of China (the "PRC" or "China") grew by 5.0% in 2025, meeting the government's preset target of around 5%. This performance was underpinned by a package of pro-growth policies and was widely recognized by international institutions, with the International Monetary Fund ("IMF") and others upgrading their forecasts for China throughout the year.

The consumer market exhibited a steady recovery during the year, though with notable structural characteristics. The Retail Sales of Consumer Goods 社會消費品零售總額 increased by 3.7% in 2025 (2024: was increased by 3.5%), reaching approximately RMB50.12 trillion. The figure and growth indicates that China consumer spending continued to recover and Government policies to boost consumption took positive effect. Furthermore, online consumption remained robust, with nationwide online retail sales up by 8.6% for the full year surged by 1.4 percentage points from 2024, reaching approximately RMB15.97 trillion.

Aligning with the national strategic direction, the Company's performance in 2025 was consistent with the initial policy priorities of the 15th Five-Year Plan (2026–2030). The Plan, whose recommendations were unveiled in late 2025, places a strong emphasis on "vigorously boosting consumption" and "building a strong domestic market" as core pillars for high-quality development. A key strategic shift in the Plan is the focus on "integrating the enhancement of people's wellbeing with consumption promotion," and increasing "pro-people policy support that directly benefits consumers". This involves leveraging fiscal policy to directly enhance household consumption capacity and unleashing the potential of domestic demand by improving the social security system. In this context, the Central Government is driving the transformation of the economic model towards one more led by consumption, creating a favorable policy environment for the food and household goods industry. The Group's core business — including biscuits, pasta, and snacks — directly caters to the essential consumer needs in this new policy landscape. By offering high-quality and safe food products, we are actively participating in the national strategy to expand domestic demand and meet the evolving consumption habits of Chinese residents.

Jiashili is one of the largest producer of quality biscuits and crackers in China more than 68 years since 1956, approaching 70 years in year of 2026, we market, sell and distribute our products under more than 12 brand names in approximately 31 Provinces and Municipalities and 310 prefecture-level cities with more than 660 stock keeping units offered to market in China. At Jiashili, serving customers means more than selling food. It means acting as a responsible and sustainable business for all our stakeholders — customers, colleagues, suppliers and shareholders — and providing safe, nutritious and affordable biscuits, that is great value for money. With experienced and our focus management team, robust profit-making model and strong brand name attractiveness, the Group achieved a revenue of approximately RMB1.6 billion in 2025. The business has demonstrated incredible resilience, as we stepped up to support customers, colleagues, suppliers and communities through the impact of rising cost pressures and intense competition. At the same time, we have made further progress towards achieving our strategic priorities. Further recovery of China's economy and new characters and trends

of the consumption market represent both challenges and opportunities to us, and it is a major theme to which we have been devoted for so long to provide consumers with more valuable consumption experience. The Group continues to face considerable headwinds from volatile and uncertain business environment and pressure on consumer discretionary spending. However, we remain confident that the Group has the business model necessary to deliver a year of resilient performance with further growth in sales.

The products produced and distributed by the Group can be summarized into the following product ranges:

- I. Biscuits: Sweet and Salty single piece, Sandwich, Wafers and other biscuits.
- II. Pasta: Spaghetti and Macaroni.
- III. Other grocery products: Candies, Bread, Mooncakes and other products.
- IV. Flour

## **Performance Review**

In fiscal year 2025, the Group operated within a complex macroeconomic landscape characterized by moderate GDP growth and a cautiously recovering consumer market in Chinese Mainland. Against this backdrop, our revenue experienced a moderate decline, primarily attributable to subdued consumer sentiment in the discretionary snacking segment and heightened competition in the staple food categories.

## **Revenue and Gross Profit**

For the year ended December 31, 2025, the Group recorded total revenue of approximately RMB1,627.2 million, representing a decrease of 9.7% compared to the previous year. This top-line contraction was largely driven by cautious inventory management by retail partners and a shift in consumer traffic towards value-focused channels. Consequently, gross profit decreased by 6.1% to approximately RMB481.8 million, with gross profit margin increasing slightly by 1.1 percentage points to 29.6%.

## **Transition to Profitability**

Despite the challenging top-line environment, the Group achieved a significant milestone in profitability. The Group's profit after tax surged to approximately RMB106.5 million, a substantial increase of approximately RMB58.2 million from approximately RMB48.3 million in 2024. The net profit margin was 6.5% in 2025 compared to 2.7% of 2024, representing an increase of 3.8 percentage points from last year. This performance divergence — lower revenue but higher profit — was the result of a strategic shift towards operational efficiency. The Group's promising performance was benefited from the followings: a stabilization in global commodity markets, leads to lower raw material (include sugar, flour and packaging materials) costs leading to gross profit margin expansion. Furthermore, stringent cost control measures implemented across the supply chain successfully mitigated the impact of reduced operating leverage. The total administrative and selling and distribution expenses for the year of 2025 was amounted to approximately RMB291.7 million representing a decrease by 17.6% year-on-year. Thirdly, the collection of outstanding loan receivables resulting in reduction of impairment provisions. Profit attributable to owners of the Company in 2025 was approximately RMB108.8 million surged

by approximately RMB54.3 million, representing an increase by 99.7% year-on-year. Enhancement of product quality and raw material supplies are our Group strives for best quality with competitive prices, and zero customers complaints. This could be achieved by improved quality and supplies management and production and packaging processes. Through straight and stringent control on product safety, quality check and review will be implemented on each stages of production leads to costs reduction and enhancement of production efficiency. We have continued to support our customers and delivered a strong performance, responding with speed and agility to the new and ongoing challenges we faced during the year. It is testament to our resilience as a business, our careful planning, and our flexibility that we have been able to do so with such success.

During the long and successful history of Jiashili, we have mastered many crises and once again we have proven that our company is up to the local challenges. Our objectives are to produce quality, popular and preferred biscuits and leisure snack products where you can share anytime, anywhere. Over the year, we have been adhering to the business philosophy of “Jiashili, benefit the nation and benefit to all people 嘉士利、利國家、利大家” to provide delicious and high quality biscuits to the customers in China.

### **Marketing and Promotion**

Innovation has always been a strong tradition at Jiashili. Today, our pace of innovation is faster than ever, and every year we bring new creations on to the market. To cater for constantly changing consumer demands, our product specialists work day after day to ensure that every new product has the potential to become a classic one day. In 2025, our Group has more than 2,300 distributors in China, Jiashili is a consumer-led and market-driven organization. Our business model, structures and strategies continue to evolve, centred around a deep understanding of diverse local consumer preference. Jiashili continues to meet a wide range of rapidly evolving consumer preferences. Across different consumer landscape, today’s most pronounced preferences include clean and cleaner label, convenience, nutrition & wellness, authenticity and premiumisation. These distinct preferences can mean different things to consumers in different market segment of the industry. Central to Jiashili’s approach is the fundamental understanding of how to address these needs and support customers as they seek to innovate to win in today’s marketplace. These ever-evolving consumer preferences are redefining consumption occasions right across end use markets and channels. Our customers is at the centre everything we do, we aims to adding value by offering so much more to distributors and our end customers. Our Group is undergoing consolidation in different distributor channels, aligning with different distributors through various channels such as supermarkets, shops, convenience stores and key accounts (KA) to fulfil our customers’ needs. Some differentiated products are sold exclusive through specific channel to avoid possible conflicts among channels. We also strived for product differentiation in packaging and specifications among different channels and regions.

To promote our products our Group has a policy and control on promoting our products and brand names through discounts, promotion events and others. Selling and distribution expenses accounted for 11.6% of revenue of 2025. (2024: 13.5%) which in line with product sales. Jiashili is a highly diversified group with a wide range of biscuits and leisure snack products, comprises of more than 12 well-known grocery brands, and our flagship retail brand, “Jiashili”. We have a strong social purpose: to provide safe, nutritious and affordable food that is great value for money.

## Research and Development

The Group's policy on research activities adhered to the philosophy of satisfying consumer needs and insisted on value innovation. In terms of plans, it continued to empower its featured products by securing supply; on the other hand, it captured the trend, grasped the competitive landscape of the industry, and developed new products to facilitate steady growth of the Company's revenue. The Group's top priority in research and development throughout 2025 was to empower the existing featured products, focusing on major flavours. The Group maintained its competitiveness in the market by continuously refining its product strengths with to bring better consumption experience to consumers. In 2025, research expenses amounted to approximately RMB48.8 million slightly decreased by 8.6% year-on-year. Research expenses accounted for approximately 3.0% of the total revenue in 2025 (2024: 3.0%). Looking forward to 2026, the Group's business research philosophy will continue to build and maintain consumers' satisfaction for company's product strengths with continuous innovation and progress to satisfy consumers' needs and create products with good value for money for consumers.

## Electronic Commerce (e-commerce)

The Group captured the selling opportunities in various scenarios offline and expanded the sales in e-commerce and O2O platforms online. The diversified sales channel penetration and marketing strategies continuously improved the brand awareness and reputation. Meanwhile, the Group will further expand its presence in multiple scenarios by enhancing development and resources investments in family, catering, O2O and other channels. While maintaining sales growth and improving resilience, the Group will actively capture market trends, and discover and embrace new opportunities.

## FINANCIAL REVIEW

During the year ended December 31, 2025 Group's total revenue has decreased by 9.7% year-on-year to approximately RMB1,627.2 million. Revenue from biscuits, pasta and flour business amounted to approximately RMB1,607.4 million, representing a drop of 9.8% as compared with the corresponding period of last year, which accounted for 98.8% of the Group's total revenue, and revenue from the hotel services amounted to approximately RMB19.7 million, which accounted for 1.2% of the Group's total revenue. Breakdown of revenue by products in 2025 and the comparative figures for the same period last year are set forth as follows:

	2025		2024		(Decrease)/Increase	
	RMB (million)	Revenue contribution	RMB (million)	Revenue contribution	RMB (million)	%
Sweet Single piece biscuits	479.8	29.8%	523.0	29.4%	-43.2	-8.3
Salty Single piece biscuits	28.0	1.7%	41.4	2.3%	-13.4	-32.4
Sandwich biscuits	395.5	24.6%	412.1	23.1%	-16.6	-4.0
Wafers	115.7	7.2%	152.2	8.5%	-36.5	-24.0
Coarse grain biscuits	39.6	2.5%	59.1	3.3%	-19.5	-33.0
Other biscuits	86.1	5.4%	173.0	9.7%	-86.9	-50.2
Pasta	188.5	11.7%	162.3	9.1%	26.2	16.1
Flour	167.2	10.4%	176.2	9.9%	-9.0	-5.1
Others	107.0	6.7%	82.9	4.7%	24.1	29.1
Total	<u>1,607.4</u>	<u>100.0%</u>	<u>1,782.2</u>	<u>100.0%</u>	<u>-174.8</u>	<u>-9.8</u>

## **Breakdown of revenue by products**

### ***Sweet single piece biscuits***

For the year ended December 31, 2025, revenue from sweet single piece biscuits recorded a decline of 8.3% or approximately RMB43.2 million to approximately RMB479.8 million as compared with the same period last year.

### ***Salty single piece biscuits***

In 2025, the revenue generated from salty single piece biscuits decreased by approximately RMB13.4 million representing a decrease of 32.4% year-on-year to approximately RMB28.0 million. It was due to intense competition among domestic and international brands, and a shift of customers' preference. The industry landscape was driven by innovation in product formats, flavors and health-focused ingredients playing a pivotal role.

### ***Sandwiches biscuits***

The sandwich biscuit appealed strongly to children, young adults, and gift buyers. The market saw heightened innovation in flavors, textures, and health-oriented formulations, with brands competing to balance taste and perceived nutritional value.

In 2025, the revenue generated from sandwich biscuits has declined by approximately RMB16.6 million representing a drop of 4.0% year-on-year to approximately RMB395.5 million. The market share of Jiashili sandwich biscuits has been maintained in these years mainly due to our successful strategy on premiumization and flavor innovation and focus on health-conscious reformulations. In addition, e-Commerce and social commerce, say livestreaming promotions on Douyin (TikTok) coupled with seasonal campaigns, boosted impulse purchases among Gen Z shoppers.

### ***Wafers***

In 2025, the revenue generated from wafers amounted to approximately RMB115.7 million, representing a significant decrease of 24.0% or approximately RMB36.5 million drop year-on-year. The Group's wafers series were highly regarded as high value-for-money biscuits in China consumer markets. The market was challenged by shifting consumer preferences toward other snacks, rising input costs and intensified competition from alternatives.

### ***Coarse grain biscuits***

In 2025, the revenue of coarse grain biscuit amounted to approximately RMB39.6 million, representing a drop of 33.0% or approximately RMB19.5 million as compared with the same period last year.

### ***Other biscuits***

It is the Group's policy of actively seeking to expand different mix of products with different brands and flavors to meet customer's demands. Other biscuits products include mainly Jiuzhou cookie (九洲曲奇), cream crackers, Ruishiyue products series (瑞士樂系列) and others. The other biscuits business recorded revenue of approximately RMB86.1 million in 2025, representing a drop of 50.2% over last year.

## ***Pasta***

In 2025, the pasta and macaroni business recorded a revenue of approximately RMB188.5 million, increase of 16.1% ahead of the corresponding period of last year, which maintained a strong growth momentum. Our brand name of pasta and macaroni i.e. “Kangli康力” and “OPSMYPASTA來一頓” has received much wider market acceptance in China and Hong Kong.

The pasta and macaroni segment in China has experienced steady growth in recent years, driven by urbanization, evolving dietary habits, and a growing appetite for international cuisines. Pasta products including spaghetti, macaroni, penne, and instant pasta are gaining traction, particularly among younger, health conscious and cosmopolitan consumers.

## ***Flour***

The flour business recorded a revenue of approximately RMB167.2 million in 2025, representing a slight decline of 5.1% over last year.

## ***Others***

It is the Group’s policy of actively seeking to expand different mix of products with different brands and flavors to meet customer’s demands. Others represents miscellaneous products other than biscuits, such as bread, mooncake, candies and soymilk but excluding hotel service business. For the year ended December 31, 2025, revenue from others was increased by 29.1% to approximately RMB107.0 million as compared with the same period last year. In which revenue from short shelf-life bread amounted to approximately RMB20.9 million (2024: approximately RMB23.4 million). Mooncakes business recorded revenue of approximately RMB52.0 million in 2025 increased by 62.0% from the corresponding period of last year.

## **Gross profit and Gross profit margin**

In 2025, the Group’s gross profit amounted to approximately RMB481.8 million (2024: approximately RMB513.2 million), representing a year-on-year drop of 6.1%. Overall gross profit margin was slightly increased to 29.6% (2024: 28.5%) in 2025, representing an increase of 1.1 percentage points from last year. The increase in gross profit margin was mainly attributable to the stable global commodity market in 2025 of which lower costs of raw materials in sugar; flour and packaging materials and also due to the through execution of the Group’s lean management optimisation and technical transformation in production process leading to margin expansion. The Group will further imposed stringent measures and controls to keep our production and manufacturing cost remain competitive.

## **Other income**

Other income for the year of 2025 has decreased by approximately 40.5% to approximately RMB43.7 million compared with 2024. The decrease was primarily due to the subsidy of government grants in 2025 which is lower than that of the corresponding period of last year by approximately RMB23.2 million.

## **Selling and distribution expenses**

Selling and distribution expenses comprise mainly the advertising and promotion expenses, delivery and transportation expenses and selling administration expenses. The selling and distribution expenses has decreased by 22.3% from approximately RMB242.5 million in 2024 to approximately RMB188.4 million in 2025. In 2025 the selling administration and advertising and promotion expenses were approximately RMB130.2 million (2024: approximately RMB172.4 million). Selling administration and advertising and promotion expenses as a percentage of revenue was 8.0% (2024: 9.6%) which was in line with Group's policy to expand and broaden our consumer base. Delivery and transportation expenses in 2025 were approximately RMB58.2 million (2024: approximately RMB70.1 million). Delivery and transportation expenses as a percentage of revenue is 3.6% in 2025 (2024: 3.9%), The Company strive for efficient distribution strategy to save cost while at the same time meet customer demand in quicker delivery.

## **Administrative expenses**

Administrative expenses are mainly consists of staff costs and welfare, office expenses and entertainment expenses, legal and professional fees, tax expenses and rental expenses. For the year ended December 31, 2025, administrative expenses amounted to approximately RMB103.3 million, representing a drop of approximately RMB8.1 million or 7.3% year-on-year. The decrease was mainly attributable to the decrease in staff costs and related office expenses due to the Group's lean management programme.

## **Analysis of operating efficiency**

The Group stringently controls and manages the levels of trade receivables, trade payables and inventories. Sales to most customers are made on a delivery on advance payment basis. Trade receivables are generated from credit sales to credit customers from distribution channels and others.

The Group's inventories consist mainly of raw materials, packaging materials and finished goods. As at December 31, 2025 the inventories balance decreased by approximately RMB19.0 million to approximately RMB201.5 million (December 31, 2024: RMB220.5 million) as compared to the beginning of the year, which was attributable to the delay in products preparation for Chinese New Year as compared to the same period last year. Accordingly, the inventory turnover days<sup>1</sup> has increased from 56 days in 2024 to 67 days in 2025.

The Group's trade, bills and other receivables refer to the Group's trade receivable balance from its customers, together with other deposits and prepayments. The amounts of trade, bills and other receivables has increased by 22.0% from approximately RMB170.2 million in 2024 to approximately RMB207.6 million in 2025. Thus, the trade, bills and other receivables turnover days<sup>2</sup> has increased from 40 days in 2024 to 42 days in 2025.

<sup>1</sup> Inventory turnover days were calculated based on the average of inventory balances as at the beginning and the end of the year divided by cost of sales multiplied by the number of days in the year.

<sup>2</sup> Trade, bills and other receivables turnover days were calculated based on the average of trade, bills and other receivables balances as at the beginning and the end of the year divided by revenue multiplied by the number of days in the year or period.

<sup>3</sup> Trade and other payables turnover days were calculated based on the average of trade, bills and other payables balances as at the beginning and the end of the year divided by cost of sales multiplied by the number of days in the year.

The Group's trade and other payables refer to the Group's trade payables to suppliers, together with accrued expenses and other payables. The amounts of trade and other payables has decrease by 28.7% from approximately RMB343.8 million in 2024 to approximately RMB245.3 million in 2025. Thus, the trade and other payables turnover days<sup>3</sup> has increased from 86 days in 2024 to 94 days in 2025.

The following table sets out the major turnover days for the past two years ended December 31.

	<b>Year ended December 31</b>	
	<b>2025</b>	2024
Inventory turnover days	<b>67</b>	56
Trade, bills and other receivables turnover days	<b>42</b>	40
Trade and other payables turnover days	<b>94</b>	86

The Group reckoned that trade receivables turnover days, inventory turnover days and trade payables turnover days in the distribution channel helped the Group in understanding the efficiency of inventory liquidity and the sales and cash conversion cycle. Through reviewing and improving the turnover days, the Group could further improve its revenue, profit and the ability of on-going growth for the sake of enhancing operational efficiency.

### **Working capital position**

To preserve and maintain a stable cash flow is very important. Measures to mitigate the cash outflow included cutting back on discretionary spending and non-essential capital expenditure across the Group was implemented. As at December 31, 2025, the Group's net current liabilities were approximately RMB41.1 million (2024: net current liabilities were approximately RMB175.5 million). Current ratio of the Group as at December 31, 2025 was 0.96 (2024: 0.83). We believed our Group is in the healthy state of operating situation with adequate source of resources to meet our short-term debt.

### **Financial position and liquidity**

We finance our operations and capital expenditure primarily by internally generated cash flows as well as banking facilities provided by our principal bankers. As at December 31, 2025, the Group had bank balances and cash amounted to approximately RMB448.5 million (2024: approximately RMB379.1 million). We are from time to time adopt prudent financial management policy to maintain sufficient cash to meet our cash flow needs. Total bank borrowings as at December 31, 2025 amounted to approximately RMB672.7 million, decreased by approximately RMB12.4 million, or 1.8% from corresponding period of last year. All of our bank borrowings are unsecured. As at December 31, 2025, the Group was in a net debt position (defined as bank balances and cash less total bank borrowings, but exclude lease liability) of approximately RMB224.1 million (2024: net debt position of approximately RMB305.9 million). As at December 31, 2025, the gross gearing ratio (defined as total liabilities over total assets) was 53.5% (2024: 55.3%). Total equity as at December 31, 2025 was approximately RMB1,061.5 million, an increase of 4.7% from approximately RMB1,013.9 million as at December 31, 2024. We assess our liquidity in terms of our ability to generate cash to fund our operating, investing and financing activities. Significant factors affecting liquidity include cash flows generated from operating activities, future capital expenditures, acquisitions, dividends, the adequacy of available bank loans, and the ability to attract long-term capital with satisfactory terms. The Directors believed that the Group is in a strong and healthy financial position generate substantial amounts of cash from operations with sufficient liquidity available for its working capital requirements, foreseeable capital expenditures and the payment of dividends.

## **Contingent liabilities and guarantees**

As at December 31, 2025, the Group did not provide any guarantees for any third party and had no significant contingent liabilities.

## **OUTLOOK**

Jiashili has weathered a number of turbulent periods in recent years. Through all of that, it has emerged a stronger, more robust business. The year 2026 is bound to be another challenging year, and the Group envisages that the operating environment is expected to remain highly competitive. The Group will have to be cautious and stay vigilant. Recognizing and understanding the changing business environment, the Group will continue to monitor closely the movement of commodity prices, evaluate and adjust the pricing strategies and/or re-sizing major products when the need arises. The Group will continue to maintain and improve product quality, innovating products portfolio, reducing costs and broadening the distributor network to drive for higher sales and growth in market share. The Board remains confident that continued focus on the strengths of the Company, which include its long standing customer relationships, breadth and quality of products and industry leading asset infrastructure, will support the further successful development of the Group over the longer term.

## **OTHER INFORMATION**

### **Human resources and remuneration of employees**

As at December 31, 2025 the Group had a total of 2,325 employees. (December 31, 2024: 3,262) The Group's employees are remunerated with reference to their positions, performance, experience and prevailing salary trends in the market. The remuneration package of our employees includes fixed salary, commissions and allowances (where applicable), and performance based year-end bonuses having regard to the performance of the Group and individual. For year ended December 31, 2025, the total employee benefits expenses (including Directors' and executive's remuneration) were approximately RMB258.7 million (2024: approximately RMB289.9 million).

## **CORPORATE GOVERNANCE PRACTICES**

The Group's long-term success depends on our commitment to exceptional corporate governance standards, which underpin the confident delivery of our business. We do not see governance as something we do because we have to. We see it as something that should be ingrained in the way we behave, how we make decisions, how we run our business and, ultimately, how we build trust. In the opinion of the Directors, the Company has adopted the principles and applicable code provisions of Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the "**Listing Rules**") as its own code of corporate governance. Since the date of its listing and up to the date of this announcement, the Company has complied with the code provisions under the CG Code except for deviation during the year which is summarised as below:

## **Code Provision C.2.1**

As stipulated in the Code provision C.2.1 of the Code, the role of chairman and chief executive officer should be separated and should not be performed by the same individual. As the duties of chairman and chief executive officer of the Company are performed by Mr. Huang Xianming (“**Mr. Huang**”), the Company has deviated from the Code provision C.2.1 of the CG Code. As all major decisions are made in consultation with all members of the Board, and currently there are three independent non-executive Directors on the Board offering independent advises and providing fresh perspectives to the Company. In regard of this, the Board is of the view that it is appropriate this management structure is effective for the Group’s operations and sufficient checks and balances are in place and in the best interests of the Company for Mr. Huang to hold both positions as it helps to maintain the continuity of the policies and the stability of the operations of the Group. The Board will also continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

## **COMPLIANCE WITH MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the year ended December 31, 2025.

## **AUDIT COMMITTEE**

The audit committee comprises three independent non-executive Directors, namely Mr. Kam Robert, Mr. Ma Xiaoqiang and Mr. Wan Ngar Yin, David. The audit committee together with the management, has reviewed constantly the accounting principles and practices adopted by the Group, discussed auditing, internal control and financial reporting matters and reviewed the financial results of the Group. The audit committee has reviewed and discussed the annual results of the Group for the year ended December 31, 2025. The audit committee has no disagreement with the accounting treatment adopted by the Company.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

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 December 31, 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on March 31, 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the year ended December 31, 2025.

## **ANNUAL GENERAL MEETING**

The annual general meeting (“**2026 AGM**”) of the Company will be held on Friday, June 12, 2026 and a notice convening the 2026 AGM will be published and despatched to shareholders of the Company in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

For determining the entitlement to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Monday, June 8, 2026 to Friday, June 12, 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2026 AGM, all transfer of shares of the Company accompanied by the relevant share certificate(s) and appropriate transfer form(s) must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, June 5, 2026. For determining the entitlement to receive the proposed final dividend, the register of members of the Company will be closed from Thursday, June 18, 2026 to Monday, June 22, 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to receive the proposed final dividend, all transfer of shares of the Company accompanied by the relevant share certificate(s) and appropriate transfer form(s) must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than Hong Kong time 4:30 p.m. on Wednesday, June 17, 2026.

## **PROPOSED FINAL DIVIDEND**

The Board has resolved to recommended the payment of a final dividend of HK10.00 cents per ordinary share for the year ended December 31, 2025 (2024: HK10.00 cents), to be payable to the shareholders of the Company whose names appear on the register of members of the Company as at Monday, June 22, 2026. Subject to the approval by the shareholders of the Company, the payment date of the proposed final dividend is expected to be on Thursday, July 9, 2026. The total dividend per ordinary share for the year ended December 31, 2025 is HK\$15.00 cents. (2024: HK\$10.00 cents)

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

This preliminary results announcement is published on the Company’s website ([www.gdjsl.com](http://www.gdjsl.com)) and the Stock Exchange’s website (<http://www.hkexnews.hk>). The annual report for the year ended December 31, 2025 will be despatched to the shareholders of the Company and will be made available on the websites of the Company and the Stock Exchange in due course in accordance with the Listing Rules.

## **ACKNOWLEDGEMENT**

The Directors would like to take this opportunity to express their sincere thanks to our shareholders and to our staff for their commitment and diligence during the year.

By Order of the Board  
**Jiashili Group Limited**  
**Huang Xianming**  
*Chairman*

Hong Kong, March 31, 2026

*As at the date of this announcement, the Board comprises Mr. Huang Xianming, Mr. Tan Chaojun, Mr. Chen Songhuan, Mr. Li Fuliang, Mr. Lu Jianxiong, Ms. Huang Rujiao and Dr. Zhao Gang as executive directors; Mr. Kam Robert, Mr. Ma Xiaoqiang and Mr. Wan Ngai Yin, David as independent non-executive directors.*