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**HUISHENG INTERNATIONAL HOLDINGS LIMITED**

**惠生國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1340)**

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of Huisheng International Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated results (the “**Annual Results**”) of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
<b>Revenue</b>	5	<b>209,572</b>	44,279
Cost of sales		<u><b>(207,002)</b></u>	<u>(43,737)</u>
Gross profit		<b>2,570</b>	542
Other income	5	<b>3,345</b>	5,495
Other gain or loss, net	7	<b>(125)</b>	-
(Loss)/gain arising from change in fair value of financial assets at fair value through profit or loss	9	<b>(778)</b>	688
Write-off of property, plant and equipment		-	(18,006)
Allowance for expected credit losses, net		<b>(12,478)</b>	(393)
Selling and distribution expenses		<b>(240)</b>	(46)
Administrative expenses		<b>(7,688)</b>	(12,489)
Finance costs		<u>-</u>	<u>(5)</u>
<b>Loss before taxation</b>		<b>(15,394)</b>	(24,214)
Taxation	8	<u>-</u>	<u>(-)</u>
<b>Loss for the year</b>	9	<u><b>(15,394)</b></u>	<u>(24,214)</u>

	2025	2024
<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Other comprehensive income/(expense) for the year:</b>		
<i>Item that will not be reclassified to profit or loss:</i>		
Change in fair value of financial assets at fair value through other comprehensive income	718	(1,250)
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translating foreign operations	<u>(209)</u>	<u>409</u>
Other comprehensive income/(expense) for the year, net of income tax	<u>509</u>	<u>(841)</u>
<b>Total comprehensive expense for the year</b>	<b><u>(14,885)</u></b>	<b><u>(25,055)</u></b>
<b>Loss for the year attributable to:</b>		
Owners of the Company	(15,556)	(24,520)
Non-controlling interests	<u>162</u>	<u>306</u>
	<b><u>(15,394)</u></b>	<b><u>(24,214)</u></b>
<b>Total comprehensive expense attributable to:</b>		
Owners of the Company	(14,449)	(25,919)
Non-controlling interests	<u>(436)</u>	<u>864</u>
	<b><u>(14,885)</u></b>	<b><u>(25,055)</u></b>
<b>Loss per share attributable to owners of the Company</b>		
Basic and diluted (RMB cents per share)	<i>11</i>	
	<b><u>(1.69)</u></b>	<b><u>(2.71)</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment	<i>12</i>	<b>36,184</b>	40,197
Right-of-use assets		<b>8,263</b>	8,723
Financial assets at fair value through other comprehensive income		<b>1,868</b>	1,150
		<b>46,315</b>	50,070
<b>Current assets</b>			
Financial assets at fair value through profit or loss	<i>13</i>	<b>4,401</b>	5,379
Inventories		<b>19,632</b>	-
Trade receivables	<i>14</i>	<b>176,184</b>	13,016
Loan receivables		-	-
Prepayments, deposits and other receivables		<b>182,078</b>	1,473
Bank balances and cash		<b>24,601</b>	397,768
		<b>406,896</b>	417,636
<b>Current liabilities</b>			
Trade payables	<i>15</i>	<b>10,148</b>	12,383
Accruals and other payables		<b>64,092</b>	61,341
Lease liabilities		-	2
Deferred revenue		<b>25</b>	25
		<b>74,265</b>	73,751
<b>Net current assets</b>		<b>332,631</b>	343,885
<b>Total assets less current liabilities</b>		<b>378,946</b>	393,955

	<i>Notes</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
<b>Non-current liabilities</b>			
Lease liabilities		-	99
Deferred revenue		<u>127</u>	<u>152</u>
		<u>127</u>	<u>251</u>
<b>Net assets</b>		<u><b>378,819</b></u>	<u>393,704</u>
<b>Equity</b>			
Share capital		7,698	7,698
Reserves		<u>374,893</u>	<u>389,342</u>
Equity attributable to owners of the Company		<b>382,591</b>	397,040
Non-controlling interests		<u>(3,772)</u>	<u>(3,336)</u>
<b>Total equity</b>		<u><b>378,819</b></u>	<u>393,704</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 1. GENERAL INFORMATION

Huisheng International Holdings Limited (the “**Company**”) is an investment holding company incorporated as an exempted company with limited liability in the Cayman Islands, whose registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its principal place of business in Hong Kong is at Unit 803, 8/F., GR8 Inno Tech Centre, 46 Tsun Yip Street, Kwun Tong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company and its subsidiaries (collectively, the “**Group**”) are principally engaged in the production and sale of daily consumption pork and related meat food products for domestic market in the People’s Republic of China (the “**PRC**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”). The functional currency of the Company is Hong Kong dollars (“**HK\$**”). The directors of the Company considered that it is more appropriate to present the consolidated financial statements in RMB as the functional currency of the most principal operating subsidiaries of the Group is RMB. The consolidated financial statements are presented in thousands (“**RMB’000**”), unless otherwise stated.

### 2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which is a collective term that includes all applicable individual HKFRS Accounting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and accounting principles generally accepted in Hong Kong. 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 user. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance.

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

### 4. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

#### **Amendments to HKFRS Accounting standard that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to HKFRS Accounting Standard as issued by HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards 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.

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>2</sup>
Amendments to HKAS 21 HKFRS 18	Translation to a Hyperinflationary Presentation Currency <sup>3</sup> Presentation and Disclosure in Financial Statements <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting standards will have no material impact on the Group's financial positions and performance and/or the disclosures to the consolidated financial statements of the Group in the foreseeable future.

### HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements* which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, 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. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon of HKFRS 18) and HKFRS 7 *Financial Instruments: Disclosures*. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provision. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

## 5. REVENUE AND OTHER INCOME

The reconciliation of revenue from contracts with customers for the years ended 31 December 2025 and 2024 is as follows:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue from contracts with customers</b>		
<i>Recognition at a point in time</i>		
Slaughtering and trading of pork products	<u>209,572</u>	<u>44,279</u>
	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Other income</b>		
Interest income on:		
Bank deposits	233	919
Loan receivables	<u>-</u>	<u>318</u>
Total interest income	233	1,237
Amortisation of deferred revenue	25	25
Rental income	2,982	2,972
Dividend income from equity investment	<u>105</u>	<u>1,261</u>
	<u>3,345</u>	<u>5,495</u>

## 6. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers (“CODMs”), being the executive directors of the Company, in order to allocate resources to segments and to assess their performance.

The Group is principally engaged in slaughtering and trading of pork products, and pipe system products.

The two reportable segments of the Group under HKFRS 8 are as follows:

- (a) Slaughtering and trading of pork products – slaughtering and trading of pork products
- (b) Pipe system products – selling and distributing of pipe system products, and conducting in the provision of technical advisory services on the design, application, implementation and installation

### Segment revenue and results

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

	<b>Slaughtering and trading of pork products RMB’000</b>	<b>Pipe system products RMB’000</b>	<b>Total RMB’000</b>
<b>Year ended 31 December 2025</b>			
Segment revenue	<u>209,572</u>	<u>-</u>	<u>209,572</u>
Segment results	<u>(11,980)</u>	<u>-</u>	<u>(11,980)</u>
Loss arising from change in fair value of financial assets at fair value through profit or loss			<u>(778)</u>
Unallocated corporate expenses			<u>(2,636)</u>
Loss before taxation			<u><u>(15,394)</u></u>

	Slaughtering and trading of pork products <i>RMB'000</i>	Pipe system products <i>RMB'000</i>	Total <i>RMB'000</i>
Year ended 31 December 2024			
Segment revenue	<u>44,279</u>	<u>-</u>	<u>44,279</u>
Segment results	<u>(19,754)</u>	<u>(1)</u>	<u>(19,755)</u>
Gain arising from change in fair value of financial assets at fair value through profit or loss			688
Allowance for expected credit losses, net			(364)
Unallocated corporate income			318
Unallocated corporate expenses			<u>(5,101)</u>
Loss before taxation			<u><u>(24,214)</u></u>

Segment results represent the profit earned by or loss from each segment without allocation of (loss)/gain arising from change in fair value of financial assets at fair value through profit or loss, allowance for expected credit losses, net, unallocated corporate income and unallocated corporate expenses. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both years.

#### Segment assets and liabilities

	Slaughtering and trading of pork products <i>RMB'000</i>	Pipe system Products <i>RMB'000</i>	Total <i>RMB'000</i>
<b>At 31 December 2025</b>			
Segment assets	<u><u>447,132</u></u>	<u><u>186</u></u>	<u><u>447,318</u></u>
Segment liabilities	<u><u>(39,530)</u></u>	<u><u>(12,518)</u></u>	<u><u>(52,048)</u></u>
	Slaughtering and trading of pork products <i>RMB'000</i>	Pipe system Products <i>RMB'000</i>	Total <i>RMB'000</i>
<b>At 31 December 2024</b>			
Segment assets	<u><u>460,568</u></u>	<u><u>173</u></u>	<u><u>460,741</u></u>
Segment liabilities	<u><u>(41,703)</u></u>	<u><u>(11,671)</u></u>	<u><u>(53,374)</u></u>

Reconciliation of reportable segments' assets and liabilities:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Assets</b>		
Total assets of reportable segments	<b>447,318</b>	460,741
Unallocated and other corporate assets:		
Financial assets at fair value through profit or loss	<b>4,401</b>	5,379
Prepayments, deposits and other receivables	<b>1,241</b>	1,154
Bank balances and cash	<b><u>251</u></b>	<u>432</u>
Consolidated total assets	<b><u>453,211</u></b>	<u>467,706</u>
<b>Liabilities</b>		
Total liabilities of reportable segments	<b>52,048</b>	53,374
Unallocated and other corporate liabilities:		
Accruals and other payables	<b><u>22,344</u></b>	<u>20,628</u>
Consolidated total liabilities	<b><u>74,392</u></b>	<u>74,002</u>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than unallocated and other corporate assets (mainly comprising financial assets at fair value through profit of loss, prepayments, deposits and other receivables and bank balances and cash); and
- all liabilities are allocated to operating segments other than unallocated and other corporate liabilities (mainly comprising accruals and other payables).

## Other segment information

	Slaughtering and trading of pork products <i>RMB'000</i>	Pipe system products <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Year ended 31 December 2025</b>				
Amounts included in the measure of segment profit or loss or segment assets:				
Depreciation of property, plant and equipment	4,013	-	-	4,013
Depreciation of right-of-use assets	234	-	-	234
Allowance for expected credit losses, net	<u>12,478</u>	<u>-</u>	<u>-</u>	<u>12,478</u>

	Slaughtering and trading of pork products <i>RMB'000</i>	Pipe system products <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Year ended 31 December 2024</b>				
Amounts included in the measure of segment profit or loss or segment assets:				
Depreciation of property, plant and equipment	4,155	-	-	4,155
Depreciation of right-of-use assets	244	-	-	244
Write-off of property, plant and equipment	18,006	-	-	18,006
Allowance for expected credit losses, net	<u>29</u>	<u>-</u>	<u>364</u>	<u>393</u>

### Revenue from major products and services

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

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Slaughtering and trading of pork products	<u>209,572</u>	<u>44,279</u>

### Information about geographical areas

During the year, the Group was mainly operating in the PRC (2024: the PRC). The Group's revenue from external customers based on the location of the operation by geographical location are presented below:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue		
The PRC	<u>209,572</u>	<u>44,279</u>

The Group's non-current assets are principally attributable to a single geographical region, which is the PRC. Accordingly, no further geographical segment information is presented.

The Group's geographical concentration risk is located in the PRC, which accounted for 100.0% (2024: 100.0% in the PRC) of the total revenue during the year ended 31 December 2025.

### Information about major customers

For the year ended 31 December 2025, revenue generated from zero (2024: three) customer(s) of the Group which individually accounted for over 10% of the Group's total revenue. No other single customer contributed 10% or more to the Group's revenue for the years ended 31 December 2025 and 2024.

Revenue from major customer, which contribute to 10% or more of the Group's revenue is set out below:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Customer A from slaughtering and trading of pork products (note)	N/A	6,393
Customer B from slaughtering and trading of pork products (note)	N/A	6,462
Customer C from slaughtering and trading of pork products (note)	N/A	9,429

*Note:*

The revenue contributed by Customer A, Customer B and Customer C during the year ended 31 December 2025 was less than 10% of the Group's revenue.

### 7. OTHER GAIN OR LOSS, NET

An analysis of the Group's other gain or loss for the years ended 31 December 2025 and 2024 is as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Early termination of leases	<b>(125)</b>	-

## 8. TAXATION

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax – PRC		
Charge for the year	—	—
Income tax charge	—	—

### Hong Kong

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

### PRC

The PRC Enterprise Income Tax (the “**PRC EIT**”) is calculated at the applicable tax rates in accordance with the relevant laws and regulations in the PRC.

Under the PRC Enterprise Income Tax Law (the “**EIT Law**”) and Implementation Regulations of the EIT Law, the tax rate of a PRC subsidiary is 25% from 1 January 2008 onwards.

Meat processing of primary produce is on the list of The Range of Processing of Primary Agricultural Produces to Be Given Preferential Enterprise Income Tax Treatment (Trial Implementation) (2008 version) (享受企業所得稅優惠政策的農產品初加工範圍(試行) (2008年版)) promulgated by the Ministry of Finance (財政部) and the State Administration of Taxation (國家稅務總局) on 20 November 2008. Hunan Huisheng Meat Products Company Limited (“**Hunan Huisheng**”) (湖南惠生肉業有限公司) meets the required standard for preferential PRC EIT treatment.

According to the prevailing tax rules and regulations, Hunan Huisheng is operating in the business of primary processing of agricultural products was exempted from the PRC EIT during the years ended 31 December 2025 and 2024.

According to the prevailing tax rules and regulations, the Group is operating in agricultural business, which is exempted from the PRC EIT, and no deferred taxation impact was considered for each of the reporting periods.

## 9. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Directors' emoluments:		
Directors' fee	273	387
Salaries, allowances and benefits in kind	82	47
Retirement scheme contributions	9	2
	<u>364</u>	<u>436</u>
Other staff costs:		
Salaries and other benefits	983	938
Retirement scheme contributions	86	72
	<u>1,433</u>	<u>1,446</u>
Total staff costs	<u>1,433</u>	<u>1,446</u>
Auditors' remuneration		
– Audit service	700	700
Depreciation of property, plant and equipment	4,013	4,155
Depreciation of right-of-use assets	234	244
Expenses relating to short-term lease	13,000	-
Cost of inventories recognised as expenses	207,002	43,737
Allowance for expected credit loss, net	12,478	393
Write-off of property, plant and equipment	-	18,006
An analysis of the gain arising from change in fair value of financial assets at fair value through profit or loss (“FVPL”) classified as held for trading investments is as follows:		
Unrealised loss/(gain) on financial assets at FVPL	<u>778</u>	<u>(688)</u>

## 10. DIVIDENDS

The Board does not recommend the payment of final dividend for the year ended 31 December 2025 (2024: nil).

## 11. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Loss</b>		
Loss attributable to owners of the Company for the purpose of calculating basic and diluted loss per share	<u>(15,556)</u>	<u>(24,520)</u>
	2025 <i>'000</i>	2024 <i>'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u>922,838</u>	<u>903,559</u>

The calculation of basic loss per share is based on the loss attributable to owners of the Company for the year of approximately RMB15,556,000 (2024: approximately RMB24,520,000) and the weighted average number of 922,838,000 (2024: 903,559,000) ordinary shares in issue during the year ended 31 December 2025.

No diluted loss per share was presented as there was no potential ordinary shares in issue for the year ended 31 December 2025 and 2024.

## 12. PROPERTY, PLANT AND EQUIPMENT

For the year ended 31 December 2025, no addition for property, plant and equipment, no impairment loss recognised and depreciation charged of approximately RMB4,013,000.

For the year ended 31 December 2024, the Group incurred costs for property, plant and equipment of approximately RMB50,000, write-off of property, plant and equipment of approximately RMB53,449,000, no impairment loss recognised and depreciation charged of approximately RMB4,155,000.

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Held-for-trading investments:</b>		
Equity securities listed in Hong Kong ( <i>note</i> )	<u>4,401</u>	<u>5,379</u>

*Note:*

At 31 December 2025, the fair value of the listed equity securities, amounting to approximately RMB4,401,000 (2024: approximately RMB5,379,000), was determined based on the quoted market bid prices available on the Stock Exchange.

#### 14. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	201,745	25,779
<i>Less: Allowance for expected credit losses</i>	<u>(25,561)</u>	<u>(12,763)</u>
	<u><b>176,184</b></u>	<u><b>13,016</b></u>

The Group offered credit period on sale of pork products ranged from 30 to 180 days. The ageing analysis of trade receivables, net of allowance for expected credit losses, based on the invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 30 days	24,792	12,532
31 to 60 days	21,514	304
61 to 90 days	30,937	180
91 to 180 days	97,921	-
181 to 365 days	<u>1,020</u>	<u>-</u>
	<u><b>176,184</b></u>	<u><b>13,016</b></u>

The Group's policy for impairment loss on trade receivables is based on an evaluation of collectability and aging analysis of the receivables which requires the use of judgement and estimates. Provisions would apply to the receivables when there are events or changes in circumstances indicate that the balances may not be collectible. The management closely reviews the trade receivables balances and any overdue balances on an ongoing basis and assessments are made by the management of the Group on the collectability of overdue balances.

**15. TRADE PAYABLES**

	<b>2025</b>	2024
	<i><b>RMB'000</b></i>	<i>RMB'000</i>
Trade payables	<u><b>10,148</b></u>	<u>12,383</u>

The Group was offered credit period on purchase of goods within 60 days. The following is an aging analysis of trade payables presented based on the invoice date.

	<b>2025</b>	2024
	<i><b>RMB'000</b></i>	<i>RMB'000</i>
Within 30 days	<b>561</b>	5,051
31 to 90 days	<b>454</b>	-
Over 90 days	<u><b>9,133</b></u>	<u>7,332</u>
	<u><b>10,148</b></u>	<u>12,383</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group is mainly engaged in the slaughtering of livestock and the trading of pork products, including the production and sale of fresh, chilled and frozen pork, pork by-products, and processed pork products (such as bacon and sausages), as well as hog breeding and hog farming in Changde, Hunan Province, the People's Republic of China (the "PRC"). In addition, the Group has also been engaged in the sale of pipeline system products and related technical consulting services in the past.

In 2025, the national hog industry presented an overall pattern of "high production capacity, volatile prices, weak demand, and increased concentration." According to public data from the National Bureau of Statistics of China, hog production capacity continued to expand in 2025, with national pork production recorded approximately 59.38 million tons, representing an increase of 4.1% compared with the same period last year. The pork production hit a record high. Hunan Province also experienced ample supply, the prices of hog and pork products fluctuated downwards throughout the year, which directly impacting the Group's pricing power for pork products and compressing profit margins. Meanwhile, the overall domestic pork consumption capacity in 2025 was weak, exhibiting a phenomenon of "peak season not being prosperous" and the breakdown of pig cycle. The downturn period has been significantly prolonged and no clear turning point was observed by the end of 2025. The extending of overall industry downturn required higher demands on the cost control and risk resistance capabilities of slaughtering and pork trading companies.

To mitigate losses from persistent price decline, and considering the relatively fixed costs of production and storage of frozen pork, the Group increased the trading of frozen pork products when fresh pork price was low. The effective measures in cost control and strict quality control helped the Group regulate the pace in hog procurement and trading of pork products. Synergized with the capacity release of joint venture slaughterhouse, the profitability structure of the Group was further optimized.

Furthermore, with the hog industry concentration rising rapidly in 2025 and small-to-medium-scale farmers accelerating their market exit, the Group—as a regional slaughtering and meat trading enterprise with a solid foundation—is well-positioned to leverage the scale advantages of its joint-venture slaughterhouses to capture greater market share amidst industry consolidation.

The pipe system business remained under significant pressure in 2025 due to a combination of economic downturns and environmental challenges. Activity in this sector halted completely this year, resulting in zero revenue. A key factor remains the historical depreciation of the Yen, which has made imports from Germany prohibitively expensive when settled in USD. These rising costs have forced a standstill on local projects and disrupted trade flows. To mitigate further financial risk, we have taken a cautious stance and officially suspended this business unit's operations during the reporting period.

## **FINANCIAL REVIEW**

For the year ended 31 December 2025, the Group recorded revenue of approximately RMB209.6 million, representing an increase of approximately 373% or RMB165.3 million as compared with approximately RMB44.3 million in 2024, while the gross profit for the year was approximately RMB2.6 million as compared to a gross profit of approximately RMB0.5 million in 2024. For slaughtering and trading of pork products business, the revenue was increased by approximately RMB165.3 million or 373% to approximately RMB209.6 million in 2025. The revenue from pipe system products business was nil (2024: nil).

The selling and distribution expenses of the Group for the year ended 31 December 2025 increased from approximately RMB46,000 to approximately RMB240,000.

The administrative expenses of the Group was decreased by approximately RMB4.8 million or 38.4% to approximately 7.7 million in 2025.

The finance cost of the Group was Nil (2024: RMB5,000).

The loss attributable to owners of the Company in 2025 was approximately RMB15.6 million, while it was a loss of approximately RMB24.5 million in 2024. The reduction of loss was mainly due to (i) a decrease in write-off of property, plant and equipment of approximately RMB18.0 million; (ii) an increase in allowance for expected credit losses, net of approximately RMB12.1 million and (iii) a decrease in administrative expenses of approximately RMB4.8 million.

## **LIQUIDITY, FINANCIAL RESOURCES AND FUNDING AND TREASURY POLICY**

The Group maintained cash and bank balances as at 31 December 2025 amounting to approximately RMB24.6 million (2024: approximately RMB397.8 million). The Group's current ratio as at 31 December 2025 was 5.5 (2024: 5.7). The total equity of the Group amounted to approximately RMB378.8 million as at 31 December 2025 (2024: approximately RMB393.7 million).

As at 31 December 2025, the Group had no outstanding borrowings (2024: nil).

The Group intends to finance its operations and investment with its operating revenue, internal resources and bank facilities. The directors of the Company believe that the Group is in a healthy financial position and has sufficient resources to satisfy its capital expenditure and working capital requirement.

Most of the trading transactions, assets and liabilities of the Group were denominated in Renminbi, Japanese Yen and Hong Kong dollars for the year ended 31 December 2025. The Group adopted a conservative treasury policy with most of the bank deposits being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risks. As at 31 December 2025, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purposes.

## **CHARGE OF GROUP ASSETS**

The Group had no charges on the Group's assets as at 31 December 2025 (2024: nil).

## **GEARING RATIO**

As at 31 December 2025, the Group's gearing ratio (being its total debts, which is the borrowings, divided by its total equity and multiplied by 100%) was nil (2024: nil).

## **FOREIGN EXCHANGE EXPOSURE**

Since most of transactions of the Group were denominated in Renminbi, Japanese Yen and Hong Kong dollars, and the exchange rates of such currencies were relatively stable over the year under review, the directors of the Company believe that foreign exchange exposure does not have any significant adverse effect to the Group. Therefore, the Group has not implemented any formal hedging or other alternative policies to deal with such exposure.

## **CONTINGENT LIABILITIES**

As at 31 December 2025, the directors of the Company were not aware of any material contingent liabilities.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS**

The Group did not have any plans for material investments and capital assets.

## **SIGNIFICANT INVESTMENT**

During the year, there was no other significant investment.

## **DIVIDEND**

The Board does not recommend the payment of final dividend for the year ended 31 December 2025 (2024: nil).

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2025, the Group employed 29 staff and workers in Hong Kong, Japan and the PRC (2024: 30). The Group remunerates its directors based on the complexity of duties and responsibilities of each individual. The Group remunerates its employees based on their performance and experience and their remuneration package will be reviewed periodically by the management. Other employee benefits include contributions to social security, medical insurance and retirement schemes and provision of appropriate training program. The Company adopted a share option scheme to enable it to grant share options to, among others, selected eligible employees as incentive or reward for their contributions.

## **CAPITAL STRUCTURE**

As at 31 December 2025 and as at the date of this announcement, there are a total of 922,838,000 (2024: 922,838,000) issued ordinary shares of the Company of par value of HK\$0.01 each.

There was no change in the capital structure of the Company during the year ended 31 December 2025.

## **OUTLOOK AND FUTURE PROSPECTS**

Squeezed by persistently low hog prices and high feed costs, the pressure of the industry keeps increasing. Faced with its inherent disadvantages including insufficient competitiveness and a relatively low market share, the Company proactively seeks transformation breakthroughs and explores business opportunities brought by industrial upgrading to forge progress amid industry adjustments.

Under the effective operation of the management, the Company achieved a substantial improvement of revenue in 2025 which further narrowed down loss for the year. Against the backdrop of a slower recovery in China's macro economy, the Group maintained steady improvement in operation quality, demonstrating remarkable outcomes in resource integration.

In a long run, industry reshuffle will continue to accelerate. The Group plans to adopt a differentiated development strategy to avoid head-on competition with leading enterprises in scale and cost advantages by focusing on niche market segments. It will enhance competitiveness in specialization and effectively ease pressures from full-industry-chain competition. Meanwhile, the Group will pursue win-win cooperation to mitigate transformation risks and market volatility caused by fluctuating hog prices. The Group will seize policy opportunities, optimize capital allocation and continuously adjust its business layout to further expand our market share and improve profitability in trading of pork products. This will lay a solid foundation for the Group's sustainable development and achieve a dual improvement in business scale and operational quality, stand firm amidst industry reshuffle and realize sustainable corporate development.

## **EVENTS AFTER THE YEAR END DATE**

Save as disclosed above, there is no material subsequent event undertaken by the Company or by the Group after 31 December 2025 and up to the date of this announcement.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2025.

## **DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS**

Save for the service contracts and letters of appointment entered into with the respective Directors, no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director was or had been materially interested, whether directly or indirectly, subsisted at the end of the year or any time during the year.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions of the Directors. The Company has confirmed, after making specific enquiries with the Directors in accordance with the code of practice that all the Directors have complied with the Model Code during the year ended 31 December 2025.

## **CODE ON CORPORATE GOVERNANCE PRACTICES**

The Company has adopted all the code provisions (the “**Code Provision(s)**”) stated in the Corporate Governance Code (“**CG Code**”) as set out in Appendix C1 to the Listing Rules as the code of the Company. The Board also reviews and monitors the practices of the Company from time to time with an aim to maintain and improve the Company’s standards of corporate governance practices.

As disclosed in the announcements dated 27 September 2024, 10 January 2025 and 21 January 2025, following the resignation of Ms. Qin Yuanling as an executive Director on 27 September 2024, the Company has a single gender board which does not meet the requirement under Rule 13.92 of the Listing Rules. Following the appointment of Ms. Xiang Yuan as an executive Director on 21 January 2025, the Company re-complies with the requirement regarding gender diversity of the Board under Rule 13.92 of the Listing Rules.

Save as disclosed above, the Company had complied with the Code Provisions during the year ended 31 December 2025.

## **AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENT**

The audit committee of the Company (the “**Audit Committee**”) is primarily responsible for reviewing the financial reporting process, risk management and internal control systems and monitoring the integrity of the financial statements and financial reports of the Company. The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Luo Mingsheng, Dr. Wang Guiping and Mr. Huang Ruilin, with Mr. Luo Mingsheng as its chairman.

The Audit Committee has reviewed with the management the accounting policies adopted by the Group and the consolidated financial statements of the Group for the year ended 31 December 2025. It has also discussed the financial reporting process and the risk management and internal control systems of the Company with the management. The Audit Committee had also reviewed and discussed the audit, risk management, internal control and financial reporting matters of the Group, including review of the financial statements for the year ended 31 December 2025.

## **SCOPE OF WORK OF AUDITORS ON THE ANNUAL RESULTS ANNOUNCEMENT**

The figures in respect of the annual results announcement of the Group for the year ended 31 December 2025 have been agreed by the Group’s independent auditors, HLB Hodgson Impey Cheng Limited (“**HLB**”), to the amounts set out in the Group’s consolidated financial statements for the year. The work performed by HLB 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 HLB on the announcement.

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

The audited annual results announcement will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hsihl.com](http://www.hsihl.com)) and the Company’s annual report for the year ended 31 December 2025 will be despatched to the shareholders of the Company and published on the Company’s and the Stock Exchange’s websites in due course.

By order of the Board  
**HUI SHENG INTERNATIONAL HOLDINGS LIMITED**  
**Zhang Zhenghua**  
*Executive Director*

Hong Kong, 31 March 2026

*As at the date of this announcement, the Board comprises five Directors, of which Mr. Zhang Zhenghua and Ms. Xiang Yuan are executive Directors; and Dr. Wang Guiping, Mr. Huang Ruilin and Mr. Luo Mingsheng are independent non-executive Directors.*