Green Tea Group Limited
綠茶集團有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 6 8 3 1

2025
ANNUAL REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Qinsong *(Chairman of the Board and Chief Executive Officer)*
Ms. Yu Liying
Mr. Wang Jiawei

Non-executive Directors

Ms. Lu Changmei
Mr. Liu Sheng
Ms. Xu Ruijie

Independent Non-Executive Directors

Mr. Shao Xiaodong
Mr. Bruno Robert Mercier
Mr. Fan Yongkui

JOINT COMPANY SECRETARIES

Ms. Lu Juan
Ms. Lai Siu Kuen

AUDIT COMMITTEE

Mr. Fan Yongkui *(chairman)*
Mr. Bruno Robert Mercier
Mr. Shao Xiaodong

REMUNERATION COMMITTEE

Mr. Shao Xiaodong *(chairman)*
Mr. Wang Qinsong
Mr. Fan Yongkui

NOMINATION COMMITTEE

Mr. Wang Qinsong *(resigned on 25 August 2025)*
Mr. Shao Xiaodong *(chairman)*
(appointed as chairman on 25 August 2025)
Mr. Bruno Robert Mercier
Ms. Yu Liying *(appointed on 25 August 2025)*

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

(established on 17 December 2025)

Mr. Wang Qinsong *(chairman)*
Ms. Yu Liying

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong SAR

HONG KONG LEGAL ADVISOR

Tian Yuan Law Firm LLP
Suites 3304-3309, 33/F
Jardine House
One Connaught Place
Central
Hong Kong SAR

COMPLIANCE ADVISER

Altus Capital Limited
21 Wing Wo Street
Central
Hong Kong SAR

REGISTERED OFFICE

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PO Box 500
George Town
Grand Cayman
KY1-1106
Cayman Islands

HEAD OFFICE IN PRC

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Xihu District
Hangzhou
Zhejiang Province
PRC

CORPORATE INFORMATION

AUTHORISED REPRESENTATIVES

Mr. Wang Qinsong
Ms. Lai Siu Kuen

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1918, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong SAR

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong SAR

THE CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Services (Cayman) Limited
71 Fort Street
PO Box 500
George Town
Grand Cayman
KY1-1106
Cayman Islands

STOCK CODE

6831

COMPANY'S WEBSITE

www.china-greentea.com.cn

FINANCIAL SUMMARY

	For the year ended 31 December			
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	2,375,453	3,589,178	3,838,202	4,762,967
Other revenue	31,081	39,195	31,957	36,224
Profit before taxation	43,177	387,973	418,655	577,130
Income tax	(26,598)	(92,430)	(68,488)	(90,731)
Profit for the year	16,579	295,543	350,167	486,399
Profit attributable to controlling shareholders	16,579	295,543	350,167	486,481
Adjusted net profit [1]	25,216	303,297	360,866	508,892

	As at 31 December			
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets	1,339,759	1,543,955	1,791,283	2,120,664
Current assets	473,922	877,049	673,062	1,674,735
Total assets	1,813,681	2,421,004	2,464,345	3,795,399
Non-current liabilities	783,460	828,803	955,208	1,085,049
Current liabilities	562,180	1,177,690	738,004	956,925
Total liabilities	1,345,640	2,006,493	1,693,212	2,041,974
Total equity	468,041	414,511	771,133	1,753,425

(1) The Group defines adjusted net profit (non-IFRS measure) as profit for the year adjusted by excluding (i) equity-settled share-based payment expenses, (ii) listing expenses, and (iii) impact on tax related to items (i) to (ii) above.

LETTER TO SHAREHOLDERS 2025

Dear Shareholders,

I am pleased to present to you the 2025 Annual Report of Green Tea Group. In our first year as a listed company, the Group achieved rapid growth in scale and revenue, continued to optimize efficiency and profitability, and further strengthened its industry position.

I. Staying True to Our Original Aspiration

We remain steadfast in our founding mission.

More than twenty years ago, my wife and I opened the very first "Green Tea Youth Hostel" by the West Lake. We welcomed young people from across the country, who were captivated by the scenic beauty of the lake and longed for affordable Chinese cuisine that catered to diverse tastes. From this beginning, the three core genes of the Green Tea brand — "fusion cuisine", "value for money", and "new national style" — were born.

Two decades have passed in the blink of an eye, and Green Tea restaurants have steadily grown into a leading evergreen brand in the catering industry, still full of vitality today. As of the end of 2025, the Group operated 609 restaurants across nearly 150 cities nationwide. In 2025, the Group recorded revenue of RMB4.76 billion, representing a year-on-year increase of 24.1%; adjusted net profit of RMB509 million, representing a year-on-year increase of 41.0%; and an adjusted net profit margin of 10.7%, up 1.3 percentage points compared with the previous year.

II. Brand Genes Empowering Growth

Our strengths are deeply rooted in our unique brand genes.

Fusion Cuisine — By integrating the essence of regional delicacies and tailoring menus to local tastes and preferences, Green Tea has successfully taken root in diverse culinary regions such as Beijing, Guangdong, Zhejiang and Sichuan, evolving into a truly national restaurant brand.

Value for Money — By continuously optimizing our cost structure and channeling resources into what customers truly care about, we deliver dishes and experiences that exceed expectations at the most competitive prices.

New National Style — Drawing nourishment from Chinese culture, we transcend cyclical dining trends, ensuring the brand's evergreen vitality while also setting sail for overseas markets.

These advantages have supported the Group in maintaining a stable compound annual growth rate of around 30% for nearly two decades, while also endowing our restaurant operations with remarkable resilience. In 2025, despite the overall pressure faced by the catering industry, same-store sales at Green Tea restaurants declined only slightly by 1% and returned to positive growth starting from the second quarter. During the year, we added 157 new restaurants, with the average dine-in efficiency of newly opened stores improving by 48.4% compared with older stores, and the investment payback period optimized to 12.6 months.

III. Giving Back to Society

The growth of the Green Tea brand is deeply rooted in the development of our nation and society, and has benefited from the revival of Chinese culture. The Board has always regarded giving back to society and delivering returns to shareholders as core business objectives.

In 2025, we integrated sustainability into our daily operations and actively fulfilled our corporate social responsibilities:

While significantly reducing other costs, we increased the proportion of employee expenses to revenue by 0.3 percentage points, and we continue to enhance employee benefits and maintain a leading level of compensation competitiveness within the industry;

We fully implemented biodegradable takeaway packaging, replaced energy-saving stoves, and reduced carbon emissions while enhancing efficiency;

We actively give back to society and make donations. During the year, we promptly donated to those affected by the Tai Po fire in Hong Kong.

The Board intends to propose at the forthcoming annual general meeting the declaration of a final cash dividend of HK$0.52 per Share for the year ended 31 December 2025, amounting to approximately HK$348 million in total.

IV. Outlook

Looking ahead to 2026, the Group will anchor its short-term goal of "entering the top two in the industry" and steadily advance toward the vision of "becoming the industry leader". We will continue to expand our restaurant network, upgrade our digital and supply chain systems, and further optimize our cost structure, striving to achieve annual targets of revenue growth of over 20% and profit growth of over 30%.

The year 2025 marked the Group's true "first year of going global". In 2026, we will steadily advance our internationalization strategy, leveraging the Southeast Asian market as a foundation to extend into neighboring overseas markets, and achieve a long-term scaled presence of stores outside Chinese Mainland. Building on the 14 stores outside Chinese Mainland at the end of 2025, we plan to add more than 15 new stores in 2026, reaching a total of over 30. The Overseas Business Division is expected to contribute more than 20% of the Group's incremental profit. In the medium to long term, our goal is to operate over 100 stores outside Chinese Mainland, with revenue exceeding RMB1.5 billion.

In addition, the Group will actively explore and acquire high-quality potential targets, integrate industry resources, enrich its brand portfolio and consumer scenarios, rapidly enhance overall scale and market share, further unlock growth potential, and support the realization of its long-term strategic objectives.

V. Acknowledgements

On behalf of the Board, I would like to extend my heartfelt gratitude to all our employees for their dedication, to our consumers for their trust, and to our shareholders and partners for their continued support.

Looking ahead, the Group will remain true to its original aspiration and continue to forge ahead, seizing industry opportunities with high-quality products and efficient operations. We will steadily advance the implementation of our strategies, achieve long-term sustainable development, and consistently create stable value for our shareholders.

With the gentle warmth of West Lake and the rich aroma of tea, I look forward to walking hand in hand with you to compose a new chapter in the development of Green Tea.

Chairman of Green Tea Group

23 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY REVIEW

With the recovery of domestic consumption, the prosperity of China's catering industry has gradually rebounded. According to China Insights Industry Consultancy Limited, the total revenue of China's catering industry is projected to reach RMB7.9 trillion by 2029, representing a CAGR of 7.1% from 2024 to 2029. Benefiting from its strong consumer foundation, Chinese cuisine restaurant market has maintained its dominant position as the most popular type of cuisine in China, with a market share of approximately 55.1% in 2025. Among the Chinese cuisine restaurant brands (excluding categories such as hot pot, grilled fish, barbecue, etc.), the Group ranked third in 2025 in terms of revenue with one place up compared with 2024. At the same time, the Group has established a restaurant network covering 148 cities in Chinese Mainland, with the total number of restaurants surpassing 600 by the end of 2025. However, the Group's restaurant penetration density across cities is relatively lower than that of comparable peers. Such a restaurant layout featured by "low density + high dispersion" indicates considerable potential for its restaurant expansion in the future.

BUSINESS REVIEW

The Group is a well-known operator of casual Chinese restaurants in Chinese Mainland, dedicated to offering fusion cuisine to customers at accessible prices. The Group's iconic *Green Tea* brand, which is synonymous with a refreshing dining experience that combines Chinese fusion cuisine with decoration inspired by Chinese traditional culture, has become a household name in the casual Chinese cuisine restaurant market, deeply resonating with consumers across Chinese Mainland. As a result of its Chinese fusion concept and refreshing dining experience, the Group has built a restaurant network consisting of 609 restaurants and covering 21 provinces, four municipalities and two autonomous regions in Chinese Mainland, as well as Hong Kong SAR, Singapore, Thailand and Malaysia as of 31 December 2025. Notably, the Group newly opened 157 restaurants during the Reporting Period. Take shopping mall restaurants as an example, the average monthly revenue[(1)] per square meter of newly opened restaurants in 2025 increased by 48.4% compared with those opened before 2025, and the average cash investment payback period[(2)] of such new restaurants was 12.6 months.

Fusion of diverse cuisines, high value-for-money dining experiences, and a brand image rooted in the new national style are deeply embedded in our three core brand genes. We integrate the essence of regional delicacies to create menus tailored to local environments and tastes, enabling Green Tea to take root and thrive in diverse culinary regions such as Beijing, Guangdong, Zhejiang and Sichuan, and to grow into a truly national restaurant brand. We continuously optimize our cost structure, channeling resources into what customers truly value, and deliver dishes and experiences that exceed expectations at the most competitive prices. Drawing nourishment from Chinese culture, we transcend cyclical dining trends, ensuring the brand's evergreen vitality while also charting a course for overseas expansion. Meanwhile, the Group has built a highly digitalized, standardized and scalable business model supported by digitalized restaurant and operation management, flexible supply chain arrangement and comprehensive and stringent food and operational safety control system. During the Reporting Period, the Group primarily generated revenue from restaurant operations and delivery services. The Group also generated revenue from other sources, such as cell phone charging services, sales of products such as cooking oil, condiments and gift boxes, and parking services.

Notes:

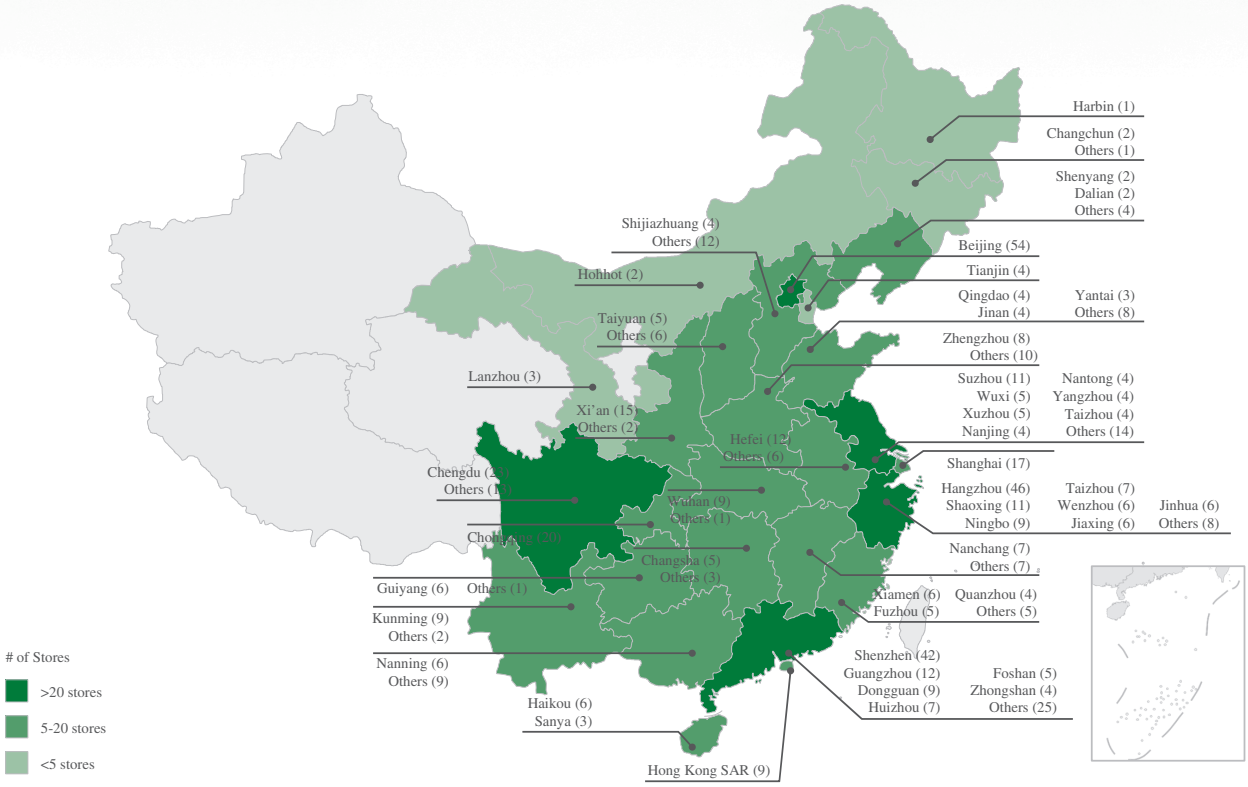
(1) Represents revenue generated from restaurant operation.

(2) Represents the amount of time it takes for the cumulative earnings before interest, tax and depreciation to cover the cost to open a restaurant.

Restaurant Network

As of 31 December 2025, the Group's restaurant network consisted of 609 restaurants, covering Hong Kong SAR, as well as all tier one cities, 15 new tier one cities, 30 tier two cities, and 99 tier three cities and below in the PRC. In addition, the Group has expanded its footprint to overseas markets, including Singapore, Thailand and Malaysia.

The map below illustrates the geographic location of restaurants in the Group's national network that are in operation as of 31 December 2025.



Notes:

(1) Including three restaurants operated under "*Mang Gang Le*" brand and four operated under other new brands.

(2) In addition to the national network as shown in the map above, as of 31 December 2025, the Group also operated one, one and three restaurants in Singapore, Thailand and Malaysia, respectively.

Restaurant Performance

The following table sets forth certain key performance indicators of the Group's restaurants by city tier and location for the years indicated:

	For the year ended 31 December	
	2025	2024
Revenue (in thousands of RMB)[1]		
Tier one and new tier one cities and overseas markets	2,728,585	2,165,101
Tier two cities	1,043,303	822,553
Tier three and lower tier cities	972,878	834,576
Total	4,744,766	3,822,230

	As of 31 December	
	2025	2024
Number of restaurants		
Tier one and new tier one cities and overseas markets	323	231
Tier two cities	136	115
Tier three and lower tier cities	150	119
Total	609	465

	For the year ended 31 December	
	2025	2024
Average daily restaurant sales per store (in thousands of RMB)[2]		
Tier one and new tier one cities and overseas markets	20.0	22.7
Tier two cities	19.0	22.1
Tier three and lower tier cities	16.6	19.3
Overall	18.9	21.7
Average spending per guest (RMB)[3]		
Tier one and new tier one cities and overseas markets	56.3	57.1
Tier two cities	53.2	56.1
Tier three and lower tier cities	51.6	54.0
Overall	54.6	56.2
Table turnover rate (times/day)[4]		
Tier one and new tier one cities and overseas markets	3.0	3.0
Tier two cities	3.1	3.1
Tier three and lower tier cities	2.7	2.9
Overall	3.0	3.0

Notes:

(1) Representing revenue generated from restaurant operations and delivery services.

(2) Calculated by dividing revenue from restaurant operations for the year by the total restaurant operation days for the year in the same city tier and location. The decrease in average daily restaurant sales per store from 2024 to 2025 was primarily due to reduction in the average restaurant size.

(3) Calculated by dividing revenue generated from restaurant operations and delivery services for the year by total guests served, including both dine-in customers and customers who order take-outs, for the year in the same city tier and location. One delivery order was counted as one guest.

(4) Calculated by dividing the total dine-in orders served for the year by the sum of products of total restaurant operation days for the year and table count of each restaurant during the year in the same city tier and location.

Same Store Sales[1]

The following table sets forth details of the Group's same store sales by city tier of the restaurants during the years indicated:

	For the year ended 31 December 2025 and 2024
Number of same stores[2]	
Tier one and new tier one cities and overseas markets	162
Tier two cities	75
Tier three and lower tier cities	80
Overall	317

	For the year ended 31 December	
	2025	2024
Same store sales (in thousands of RMB)		
Tier one and new tier one cities and overseas markets	1,742,439	1,756,381
Tier two cities	720,082	718,218
Tier three and lower tier cities	669,140	680,758
Overall	3,131,661	3,155,357

	For the year ended 31 December 2025 and 2024
Same store sales growth (%)	
Tier one and new tier one cities and overseas markets	(0.8)
Tier two cities	0.3
Tier three and lower tier cities	(1.7)
Overall	(0.8)

Notes:

(1) Referring to the aggregate revenue generated from restaurant operations and delivery services at same stores for the year indicated.

(2) Consisting of restaurants that were open for more than 300 days during the years under comparison and had the same number of tables during the years under comparison.

Delivery Services

The Group offers delivery services primarily through three major third-party online food delivery platforms in the PRC. During the Reporting Period, the Group strategically increased its focus on delivery services, therefore, revenue from delivery services increased by 66.5% from RMB723.1 million for the year ended 31 December 2024 to RMB1,204.0 million for the year ended 31 December 2025.

Product and Menu Development

Leveraging the flexibility of Chinese fusion cuisine, the Group is able to continuously introduce new and popular menu items to adapt to the latest trends and drive guests' enthusiasm towards the Group's restaurants. The Group develops its menus based on the principles of food safety, stable supply of ingredients and feasibility of standardization. During the Reporting Period, the Group introduced a total of 562 new menu items.

BUSINESS PROSPECT

Looking ahead, the Group is committed to consolidating its leadership in casual Chinese cuisine restaurant market and building a differentiated reputation moat through continuously refined menu innovation, upgraded service excellence, and stringent food safety controls. To drive sustainable growth, the Group will steadily advance its network expansion strategy, deepening penetration in existing markets while exploring emerging potential markets. Meanwhile, the Group will continuously intensify supply chain optimization and sustain investments in technology and digital marketing, leveraging technology as a core engine to drive its standardized and scalable expansion.

The Group will also steadily advance its internationalization layout, starting from the Southeast Asian market and expanding to neighboring overseas markets, with a long-term goal of achieving a scaled restaurant network overseas. Furthermore, the Group will actively seek and acquire high-quality potential targets, integrate industry resources, enrich its brand portfolio and consumer scenarios, rapidly enhance its overall scale and market share, further unlock growth potential, and support the achievement of its long-term strategic objectives.

The Group believes that such an integrated approach will propel its evolution into a modern catering enterprise defined by competitive scale and sustainable value creation.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by 24.1% from RMB3,838.2 million for the year ended 31 December 2024 to RMB4,763.0 million for the year ended 31 December 2025.

The Group generates revenue from three services, including (i) restaurant operations; (ii) delivery services; and (iii) others, including (a) commissions it receives from service providers for cell phone charging services, (b) sales of products such as cooking oil, condiments and gift boxes, and (c) fees for parking services. The following table sets forth a breakdown of the Group's revenue by service for the years indicated:

	For the year ended 31 December			
	2025		2024	
	Revenue (RMB'000)	% of total (%)	Revenue (RMB'000)	% of total (%)
Restaurant operations	3,540,796	74.3	3,099,173	80.8
Delivery services	1,203,970	25.3	723,057	18.8
Others	18,201	0.4	15,972	0.4
Total	4,762,967	100.0	3,838,202	100.0

Revenue from Restaurant Operations

Revenue from restaurant operations increased by 14.2% from RMB3,099.2 million for the year ended 31 December 2024 to RMB3,540.8 million for the year ended 31 December 2025, primarily due to the increase in the number of restaurants. Meanwhile, average spending per guest of the Group's restaurant operation remained relatively stable at RMB58.3 for the year ended 31 December 2024 and RMB58.0 for the year ended 31 December 2025.

Revenue from Delivery Services

Revenue from delivery services increased by 66.5% from RMB723.1 million for the year ended 31 December 2024 to RMB1,204.0 million for the year ended 31 December 2025, primarily due to the Group's strategic enhancement of its focus on the delivery business and the expansion of its delivery service coverage.

Revenue from Others

Revenue from others increased by 14.0% from RMB16.0 million for the year ended 31 December 2024 to RMB18.2 million for the year ended 31 December 2025, in line with the expansion of our restaurant operation business.

Other Revenue

The Group's other revenue increased by 13.4% from RMB32.0 million for the year ended 31 December 2024 to RMB36.2 million for the year ended 31 December 2025, primarily due to the increase in interest income on bank deposits and investment income generated from wealth management products.

Raw Materials and Consumables Used[1]

The Group's raw materials and consumables used increased by 17.1% from RMB1,287.6 million for the year ended 31 December 2024 to RMB1,508.4 million for the year ended 31 December 2025, primarily in line with the increasing trend of its revenue. Raw materials and consumables used as a percentage of revenue decreased from 33.5% for the year ended 31 December 2024 to 31.7% for the year ended 31 December 2025, primarily due to lower procurement costs resulting from centralized procurement and tendering arrangements.

Staff Costs

The Group's staff costs increased by 25.6% from RMB989.0 million for the year ended 31 December 2024 to RMB1,242.5 million for the year ended 31 December 2025, primarily due to the increase in demand for restaurant operating staff and management personnel as a result of the expansion of the Group's restaurant network. Staff costs as a percentage of revenue remained relatively stable at 25.8% for the year ended 31 December 2024 and 26.1% for the year ended 31 December 2025.

Depreciation of Right-of-Use Assets

The Group's depreciation of right-of-use assets increased by 19.4% from RMB202.9 million for the year ended 31 December 2024 to RMB242.3 million for the year ended 31 December 2025, in line with the increase in right-of-use assets arising from the expansion in the number of restaurants, where the recognition of additional leases resulted in higher depreciation charges. Depreciation of right-of-use assets as a percentage of revenue remained relatively stable at 5.3% for the year ended 31 December 2024 and 5.1% for the year ended 31 December 2025.

Other Rentals and Related Expenses

The Group's other rentals and related expenses increased by 19.7% from RMB76.1 million for the year ended 31 December 2024 to RMB91.1 million for the year ended 31 December 2025, primarily due to the increase in variable rental expenses, including turnover-based rentals arising from the expansion in the number of restaurants, as well as short-term lease rentals for staff dormitories as a result of increased staff. Other rentals and related expenses as a percentage of revenue remained relatively stable at 2.0% for the year ended 31 December 2024 and 1.9% for the year ended 31 December 2025.

Depreciation and Amortization of Other Assets

The Group's depreciation and amortization of other assets increased by 9.6% from RMB217.9 million for the year ended 31 December 2024 to RMB238.9 million for the year ended 31 December 2025, primarily due to higher depreciation of equipment and amortization of leasehold improvements arising from the increase in the number of restaurants. Depreciation and amortization of other assets as a percentage of revenue decreased from 5.7% for the year ended 31 December 2024 to 5.0% for the year ended 31 December 2025, primarily due to lower decoration costs per new restaurant as a result of the Group's further optimization of its store opening strategy.

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[1] For the year ended 31 December 2025, the Group reclassified low-value consumables from other expenses to raw materials and consumables used. Accordingly, the comparative figure for the year ended 31 December 2024 has also been reclassified to facilitate comparison.

Utilities Expenses

The Group's utilities expenses increased by 20.2% from RMB141.3 million for the year ended 31 December 2024 to RMB169.8 million for the year ended 31 December 2025, primarily due to higher electricity and water consumption arising from the increase in the number of restaurants. Utilities expenses as a percentage of revenue remained relatively stable at 3.7% for the year ended 31 December 2024 and 3.6% for the year ended 31 December 2025.

Delivery Service Expenses

The Group's delivery service expenses increased by 67.6% from RMB121.0 million for the year ended 31 December 2024 to RMB202.7 million for the year ended 31 December 2025, in line with the increase in its delivery service business. Delivery service expenses as a percentage of revenue increased from 3.1% for the year ended 31 December 2024 to 4.3% for the year ended 31 December 2025, primarily due to the increased proportion of delivery service business in the Group's overall revenue.

Other Expenses

The Group's other expenses increased by 24.7% from RMB372.7 million for the year ended 31 December 2024 to RMB464.6 million for the year ended 31 December 2025, primarily due to the increase in other operating expenses as a result of the increase in the number of restaurants, as well as higher listing-related service fees.

Other Net (Losses)/Income

The Group recorded other net losses of RMB7.8 million for the year ended 31 December 2025 as compared to the other net income of RMB2.2 million for the year ended 31 December 2024, primarily due to the increase in donation expenses related to public welfare.

Finance Costs

The Group's finance costs increased by 19.3% from RMB45.3 million for the year ended 31 December 2024 to RMB54.0 million for the year ended 31 December 2025, primarily due to higher interest expenses on lease liabilities arising from the increase in the number of restaurants.

Income Tax

The Group's income tax expenses increased by 32.5% from RMB68.5 million for the year ended 31 December 2024 to RMB90.7 million for the year ended 31 December 2025, primarily due to an increase in the Group's profit before tax.

Profit for the Year

As a result of the foregoing, the Group's profit for the year increased by 38.9% from RMB350.2 million for the year ended 31 December 2024 to RMB486.4 million for the year ended 31 December 2025.

Non-IFRS Measures

To supplement its consolidated statements of profit or loss, which are presented in accordance with IFRS Accounting Standards, the Group also uses adjusted net profit (non-IFRS measure) and adjusted net profit margin (non-IFRS measure) as additional financial measures. The presentation of adjusted net profit (non-IFRS measure) and adjusted net profit margin (non-IFRS measure) facilitates comparisons of operating performance from year to year by eliminating potential impacts of certain items described below. Among which, equity-settled share-based payment expenses are non-cash expenses arising from the RSU Scheme, and listing expenses are related to the global offering of the Company. The Group believes that adjusted net profit (non-IFRS measure) and adjusted net profit margin (non-IFRS measure) are frequently used by other interested parties when evaluating the performance of a company.

The Group defines adjusted net profit (non-IFRS measure) as profit for the year adjusted by excluding (i) equity-settled share-based payment expenses, (ii) listing expenses, and (iii) impact on tax related to items (i) to (ii) above. The following table illustrates reconciliations to the Group's adjusted net profit (non-IFRS measure) from its profit for the year indicated:

	For the year ended 31 December	
	2025	2024
	(RMB'000)	(RMB'000)
Profit for the year	**486,399**	350,167
Equity-settled share-based payment expenses	**7,724**	5,447
Listing expenses	**18,262**	6,312
Impact on tax	**(3,493)**	(1,060)
Adjusted net profit (non-IFRS measure)	**508,892**	360,866
Adjusted net profit margin (%) (non-IFRS measure)[1]	**10.7**	9.4

Note:

(1) Adjusted net profit margin (non-IFRS measure) is calculated by dividing adjusted net profit (non-IFRS measure) by revenue for the year.

Inventories

The Group's inventories consist of food and beverages and other consumables for restaurant operations.

The balance of the Group's inventories decreased by 8.9% from RMB67.2 million as of 31 December 2024 to RMB61.3 million as of 31 December 2025, primarily due to increased utilization of raw materials as a result of higher sales volume and strengthened inventory management practices.

The Group's inventory turnover days for the year ended 31 December 2024 and for the year ended 31 December 2025, being the average of the opening and closing balances of inventories for that year divided by raw materials and consumables used for the relevant year and multiplied by the number of days in that year, were 18.0 days and 15.5 days, respectively. The decrease in its inventory turnover days was primarily due to increased utilization of raw materials as a result of higher sales volume.

Right-of-Use Assets

The Group's right-of-use assets, which are comprised of the leases for its restaurants and employee dormitories, increased by 17.9% from RMB967.0 million as of 31 December 2024 to RMB1,139.7 million as of 31 December 2025, primarily due to the increase in the number of restaurants.

Trade Debtors

The majority of the Group's trade debtors were primarily in connection with (i) bills settled through third-party payment platforms such as Alipay or WeChat Pay, which were normally settled within a short period of time; and (ii) bills received by shopping malls on behalf of the Group for certain restaurants, which were normally settled within one month. Trade debtors of the Group increased by 47.8% from RMB22.6 million as of 31 December 2024 to RMB33.3 million as of 31 December 2025, in line with the expansion of the Group's business. The Group's trade debtors turnover days, being the average of the opening and closing balances of trade debtors for that year divided by revenue for the relevant year and multiplied by the number of days in that year, remained relatively stable at 2.8 days for the year ended 31 December 2024 and 2.1 days for the year ended 31 December 2025.

Trade Payables

The majority of the Group's trade payables were in connection with payables to its suppliers, which typically grant the Group a credit period of 30 to 90 days. Trade payables of the Group increased by 17.5% from RMB221.4 million as of 31 December 2024 to RMB260.1 million as of 31 December 2025, primarily due to an increase in purchases of raw materials arising from the expansion of the Group's restaurant operations and delivery service business. The Group's trade payables turnover days, being the average of the opening and closing balances of trade payables for that year divided by raw materials and consumables used for the relevant year and multiplied by the number of days in that year, decreased from 66.6 days for the year ended 31 December 2024 to 58.3 days for the year ended 31 December 2025, primarily due to more purchases from suppliers offering shorter payment terms, as those suppliers offer more favorable prices.

Capital Structure, Liquidity and Financial Resources

The Shares were listed on the Main Board of the Stock Exchange on 16 May 2025. As of 31 December 2025, the Company had 671,864,400 issued Shares of USD0.00002 each.

The Group maintained a healthy financial position in 2025. The Group's total assets increased from RMB2,464.3 million as of 31 December 2024 to RMB3,795.4 million as of 31 December 2025, whilst the Group's total liabilities increased from RMB1,693.2 million as of 31 December 2024 to RMB2,042.0 million as of 31 December 2025. The Group's liabilities-to-assets ratio decreased from 68.7% as of 31 December 2024 to 53.8% as of 31 December 2025, primarily due to the increase in cash and cash equivalents following the global offering of the Company.

The Group financed its capital expenditure and working capital requirements mainly through cash from operations, equity investments and net proceeds received from the global offering of the Company. As of 31 December 2025, the Group's cash and cash equivalents amounted to RMB1,199.3 million as compared to RMB247.2 million as of 31 December 2024. The Group's cash and cash equivalents primarily consist of cash at bank. As of 31 December 2025, substantially all of the cash and cash equivalents of the Group were denominated in RMB and HKD.

The Group's anticipated cash needs primarily include (i) expanding the restaurant network; (ii) optimizing the supply chain system to further improve operational efficiency; and (iii) pursuing digital management to optimize operational management.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

Capital Expenditures

The Group's capital expenditure consists of payment for purchases of property, plant and equipment, primarily used to open new restaurants, procure property, plant and equipment for new restaurants, renovate existing restaurants and purchase furniture and equipment used for restaurant operations. The Group's total capital expenditures increased by 4.3% from RMB336.4 million for the year ended 31 December 2024 to RMB350.9 million for the year ended 31 December 2025, primarily due to the increase in the number of restaurants.

Gearing Ratio

Gearing ratio represented bank loans divided by total equity and multiplied by 100%. As of 31 December 2024 and 2025, the Group's gearing ratio was not applicable as it had no outstanding bank loans as of the respective dates.

Contingent Liabilities

As of 31 December 2025, the Group did not have significant contingent liabilities.

Pledge of Assets

As of 31 December 2025, the Group did not have any pledge on its assets.

Foreign Exchange Risk

The Group is not exposed to significant foreign currency risk since financial assets and liabilities denominated in currencies other than functional currencies of the respective entities comprising the Group are not significant.

The assets and liabilities of the Group were mainly denominated in RMB, HKD and USD. During the Reporting Period, the Group did not employ financial derivatives or enter into foreign derivative contracts to hedge against foreign currency risk.

Significant Investments, Material Acquisitions and Disposals

As of 31 December 2025, the Group did not have any significant investments. During the year ended 31 December 2025, the Group did not conduct any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Future Plans for Material Investment and Capital Assets

Save as disclosed in the section headed "Use of Proceeds from the Global Offering" in this report, the Group has no other specific plan for material investment or acquisition of major capital assets as of the date of this report. However, the Group will continue to identify new opportunities for business development.

DIRECTORS

Executive Directors

Mr. Wang Qinsong (王勤松), aged 54, is the co-founder of the Group, chairman of the Board, chief executive officer of the Company and executive Director. Mr. Wang has around 21 years of experience in the hospitality and food and beverage industries and is experienced in business management. With his extensive experience in restaurant operations, he is principally responsible for overseeing the overall management and business operation of the Group, including coordinating board affairs, formulating strategies and operational plans and making major business decisions. Mr. Wang has been the chairman of the board since January 2017 and the chief executive officer since January 2018 at Tibet Green Tea F&B. Mr. Wang served as a general manager at Hangzhou Green Tea Food & Beverage Management Company Limited (杭州綠茶餐飲管理有限公司) ("**Hangzhou Green Tea F&B**") from October 2008 to December 2016, which was the predecessor of Tibet Green Tea F&B. Prior to founding the Group, he established Green Tea Youth Hostel (綠茶青年旅舍) in November 2004 and served as the general manager from December 2004 to September 2007. Mr. Wang was admitted to Executive Education Program at the Cheung Kong Graduate School of Business (長江商學院) in April 2019, in the PRC.

Mr. Wang is the spouse of Ms. Lu, a non-executive Director, and the uncle of Mr. Wang Jiawei, an executive Director.

Ms. Yu Liying (于麗影), aged 39, is the executive Director and vice president of the Company. Ms. Yu has around 16 years of experience in restaurant operations and is experienced in business management. She is primarily responsible for the management of supply chain, construction projects and public relations and the expansion of restaurant network. Ms. Yu has been serving as a vice president at Tibet Green Tea F&B since January 2017. Ms. Yu managed stores between October 2008 and December 2011 for Hangzhou Green Tea F&B, which was the predecessor of Tibet Green Tea F&B. She was later promoted and successively served as a regional manager, then a regional general manager and then a vice president in charge of brand operation and chief operating officer at Hangzhou Green Tea F&B until December 2016. Ms. Yu is pursuing an executive master of business administration (EMBA) degree from the Cheung Kong Graduate School of Business (長江商學院) in the PRC.

Ms. Yu Liying is the sister-in-law of Ms. Lu, a non-executive Director.

Mr. Wang Jiawei (王佳偉), aged 42, is the executive Director, financial director and board secretary of the Company. He has around 15 years of experience in finance and accounting and is primarily overseeing the development, day-to-day management and financial and capital management of the Group. Mr. Wang Jiawei has served as a board secretary at Tibet Green Tea F&B since January 2017 and has served as a financial director since November 2019. Mr. Wang Jiawei worked as a financial director at Hangzhou Green Tea F&B between May 2013 and December 2016, which was the predecessor of Tibet Green Tea F&B. Prior to joining the Group, Mr. Wang Jiawei was a project manager of BDO China Shu Lun Pan Certified Public Accountants LLP, Zhejiang Branch (立信會計師事務所(特殊普通合夥)浙江分所) from May 2010 to April 2013.

Mr. Wang Jiawei obtained his master's degree in finance from Zhejiang Institute of Finance & Economics (浙江財經學院) (now known as Zhejiang University of Finance & Economics (浙江財經大學)) in the PRC in March 2010. He has been a PRC certified public accountant (中國註冊會計師) certified by Zhejiang Province Certified Public Accountant Association (浙江省註冊會計師協會) since June 2012.

Mr. Wang Jiawei is the nephew of Mr. Wang, an executive Director.

Non-executive Directors

Ms. Lu Changmei (路長梅), aged 45, is the co-founder of the Group and the non-executive Director. Ms. Lu has around 21 years of experience in the hospitality and food and beverage industries and is experienced in business management. She is responsible for providing strategic advice and recommendations on the operations and management of the Group. Ms. Lu has been serving as a deputy general manager at Tibet Green Tea F&B since January 2017. She worked as the deputy general manager in Hangzhou Green Tea F&B between October 2008 and December 2016, which was the predecessor of Tibet Green Tea F&B. Prior to joining the Group, she established Green Tea Youth Hostel with Mr. Wang and served as the deputy general manager from December 2004 to September 2007.

Ms. Lu is the spouse of Mr. Wang, an executive Director.

Mr. Liu Sheng (劉盛), aged 43, was appointed as a non-executive Director on 25 May 2017. With his extensive experience in finance and investment, Mr. Liu is primarily responsible for providing strategic advice and recommendations on the operations and management of the Group. Since 2013, he has been with Partners Group and has around 20 years of experience in finance and investment industry. He is managing director, head of Partner Group's Shanghai office and a member of the Private Equity Direct Co-Investment in Health and Life Investment Committee in Partners Group and also a director in Partners Gourmet. Prior to joining Partners Group, Mr. Liu worked as an investment director at Cathay Capital Investment Consulting (Shanghai) Co., Ltd. from January 2007 to March 2013. He started his career at KPMG Hua Zhen LLP, Shanghai Branch, where he worked as an auditor from August 2004 to August 2006.

Mr. Liu has extensive experience in managing public and private companies. He served as a director of Shanghai Aiyingshi Business Service Co., Ltd. (上海愛嬰室商務服務股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 603214) from March 2018 to May 2025, as a director of Moda Solution Limited (a leading provider of in-store display solutions) from September 2019 to March 2025, and has been a director of Apex Logistics Solutions International Pte. Ltd. (a cross-border logistics service provider) since February 2021.

Ms. Xu Ruijie (徐睿婕), aged 36, was appointed as a non-executive Director on 5 December 2023. She is primarily responsible for providing strategic advice and recommendations on the operations and management of the Group. She has over 10 years of experience in consulting and private equity investment. She joined Partners Group in August 2016 and has served as the general manager of Partners Group since January 2026, and is currently a member of management for private equity Asia in Partners Group (Shanghai) Co. Ltd. Since March 2025, she has also served as a director of Moda Solution Limited, a leading provider of in-store display solutions. Prior to joining Partners Group, Ms. Xu served as a senior consultant in consulting department at Booz & Company from July 2011 to July 2014.

Ms. Xu obtained her bachelor's degree in economics and international finance from University of Macau in Macau in August 2011 and a Master of Business Administration degree from Columbia University in the City of New York in May 2016.

Independent Non-executive Directors

Mr. Shao Xiaodong (邵曉東), aged 54, was appointed as an independent non-executive Director on 30 April 2025. He is primarily responsible for providing independent judgment and advice to the Board.

Mr. Shao is a vice president of security and risk management group at Ant Group Co., Ltd. (螞蟻科技集團股份有限公司) (the "**Ant Group**"). He joined the Ant Group in July 2014 and has successively undertaken different roles including the deputy general manager of Alipay.com Co., Ltd, a leading third party payment platform provider and the general manager of safety management department and Xianghubao (相互寶). Prior to joining the Ant Group, he worked as a policeman for more than 23 years in Hangzhou Public Security Bureau (杭州市公安局) and was the head of the criminal investigation division when he left the Hangzhou Public Security Bureau in March 2014.

Mr. Shao graduated from East China University of Science and Technology (華東理工大學) in business administration via correspondence course in July 2006. He was honored as the outstanding chief security officer of the Yangtze River Delta region (長三角優秀首席安全官) in 2019 by Committee of the Outstanding Chief Security Officer of the Yangtze River Delta Region.

Mr. Bruno Robert Mercier, aged 66, was appointed as an independent non-executive Director on 30 April 2025. He is primarily responsible for providing independent judgment and advice to the Board.

He is currently an independent non-executive director of Blue Moon Group Holdings Limited, a leader in the Chinese detergent market listed on the Main Board of the Stock Exchange (stock code: 6993), a director of Gramona SA, a family-owned Spanish premium winery and a non-executive member of the Supervisory Board of City Holdings Limited, a leading consumer products retailer and distributor in Myanmar, since February 2022.

From February 2018 to April 2024, he was a director of Home Chain Foods Ltd., the holder of the Burger King Franchise in Taiwan. He is also serving as an adviser to several other companies, including Driscoll's, a leading berries producer as well as a number of private equity and venture capital funds and an investor in tech start-ups focusing on retail and consumer goods. He was a member of Bain Advisors Network from June 2019 to December 2024. He also has provided one-off industry advice to Partners Group on three potential investment opportunities in 2015, 2018 and 2019.

From 2011 to 2017, Mr. Mercier was chief executive officer and executive director of Sun Art Retail Group Limited, one of China's largest and most profitable food retailers listed on the Main Board of the Stock Exchange (stock code: 6808) and was the chairman of the board of RT Mart International in Taiwan. From 1999 to 2011, Mr. Mercier worked in the Auchan Group with various positions as development director, store manager and chief executive officer of Auchan (China) Investment Co., Ltd. He also has many years of experience working in the consumer goods and consulting industries from 1983 to 1998, notably with Groupe Pernod Ricard, a global wines and spirits producer, in their China and Thailand operations as well as with McKinsey & Company.

Mr. Mercier holds a master's degree in business administration from European Institute of Business Administration (Institut Européen d'Administration des Affaires, "**INSEAD**"), and an engineering degree from the Ecole Nationale Supérieure Agronomique de Toulouse in France. He is an honorary citizen of the city of Suzhou and was awarded the Golden Magnolia medal by Shanghai City government in 2011.

Mr. Fan Yongkui (范永奎), aged 41, was appointed as an independent non-executive Director on 30 April 2025. He is primarily responsible for providing independent judgment and advice to the Board.

Mr. Fan has extensive experience in finance and accounting. He has been the vice president and chief financial officer of JNBY Design Limited (江南布衣有限公司) ("**JNBY**"), a leading designer brand fashion house listed on the Main Board of the Stock Exchange (stock code: 3306), since August 2021 and December 2022, respectively. Mr. Fan served as the finance director of JNBY from September 2015 to December 2022. Prior to joining JNBY, he worked as a financial analysis manager in (浙江大華技術股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002236) from July 2010 to September 2015. Between May 2008 and June 2010, he was a project manager of BDO China Shu Lun Pan Certified Public Accountants LLP, Zhejiang Branch. He started his career in Zhejiang Zhongcheng Certified Public Accountants LLP (浙江中誠會計師事務所) in September 2006 and worked there until April 2008.

Mr. Fan obtained his bachelor's degree in landscape architecture from Zhejiang University (浙江大學) in June 2006. He has been a PRC certified public accountant (中國註冊會計師) certified by Zhejiang Province Certified Public Accountant Association (浙江省註冊會計師協會) since April 2009. He obtained the qualification for registered tax agent in the PRC in November 2013 and the qualification for certified public valuer in December 2011. He obtained a lawyer's practice certificate issued by the Ministry of Justice of the People's Republic of China in April 2021.

SENIOR MANAGEMENT

Mr. Shang Wei (商巍), aged 45, was appointed as the chief financial officer of the Company on 28 October 2025. He has over 20 years of experience in finance and investment. Prior to joining the Group, Mr. Shang worked as general manager at finance planning department of Ping An Annuity Insurance Company of China, Ltd. (平安養老保險有限公司), a subsidiary of Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司) (the shares of which have been listed on Shanghai Stock Exchange (stock code: 601318) and the Stock Exchange (stock code: 2318)), from September 2022 to August 2025. From April 2015 to August 2022, he worked as general manager at planning department at Shanghai Lujiazui International Financial Asset Exchange Co., Ltd. (上海陸家嘴國際金融資產交易市場股份有限公司), a subsidiary of Lufax Holding Ltd (陸金所控股有限公司), the shares of which have been listed on both the Stock Exchange (stock code: 6623) and New York Stock Exchange (NYSE: LU). From September 2011 to March 2015, he served as vice president of investment banking department at Morgan Stanley Asia Limited. From August 2010 to August 2011, he served as manager of investment banking department at Merrill Lynch (Asia Pacific) Limited, a subsidiary of Bank of America, which listed on New York Stock Exchange (NYSE: BAC). From August 2003 to July 2008, Mr. Shang worked at finance department as management trainee at Shell (China) Limited (殼牌(中國)有限公司), a subsidiary of Shell Plc, which listed on New York Stock Exchange (NYSE: SHEL) and London Stock Exchange (LSE: SHEL).

Mr. Shang obtained bachelor's degrees in both Finance and E-commerce from Peking University (北京大學) in the PRC in July 2003 and the master degree of Business Administration from The University of Chicago Booth School of Business in the U.S. in June 2010.

Ms. Tai Fang (邰芳), aged 51, joined the Group and was appointed as a vice president of the Company on 15 January 2019, primarily responsible for business operation and management of the Group. She has also been serving as vice president at Tibet Green Tea F&B since January 2019. Prior to joining the Group, Ms. Tai served as a store general manager, regional operation manager, senior operation director and vice president successively at South Beauty (Beijing) Enterprise Management Co., Ltd (俏江南(北京)企業管理有限公司), an F&B service management company in the PRC between 2004 and 2018.

Ms. Tai completed the China F&B president senior study program (中國餐飲業總裁高級研修班) in the School of Continuing Education at Tsinghua University in October 2007.

JOINT COMPANY SECRETARIES

Ms. Lu Juan (盧娟), is the joint company secretary of the Company and was appointed on 30 April 2025. She is primarily responsible for the financial and the overall company secretarial matters of the Group.

Ms. Lu Juan joined the Group in May 2021 and has been serving as deputy director of financial department since then. She has over 10 years of experience in finance management. Prior to joining the Group, Ms. Lu Juan was the finance director at Zhejiang Yifuli Industrial Co., Ltd (浙江伊芙麗實業有限公司) from October 2019 to May 2021. Before that, she worked at Ribo Fashion Group Co, Ltd. (日播時尚集團股份有限公司), a fashion brand operation management group listed on Shanghai Stock Exchange (stock code: 603196) from February 2016 to September 2019, where she last served as senior financial manager. Ms. Lu Juan obtained a bachelor's degree in management from Donghua University (東華大學) in the PRC in March 2016 through online courses. She obtained the title of intermediate accountant (中級會計師) from Ministry of Finance of the People's Republic of China in September 2016 and a Certified Management Accountant certified by The Institute of Management Accountants United States of America since January 2022.

Ms. Lai Siu Kuen (黎少娟), is the joint company secretary of the Company and was appointed on 30 April 2025. She is a director of Corporate Services of Tricor Services Limited, a global professional services provider specializing in integrated business, corporate and investor services. She has over 25 years of experience in the corporate secretarial field. Ms. Lai is a fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

DIRECTORS' REPORT

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the Reporting Period. All references in this section "Directors' Report" to other sections in this annual report form part of this section.

GLOBAL OFFERING

On 4 June 2015, the Company was incorporated in the Cayman Islands as an exempted company with limited liability. The Company's Shares were listed on the Main Board of the Stock Exchange on 16 May 2025.

PRINCIPAL ACTIVITIES

The Group is a well-known operator of casual Chinese restaurants in Chinese Mainland, dedicated to offering fusion cuisine to customers at accessible prices. An analysis of the Group's principal business for the year ended 31 December 2025 is included in the "Management Discussion and Analysis" section of this annual report.

The Company is an investment holding company and the principal businesses of its principal subsidiaries are set out in Note 13 the financial statements.

A list of the Company's principal subsidiaries as of 31 December 2025, together with, among others, their dates and places of incorporation and particulars of their issued share capital, are set out in Note 13 to the financial statements in this annual report.

BUSINESS REVIEW

A review of the Group's business for the year ended 31 December 2025 is included in the "Chairman's Statement" and "Management Discussion and Analysis" sections of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties can be categorized into (i) risks relating to our business, (ii) risks relating to our industry, and (iii) risks relating to doing business in the jurisdictions where we operate. For example, our future growth depends on our ability to open and profitably operate new restaurants. Delays or failures in opening new restaurants could affect our growth strategy and our expected financial and operating results. Meanwhile, any rise in our costs, particularly a rise in the cost of the ingredients, may lead to declines in our margins and operating results. Our cost of raw materials and consumables used depends on a variety of factors, many of which are beyond our control. Furthermore, the catering industry is affected by macro-economic factors, including changes in international, national, regional and local economic conditions, employment levels and consumer spending patterns.

Please refer to the "Management Discussion and Analysis" and "Corporate Governance Report – Risk Management and Internal Control" sections of this annual report and the "Risk Factors" section of the Prospectus for details on the principal risk factors and uncertainties faced by the Group.

ENVIRONMENTAL POLICIES AND PERFORMANCE

As a socially responsible corporation, the Group has endeavored to strictly comply with laws and regulations regarding environmental protection. During the Reporting Period, the businesses of the Group were in compliance with all the relevant laws and regulations with regard to environmental protection in all material aspects.

The Company recognises the importance of environmental protection and is committed to incorporating the protection of the ecological environment into the development plan of the Company. Thus, the Company has developed energy conservation and carbon reduction policy so as to minimise negative environmental impacts.

For more details, please refer to the Environmental, Social and Governance Report disclosed in this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Reporting Period, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

ANNUAL RESULTS AND FINAL DIVIDENDS

The results of the Group for the year ended 31 December 2025 are set out in the consolidated financial statements of this annual report.

The Board recommended the payment of final dividend of HKD0.52 per Share for the year ended 31 December 2025 which is subject to the approval by the Shareholders at the AGM. The final dividend is expected to be payable to the Shareholders on or before 21 July 2026. The dividend will be payable to the Shareholders whose names appear on the register of members of the Company at the close of business on 6 July 2026. The Group is not aware of any arrangement under which a Shareholder has waived or agreed to waive any dividends.

RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group is committed to operating in a sustainable manner while balancing the interests of its various stakeholders including the substantial shareholders, employees, customers and suppliers.

Shareholders

The Group recognises the importance of protecting the interests of the Shareholders and of having effective communication with them. The Group believes communication with the Shareholders is a two-way process and have thrived to ensure the quality and effectiveness of information disclosure, maintain regular dialogue with the Shareholders and listen carefully to the views and feedback from the Shareholders. This has been and will be done through general meetings, corporate communications, interim and annual reports, results announcements, earnings calls, and providing official e-mail address on company's website to collect enquiries or information from its Shareholders.

Employees

The Group understands that employees are its valuable assets, and the realisation and enhancement of employees' values will facilitate the achievement of the Group's overall goals. The Group has been endeavoring to provide its staff with competitive compensation packages, attractive promotion opportunities and a respectful and professional working environment. The Group contributes to social security insurance and housing provident funds for the employees in all material aspects in accordance with applicable PRC laws, rules and regulations. The Group provides the employees with holiday and birthday gifts, work anniversary souvenirs and professional trainings. The Group also adopted RSU Scheme to reward the selected employees for their contribution to the growth and development of the Group. The Group will continue to attract and retain more talent and the new talent will be offered advancement through performance-based compensation packages, on-the-job training programs and promotion opportunities.

Customers

We have a large and fragmented customer base. Our restaurants offer Chinese fusion cuisine, as well as value-for-money proposition to our guests. We are committed to providing high-quality services and/or products to our customers and enhancing the loyalty of the customers by increasing the interaction with customers through communication from time to time in order to understand the customer demands, which provide good development to our overall performance in the long run.

Suppliers

The Group believes that its suppliers are equally important in providing high-quality services and/or products. The Group has maintained solid and good relationships with its suppliers which ensures quality supply so as to provide high quality services and/or products to customers.

For the year ended 31 December 2025, there was no significant and material dispute between the Group and its stakeholders.

FINANCIAL SUMMARY

A summary of the Group's financial results, assets and liabilities for the last four financial years are set out on page 4 of this annual report. This summary does not form part of the audited consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

Major Customers

For the year ended 31 December 2025, the revenue derived from the largest customer and the five largest customers both accounted for less than 1% of the Group's total revenue.

Major Suppliers

For the year ended 31 December 2025, the Group's purchases from its five largest suppliers accounted for approximately 20% of the Group's total purchases, and the Group's purchases from its largest supplier accounted for approximately 5% of the Group's total purchases.

As of the date of this annual report, all of the Group's five largest customers and suppliers during the Reporting Period were independent third parties. None of the Directors, their respective close associates or any Shareholder who, to the knowledge of the Directors, owned more than 5% of the Company's issued share capital (excluding Treasury Shares) had any interest in any of the Group's five largest customers and suppliers.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2025 are set out in Note 11 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2025 are set out in Note 25 to the financial statements.

RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2025 are set out on page 116 in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

As of 31 December 2025, the Company's reserves available for distribution amounted to approximately RMB558.4 million.

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax concession and exemption granted to Shareholders by virtue of their holding of securities in the Company.

BANK AND OTHER BORROWINGS

As of December 31, 2025, the Group had no outstanding bank loans or other borrowings.

DIRECTORS' REPORT

DIRECTORS

The Directors from the Listing Date to the date of this annual report are:

Executive Directors

Mr. Wang Qinsong *(Chairman of the Board and Chief Executive Officer)*
Ms. Yu Liying
Mr. Wang Jiawei

Non-executive Directors

Ms. Lu Changmei
Mr. Liu Sheng
Ms. Xu Ruijie

Independent Non-executive Directors

Mr. Shao Xiaodong
Mr. Bruno Robert Mercier
Mr. Fan Yongkui

BIOGRAPHY OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of the Company are set out in the section headed "Directors and Senior Management" of this annual report.

SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the Directors (including non-executive Directors) has entered into a service contract or an appointment letter with the Company, under which they agreed to act as Directors for a term of three years commenced from 30 April 2025 subject to retirement by rotation and re-election in accordance with the Articles of Association and the Listing Rules, until terminated in accordance with the terms and conditions of the service contract or the appointment letter.

The appointments are subject to the provisions of retirement and rotation of Directors under the Articles of Association and the applicable Listing Rules.

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with any member of the Group which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

EMPLOYEES AND REMUNERATION POLICIES

As of 31 December 2025, the Group had 17,342 employees. The following table shows a breakdown of the employees by function as of 31 December 2025:

Functions	Number of Employees	% of Total Employees
Restaurant staff	16,638	95.94%
Management and administrative staff	349	2.01%
Supply chain management	266	1.53%
Marketing and promotion	22	0.13%
Menu development	29	0.17%
Safety center	20	0.12%
Expansion management	16	0.09%
Engineering	2	0.01%
Total	**17,342**	**100.00%**

For the year ended 31 December 2025, total staff remuneration expenses (including emoluments, social insurance and other benefits of the Directors) amounted to approximately RMB1,242.5 million, as compared to approximately RMB989.0 million for the same period in 2024. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice. The Group provides competitive compensation packages. Compensation for the Group's employees includes base salary, bonuses and other staff benefits, such as employee meals and staff dormitories. Selected Directors or employees of the Group were or will be offered to participate in the RSU Scheme.

Directors' emoluments are covered by respective service contracts of each of the Directors. The remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. The relevant Director's experience, duties and responsibilities, time commitment, the Company's performance and the prevailing market conditions are taken into consideration in determining the emoluments of the Directors.

The Group believes it has maintained good relationships with its employees. The employees are not represented by a labor union. As of the date of this annual report, the Group did not experience any strikes or any labor disputes with its employees which have had or are likely to have a material effect on its business.

The Group attaches great importance to employee competency development and continuously establishes a comprehensive training management system according to its development needs. The Group's employees have a chance to be promoted to management positions at the Group's restaurants after they successfully complete the Group's leadership training program, Green Tea University. The Green Tea University curriculum trains the Group's employees to embrace the Group's core values, acquire the necessary skills for their respective positions and develop leadership and management competencies for career advancement. Meanwhile, the Group is committed to providing fair and equal opportunities in all of its employment practices and has adopted policies and procedures to ensure a fair hiring, selection and promotion process.

The Group also contributes to housing provident funds and various employee social security insurance that are organised by applicable local municipal and provincial governments, including housing, pension, medical, maternity, work-related injury and unemployment insurance, under which the Group makes contributions at specified percentages of the salaries of employees in accordance with applicable PRC laws, rules and regulations.

For details of the remuneration of the Directors and the five highest paid individuals during the Reporting Period, please refer to Note 7 and Note 8 to the financial statements, respectively. to the financial statements. For details of the remuneration of the senior management of the Group during the Reporting Period, please refer to page 51 of this annual report.

PENSION SCHEMES

The Group only operates defined contribution pension schemes. The employees of the Group's subsidiaries which operate in Chinese Mainland are required to participate in central pension schemes operated by the local municipal government and the central government, respectively. These subsidiaries are required to contribute a certain percentage of payroll costs to the central pension schemes. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension schemes.

No forfeited contribution (by the Group on behalf of its employees who leave the scheme prior to vesting fully in such contributions) is available to be utilised by the Group to reduce the contributions payable in the future years or to reduce the Group's existing level of contributions to the pension scheme.

Details of the Company's pension schemes are set out in Note 5(b) to the financial statements.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and the Company considers such Directors to be independent during the Reporting Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Reporting Period, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the business of the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, none of the Directors or their connected entities had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries or fellow subsidiaries was a party during the Reporting Period or subsist as of 31 December 2025.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND THE CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of 31 December 2025, the interests or short positions of the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code to be notified to the Company and the Stock Exchange are as follows:

Interests in the Shares and underlying Shares of the Company

Name of Director	Class of Shares	Nature of Interest	Number of Shares held/ interested[1]	Approximate percentage of shareholding[2]
Mr. Wang[3]	Ordinary Shares	Founder of a discretionary trust	365,600,000 (L)	
		Other	1,590,400 (L)	
			367,190,400 (L)	54.52%
Ms. Lu[3]	Ordinary Shares	Founder of a discretionary trust	365,600,000 (L)	
		Other	1,590,400 (L)	
			367,190,400 (L)	54.52%
Ms. Yu Liying[4]	Ordinary Shares	Beneficial owner	2,083,500 (L)	0.31%
Mr. Wang Jiawei[5]	Ordinary Shares	Beneficial owner	894,516 (L)	0.13%
Mr. Bruno Robert Mercier	Ordinary Shares	Beneficial owner	1,600(L)	0.00%

Notes:

(1) (L) denotes long position.

(2) The calculation is based on the total number of 673,454,800 Shares in issue (including 1,590,400 Shares as Treasury Shares) as at 31 December 2025.

(3) Time Sonic is owned as to (i) 99.9% by Absolute Smart Ventures, the holding vehicle used by Vistra Trust, the trustee of Green Tea Family Trust, which is a discretionary trust established by Mr. Wang and Ms. Lu as the settlors and protectors and Yielding Sky (wholly-owned by Mr. Wang) and Contemporary Global Investments (wholly-owned by Ms. Lu) as the beneficiaries; (ii) 0.049% by Yielding Sky, which is wholly owned by Mr. Wang; and (iii) 0.051% by Contemporary Global Investments, which is wholly owned by Ms. Lu. Accordingly, each of Mr. Wang and Ms. Lu is deemed to be interested in all the Shares held by Time Sonic. In addition, since each of Mr. Wang and Ms. Lu indirectly controls one-third or more of the voting power at the Company's general meetings, each of Mr. Wang and Ms. Lu is taken to have an interest in the 1,590,400 Treasury Shares of the Company under SFO.

(4) Ms. Yu Liying is interested in 2,083,500 underlying Shares relating to the RSUs granted to her pursuant to the RSU Scheme.

(5) Mr. Wang Jiawei is interested in 894,516 underlying Shares relating to the RSUs granted to him pursuant to the RSU Scheme.

Save as disclosed above, as of 31 December 2025, so far as it was known to the Directors or chief executive of the Company, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES AND DEBENTURES

As of 31 December 2025 or at any time during the Reporting Period, none of the Company or any of its subsidiaries is a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

CHANGES IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVE

Save as disclosed in this annual report, there have been no changes in the information of Directors and chief executive of the Company since the publication of the 2025 interim report up to the date of this annual report as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As of 31 December 2025, so far as was known to the Directors or chief executive of the Company, the following persons (other than the Directors and chief executive of the Company) had interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Shareholder	Class of Shares	Nature of interest	Number of Shares held[1]	Approximate percentage of shareholding[2]
Vistra Trust[3]	Ordinary Shares	Trustee	365,600,000 (L)	
	Ordinary Shares	Other[7]	1,590,400 (L)	
			367,190,400 (L)	54.52%
East Superstar[4]	Ordinary Shares	Interest in a controlled corporation	365,600,000 (L)	
	Ordinary Shares	Other[7]	1,590,400 (L)	
			367,190,400 (L)	54.52%
Absolute Smart Ventures[3]	Ordinary Shares	Interest in a controlled corporation	365,600,000 (L)	
	Ordinary Shares	Other[7]	1,590,400 (L)	
			367,190,400 (L)	54.52%
Time Sonic[3]	Ordinary Shares	Beneficial owner	365,600,000 (L)	
	Ordinary Shares	Other[7]	1,590,400 (L)	
			367,190,400 (L)	54.52%
Yielding Sky[3]	Ordinary Shares	Beneficiary of a trust	365,600,000 (L)	
	Ordinary Shares	Other[7]	1,590,400 (L)	
			367,190,400 (L)	54.52%

Name of Shareholder	Class of Shares	Nature of interest	Number of Shares held[1]	Approximate percentage of shareholding[2]
Contemporary Global Investments[3]	Ordinary Shares	Beneficiary of a trust	365,600,000 (L)	
	Ordinary Shares	Other[7]	1,590,400 (L)	
			367,190,400 (L)	54.52%
Partners Group AG[5]	Ordinary Shares	Interest in a controlled corporation	106,140,800 (L)	15.76%
Partners Group Barrier Reef, L.P.[5]	Ordinary Shares	Interest in a controlled corporation	106,140,800 (L)	15.76%
Partners Group Global Value SICAV[5]	Ordinary Shares	Interest in a controlled corporation	106,140,800 (L)	15.76%
Partners Group Holding AG[5]	Ordinary Shares	Interest in a controlled corporation	106,140,800 (L)	15.76%
Partners Group Gourmet House Limited[5]	Ordinary Shares	Beneficial owner	106,140,800 (L)	15.76%
Wuxi Zixian Food Co., Ltd.	Ordinary Shares	Beneficial owner	36,115,600 (L)	5.36%

Notes:

(1) (L) denotes long position.

(2) The calculation is based on the total number of 673,454,800 Shares in issue (including 1,590,400 Treasury Shares) as at 31 December 2025.

(3) Time Sonic is owned as to (i) 99.9% by Absolute Smart Ventures, the holding vehicle used by Vistra Trust, the trustee of Green Tea Family Trust, which is a discretionary trust established by Mr. Wang and Ms. Lu as the settlors and protectors and Yielding Sky (wholly-owned by Mr. Wang) and Contemporary Global Investments (wholly-owned by Ms. Lu) as the beneficiaries; (ii) 0.049% by Yielding Sky, which is wholly owned by Mr. Wang; and (iii) 0.051% by Contemporary Global Investments, which is wholly owned by Ms. Lu. Accordingly, each of Absolute Smart Ventures, Yielding Sky and Contemporary Global Investments is deemed to be interested in all the Shares held by Time Sonic.

(4) Absolute Smart Ventures is wholly owned by East Superstar, the holding vehicle used by Vistra Trust, the trustee of Green Tea Family Trust.

(5) Partners Group Gourmet House Limited is owned as to 32% and 32% by Partners Group Global Value SICAV and Partners Group Barrier Reef, L.P., respectively. Both of Partners Group Global Value SICAV and Partners Group Barrier Reef, L.P. are controlled by Partners Group AG, which is 100% owned by Partners Group Holding AG, a company listed on the SIX Swiss Exchange (symbol: PGHN). As such, each of Partners Group Holding AG, Partners Group AG, Partners Group Barrier Reef, L.P. and Partners Group Global Value SICAV is deemed to be interested in the Shares held by Partners Group Gourmet House Limited.

(6) Pursuant to Section 336 of the SFO, the shareholders are required to file disclosure of interests forms when certain criteria are fulfilled. Therefore, substantial shareholders' latest shareholding in the Company may be different to the shareholding filed with the Company and the Stock Exchange.

(7) As at 31 December 2025, the Company held 1,590,400 Treasury Shares. Since each of the Vistra Trust, East Superstar, Absolute Smart Ventures, Time Sonic, Yielding Sky and Contemporary Global Investments controls one-third or more of the voting power at the Company's general meetings, each of the Vistra Trust, East Superstar, Absolute Smart Ventures, Time Sonic, Yielding Sky and Contemporary Global Investments is taken to have an interest in the 1,590,400 Treasury Shares of the Company under SFO.

Save as disclosed above, as of 31 December 2025, the Directors were not aware of any persons/entities (other than the Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

RSU SCHEME

On 28 February 2020, the Company adopted the RSU Scheme, which was further amended with the approval of the Board after the Listing. The terms of the RSU Scheme constitutes a share scheme funded by existing Shares under Chapter 17 of the Listing Rules. The following is a summary of the principal terms of the RSU Scheme. For details, please refer to the section headed "Statutory and General Information – D. SHARE INCENTIVE SCHEME" in the Prospectus.

(A) Purpose of the RSU Scheme

The purpose of the RSU Scheme is to incentivize the Directors, senior management and employees for their contribution to the Group and to attract and retain skilled and experienced personnel to enhance the development of the Group.

(B) Participants in the RSU Scheme

Persons eligible to receive RSUs under the RSU Scheme are selected by the Board from existing employees, directors, or officers of the Company or any of its subsidiaries (collectively, the "**RSU Eligible Persons**"). The basis of eligibility of any selected person for the grant of RSUs shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group or such other factors as the Board may deem appropriate.

(C) Term of the RSU Scheme

The RSU Scheme shall be valid and effective for a period of ten (10) years, commencing on the date of the first grant of the RSUs (the "**RSU Scheme Period**").

As at the date of this annual report, the remaining life of the RSU Scheme is approximately 4.3 years.

(D) Limit for Each Participant

Subject to RSU Scheme, where any grant of RSUs to a Selected Person under this RSU Scheme would result in Shares issued and to be issued in respect of all RSUs, options or awards granted to such person (excluding any RSUs, options and awards lapsed in accordance with the terms of this Scheme or any other Share Scheme(s)) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (the "**1% Individual Limit**"), such grant of RSUs must be separately approved by shareholders of the Company in general meeting with such Selected Person and his/her close associates (or his/her associates if the Selected Person is a connected person of the Company) abstaining from voting. The number and terms of RSUs to be granted to such Selected Person must be fixed before shareholders' approval.

(E) Making an offer

An offer to grant a RSU will be made to a RSU Eligible Person selected by the Board (the "**RSU Selected Person**") by a letter, in such form as the Board may determine (the "**RSU Grant Letter**"). The RSU Grant Letter shall specify (i) the RSU Selected Person's name, (ii) the type of RSUs granted, (iii) the number of underlying Shares represented by the RSUs or the percentage of the issued share capital of the Company prior to the completion of IPO represented by such RSUs, (iv) the vesting criteria, conditions and vesting schedule (if any), (v) the exercise price of the RSUs and the way to exercise RSUs (where applicable); (vi) the lapse of RSUs and (vii) such other terms and conditions as the Board shall determine and are not inconsistent with the RSU Scheme. The RSU Grant Letter shall serve as evidence of the grant of the RSUs and no further certificate shall be issued to the RSU Selected Person.

The RSU Selected Person shall not be required to pay any grant or purchase price or make any other payment to the Company to accept the RSUs granted to Grant Letter.

(F) Acceptance of an offer

A RSU Selected Person may accept an offer of the grant of RSUs in such manner as set out in the RSU Grant Letter. Once accepted, the RSUs are deemed granted from the date of the RSU Grant Letter (the "**RSU Grant Date**"). Upon acceptance, the RSU Selected Person becomes a RSU Participant in the RSU Scheme.

(G) Maximum number of RSUs

The maximum number of RSUs that may be granted under the RSU Scheme in aggregate (excluding RSUs that have lapsed or been canceled in accordance with the rules of the RSU Scheme) shall not be more than 10% of the Company's existing share capital as at the date of listing of the Company.

(H) Vesting of RSUs

The vesting of the RSUs may be subject to criteria, conditions and the time schedule when the RSUs will vest and such criteria, conditions and time schedule shall be stated in the RSU Grant Letter.

Within a reasonable time after the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived, the Board shall send a vesting notice (the "**Vesting Notice**") to each of the relevant RSU Participants. The Vesting Notice will confirm the extent to which the vesting criteria, conditions and time schedule have been reached, fulfilled, satisfied or waived. If the vesting conditions are not satisfied and no waiver of such condition is granted, the RSU shall be cancelled according to conditions as determined by the Board in its absolute discretion.

RSUs held by a RSU Participant that are vested as evidenced by the Vesting Notice may be exercised (in whole or in part) by the RSU Participant serving an exercise notice in writing to the Trustee and copied to the Company. Upon receipt of an exercise notice, the Board may decide at its absolute discretion to direct and procure the Trustee to, within a reasonable time, transfer the Shares underlying the RSUs exercised to the RSU Participant which the Company has allotted and issued to the Trustee as fully paid up Shares or which the Trustee has either acquired by purchasing existing Shares or by receiving existing Shares from any Shareholder of the Company, subject to the RSU Participant paying the exercise price (where applicable) and all tax, stamp duty, levies and charges applicable to such transfer to the Trustee or as the Trustee directs.

RSU Participants shall be responsible for conducting all necessary filings, registration or other administrative proceedings as required by applicable PRC laws, rules or regulations, including but not limited to foreign exchange registration, for their exercise of RSUs. During the Reporting Period, 2,636,322 RSUs were vested on 28 October 2025.

(I) Termination of the RSU Scheme

The Board may terminate the RSU Scheme at any time before the expiry of the RSU Scheme Period. The provisions of the RSU Scheme shall remain in full force and effect in respect of RSUs which are granted (including those unvested and vested but not yet been exercised) pursuant to the rules of the RSU Scheme prior to the termination of the operation of the RSU Scheme. The Company or the relevant subsidiary shall notify the Trustee and all RSU Participants of such termination and of how any property held by the Trustee on trust for the RSU Participants (including, but not limited to, any Shares held) and the outstanding RSUs shall be dealt with.

(J) Unvested RSUs Granted

The number of Shares underlying the RSUs available for grant under the RSU Scheme was 35,422,556 as of the Listing Date and 36,606,799 as of 31 December 2025, respectively.

Details of the RSUs granted pursuant to the RSU Scheme and the movements during the period from the Listing Date to 31 December 2025 (the "**Relevant Period**") are set out below:

Name/category of Grantee	Date of Grant	Type of RSU[1]	Closing price of the Shares immediately before the date on which the RSUs were granted	Number of Shares underlying the RSUs unvested as of the Listing Date	Granted during the Relevant Period	Vested during the Relevant Period[2]	Lapsed during the Relevant Period	Cancelled during the Relevant Period	Number of Shares underlying the RSUs unvested as of 31 December 2025
Directors									
Ms. Yu Liying	28 February 2020	Type A, Type B, Type C[2]	N/A	979,245	–	–	–	–	979,245
Mr. Wang Jiawei	28 February 2020	Type A, Type B, Type C[2]	N/A	483,372	–	–	–	–	483,372
Five highest paid individuals	Note[3]	Type A, Type B, Type C[2]	Note[5]	991,746	738,948	–	–	–	1,730,694
Employees	Note[4]	Type A, Type B, Type C[2]	Note[5]	16,463,817	2,661,324	(2,636,322)[6]	(2,179,258)	–	14,309,561

Notes:

(1) There are three types of RSUs under the RSU Scheme, the details of which as at the date of the report are set out below. The revised vesting periods were reviewed and approved by the Board in 2026. Nevertheless, the Board may, pursuant to the terms of the RSU Scheme, determine a shorter vesting period for each RSU (as the case may be):

	Consideration For Exercising RSUs (HKD)	Vesting Period
Type A	0.01	On the grant date
Type B and Type C (for the RSUs granted prior to December 31, 2020)	Type B: 0.01 Type C: 3.17	First tranche (as to 25%) on 28 February 2021 Second, third, fourth and fifth tranches (each as to 18.75%) on 28 February 2026, 2027, 2028 and 2029, respectively
Type B and Type C (for the RSUs granted after 31 December 2020)	Type B: 0.01 Type C: 3.17	First, second, third, fourth and fifth tranches (each as to 20%) on 28 February 2026, 2027, 2028, 2029 and 2030, respectively

(2) The vesting of the RSUs shall be subject to the assessment of the performance of the Grantees, and such assessment is based on the evaluation of (i) the Grantee's individual performance, and (ii) the business performance of the Group, with reference to various factors, including but not limited to the Group's overall performance targets and its actual results, as well as its financial position.

(3) The relevant RSUs were granted on 28 February 2020, 28 December 2020 and 26 September 2025, respectively.

(4) The relevant RSUs were granted on 28 February 2020, 28 December 2020, 31 May 2022 and 26 September 2025, respectively.

(5) Closing price of the Shares immediately before 26 September 2025, the date on which the RSUs were granted during the Reporting Period, was HKD6.62. Details of the fair values of the RSUs granted on 26 September 2025 and the accounting standard and policy adopted are set out in Note 24 to the financial statements.

(6) The weighted average closing price of the Shares immediately before the date on which such RSUs were vested is HKD6.16.

(7) As at the Listing Date and 31 December 2025, the number of RSUs that had vested but not yet been exercised was 10,599,487. For more details, please refer to Note 24 to the financial statements.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report, there was no equity-linked agreement entered into by the Company or any of its subsidiaries during the Reporting Period or subsisted as of 31 December 2025.

RELATED PARTY TRANSACTIONS

For the year ended 31 December 2025, there is no related party transaction or continuing related party transaction set out in Note 28 to the financial statements which constitutes discloseable connected transaction or continuing connected transaction under the Listing Rules. In respect of the connected transactions and the continuing connected transactions, the Company has complied with the disclosure requirements of the Listing Rules (as amended from time to time).

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Shares were listed on the Main Board of the Stock Exchange on 16 May 2025. Net proceeds from the global offering (after deducting underwriting fees and other related expenses payable by the Company in connection with the global offering) were approximately HKD732.1 million (the "**Net Proceeds**"). The Company intends to utilize such net proceeds in accordance with the purposes set out in the prospectus.

As of 31 December 2025, the Group utilized Net Proceeds of approximately HKD158.4 million for the intended purposes set out in the Prospectus, accounting for 21.6% of total Net Proceeds, and the remaining unutilized Net Proceeds were approximately HKD573.7 million. The following table sets forth a summary of the utilization of the Net Proceeds as of 31 December 2025:

Intended purpose of Net Proceeds	Approximate % of the total Net Proceeds	Existing allocation of Net Proceeds (HKD million)	Utilized amount of Net Proceeds as of 31 December 2025 (HKD million)	Unutilized amount of Net Proceeds as of 31 December 2025 (HKD million)	Expected timeline for utilization
Expansion of restaurant network	63.3%	463.4	120.4	343.0	By the end of 2027
Establishment of centralized food processing facility	26.3%	192.6	–	192.6	By the end of 2027
Upgrade IT system and related infrastructure	5.4%	39.5	1.4	38.1	By the end of 2027
Provide funding for working capital and other general corporate purposes	5.0%	36.6	36.6	–	N/A
Total	**100.0%**	**732.1**	**158.4**	**573.7**	

Note: Due to rounding, there may be a difference between the sum of the individual sub-values and the total amount.

The expected timeline for using the unutilised Net Proceeds is based on the best estimation of the business market situations made by the Board and might be subject to changes based on the market conditions. The Company will make an appropriate announcement if there is any change to the use of Net Proceeds.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

In December 2025, the Company repurchased its own shares on the Stock Exchange pursuant to the general mandate granted by the Shareholders to the Directors at the annual general meeting of the Company convened on 26 June 2025. The Board believes that the repurchase could enhance the value of the Shares and demonstrate the Board's confidence in the long-term business prospects, and will be in the interests of the Company and its Shareholders as a whole. Details are set out as follows:

Month/Year	Number of shares repurchased	Highest price per share HK$	Lowest price per share HK$	Aggregate consideration (excluding expenses) HK$
December 2025	1,590,400	6.75	5.98	9,955,071

In December 2025, the Company repurchased a total of 1,590,400 ordinary shares at an aggregate price of approximately HK$9,955,071. Those repurchased shares were held as Treasury Shares as at 31 December 2025. Such Treasury Shares may be resold on the market at market prices to raise funds for the Company, or transferred or used for other purposes, subject to compliance with the Articles of Association and the applicable laws of the Cayman Islands and the Listing Rules.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of Treasury Shares) from the Listing Date to 31 December 2025.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands that would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Neither contract of significance made between the Company or any of its subsidiaries and a controlling shareholder or any of its subsidiaries, nor contract of significance made for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries was entered into during the Reporting Period or subsisted as of 31 December 2025.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Reporting Period.

DONATIONS

During the Reporting Period, the Group made charitable and other donations in an aggregate amount of RMB4.6 million.

SIGNIFICANT LEGAL PROCEEDINGS

As of the date of this annual report, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatening against any member of the Group.

PERMITTED INDEMNITY PROVISION

In accordance with article 191 of the Articles of Association, the Directors and other officers shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices, except such (if any) as they shall incur or sustain through their own fraud or dishonesty.

The Company has maintained directors' liability insurance to protect the Directors against any potential losses arising from his/her actual or alleged misconduct.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 47 to 66 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the best knowledge of the Directors, at least 25.0% of the Company's total issued Shares, the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, was held by the public at all times since the Listing Date and as of the date of this report.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, there was no significant event that might affect the Group occurred after the Reporting Period.

AUDIT COMMITTEE

The Audit Committee has, together with the management of the Company, reviewed the accounting principles and policies adopted by the Group and the consolidated financial statements for the year ended 31 December 2025.

AUDITOR

The Company has appointed KPMG as the auditor of the Company for the year ended 31 December 2025. Since the Listing Date, there has been no change in the auditor of the Company. A resolution will be proposed for approval by Shareholders at the forthcoming AGM to re-appoint KPMG as the auditor of the Company.

By order of the Board

Mr. Wang Qinsong
Chairman

Hangzhou, PRC, 27 April 2026

CORPORATE GOVERNANCE REPORT

The Board is pleased to present the corporate governance report of the Company for the Reporting Period.

CORPORATE CULTURE

The Group closely adheres to its business objectives to drive its stable advancement. The Group takes food safety and service quality as its priority, as the Group always believes that fusion food, restaurant decoration, accessible pricing and close focus on food safety have been the recipe for the Group's success. The Group also values corporate social responsibility and believes that long-term success depends on its ability to make a positive impact on the environment and society. In addition, the Group embraces diversity and win-win cooperation as corporate values, emphasizing employee growth. The Group rewards hardworking employees with competitive compensation and motivates them through training and promotion programs, enabling them to envision career prospects and development potential alongside the Group.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining and promoting high standards of corporate governance, which is essential to the Company's development and protection of Shareholders' interests. The Company has adopted the principles and code provisions as set out in the CG Code as the basis for its corporate governance practices since the Listing Date.

The Board is of the view that from the Listing Date to 31 December 2025, the Company has complied with all the applicable code provisions as set out in the CG Code, except for Code Provision C.2.1 described below. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintain a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors. Specific enquiries have been made to all Directors and all Directors have confirmed that they have complied with the Model Code since the Listing Date and up to the date of this annual report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Wang Qinsong ("**Mr. Wang**") is currently the chairman of the Board and the chief executive officer of the Company. Notwithstanding the deviation from code provision C.2.1 of Part 2 of the CG Code, given Mr. Wang's substantial contribution to the Group since its establishment and his extensive knowledge and experience in the industry, the Board considers that vesting the roles of both chairman of the Board and chief executive officer of the Company in Mr. Wang provides the Group with strong and consistent leadership, enabling more effective and efficient overall strategic planning for the Group. While this would constitute a deviation from code provision C.2.1 of Part 2 of the CG Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by the Board requires approval by at least a majority of the Directors, and the Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Mr. Wang and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, inter alia, that he/she acts for the benefit and in the best interests of the Company and makes decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial, and operational policies of the Group are made collectively after thorough discussion at both Board and senior management levels and the balance of power and authority for the present arrangement will not be impaired. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

THE BOARD

Board Composition

As of the date of this annual report, the Board comprises three executive Directors, three non-executive Directors and three independent non-executive Directors. From the Listing Date to the date of this annual report, the Directors were:

Executive Directors

Mr. Wang Qinsong *(Chairman)*
Ms. Yu Liying
Mr. Wang Jiawei

Non-executive Directors

Ms. Lu Changmei
Mr. Liu Sheng
Ms. Xu Ruijie

Independent Non-executive Directors

Mr. Shao Xiaodong
Mr. Bruno Robert Mercier
Mr. Fan Yongkui

The biographies of the Directors are set out under the section headed "Directors and Senior Management" of this annual report.

Save as disclosed in the Directors' biographies set out in the section headed "Directors and Senior Management" in this annual report, none of the Directors have any personal relationship (including financial, business, family or other material or relevant relationship) with any other Director and chief executive.

Independent Non-executive Directors

From the Listing Date to 31 December 2025, the Board has at all times met the requirements under Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

From the Listing Date to 31 December 2025, the Company has also complied with Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

As each of the independent non-executive Directors has confirmed his/her independence pursuant to Rule 3.13 of the Listing Rules, the Company considers all of them to be independent.

Appointment and Re-election of Directors

Each of the Directors (including non-executive Directors) has entered into a service contract or an appointment letter with the Company, under which they agreed to act as Directors for a term of three years commenced from 30 April 2025 subject to retirement by rotation and re-election in accordance with the Articles of Association and the Listing Rules, until terminated in accordance with the terms and conditions of the service contract or the appointment letter.

Details of the Directors' service contracts and letters of appointment are set out in the section headed "Directors' Report — Service Contracts and Letters of Appointment" in this annual report.

In accordance with article 108(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. Details of the Directors to be re-elected at the AGM will be set out in the circular to be published by the Company in due course.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition and making recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors take decisions objectively in the interests of the Company and the Shareholders as a whole.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

All Directors have full and timely access to all the information of the Company as well as the services and advice from the senior management. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management of the Company are delegated to the management.

The Company has arranged appropriate insurance cover to protect Directors from possible legal action against them.

Remuneration of Directors and Senior Management

Details of the remuneration of the members of the Board for the year ended 31 December 2025 are set out in Note 7 to the financial statements in this annual report.

The remuneration of the senior management by band during the year ended 31 December 2025 are set out below:

Remuneration Band	Number of Individuals
Nil to HK$500,000	1
HK$500,001 to HK$1,000,000	–
HK$1,000,001 to HK$2,500,000	1

Continuous Professional Development of Directors

Directors keep abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

Every newly appointed Director will receive formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Each of the Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in June 2024, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Directors are encouraged to participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. All Directors are encouraged to attend relevant training courses at the Company's expenses.

A summary of trainings received by the Directors during the Reporting Period is as follows:

Name of Directors	Nature of Continuous Professional Development Programme
Executive Directors	
Mr. Wang Qinsong (*Chairman*)	(1)&(2)
Ms. Yu Liying	(1)&(2)
Mr. Wang Jiawei	(1)&(2)
Non-executive Directors	
Ms. Lu Changmei	(1)&(2)
Mr. Liu Sheng	(1)&(2)
Ms. Xu Ruijie	(1)&(2)
Independent Non-executive Directors	
Mr. Shao Xiaodong	(1)&(2)
Mr. Bruno Robert Mercier	(1)&(2)
Mr. Fan Yongkui	(1)&(2)

Notes:

(1) Attending the training and/or seminars for Director covering a wide range of topics, including but not limited to the anti-corruption, management of inside information, discloseable transactions and connected transactions, duty of disclosure of interests, the ESG reporting standards, the laws applicable to the Company and the Company's continuing compliance obligations;

(2) Reading relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors and duty of disclosure of interests, and amendments to and review of provisions.

Diversity Policy

The Company has adopted the board member and employee diversity policy (the "**Diversity Policy**") for the purpose of enhancing the governance standards of the Company, fostering a diverse and inclusive workplace culture and achieving sustainable and balanced development. The Company aims to establish and maintain a diverse composition of the Board and its employees, and strive to achieve an optimal mix in terms of directors' and employees' skills, professional experience, educational background, knowledge, culture, age, gender, and other aspects.

Board Diversity

The Nomination Committee is responsible for ensuring the diversity of the Board members and compliance with relevant codes governing board diversity under the CG Code. The Nomination Committee will review the Diversity Policy and the Company's diversity profile (including gender balance) from time to time to ensure its continued effectiveness. Pursuant to the Diversity Policy, the Nomination Committee is responsible for identifying individuals suitably qualified to become Board members and shall give full consideration to the Diversity Policy during the selection process. The selection of Director candidates will be based on diversity criteria, taking into account the candidates' individual strengths and the potential contributions they can make to the Board.

As of the date of this annual report, the Company has nine Directors, consisting of three executive Directors (including Mr. Wang, Ms. Yu Liying and Mr. Wang Jiawei), three non-executive Directors (including Ms. Lu, Mr. Liu Sheng and Ms. Xu Ruijie) and three independent non-executive Directors (including Mr. Shao Xiaodong, Mr. Bruno Robert Mercier and Mr. Fan Yongkui). The Directors have a balanced mix of knowledge, skills and experience, including the areas of food and beverage, accounting, consumer goods and hospitality industries. They obtained academic degrees in various majors, including finance, accounting, landscape architecture and business administration. The Company has three independent non-executive Directors with different industry backgrounds, representing one-third of the members of our Board. Furthermore, the Board has a wide range of age, ranging from 36 years old to 66 years old. The Company has also taken, and will continue to take steps to promote gender diversity at all levels of our Company, including but not limited to the Board and the management levels. In particular, one of the executive Directors and two of the non-executive directors are also female, thus the Company has achieved gender diversity in respect of the Board. Going forward, the Company will take into consideration factors based on its own business model and specific needs from time to time in determining the optimum composition of our Board. All Board appointments will be based on meritocracy having due regard for the benefits of diversity on the Board. In view of the current situation of the Directors, the Nomination Committee is of the view that the composition of the Board is diversified.

Employee Diversity

Pursuant to the Diversity Policy, the Company is committed to providing equal employment opportunities to all employees (including senior management), prohibiting bias and discrimination on any ground (including but not limited to age, gender, sexual orientation, marital status, disability, and race).

The Company's diversity philosophy (including the gender diversity) was generally followed in the workforce throughout the Group during the Reporting Period. As of the date of this annual report, (i) 50.00% of the Company's senior management, (ii) 41.98% of the Group's total workforce (including senior management), and (iii) 41.98% of the Group's total workforce (excluding senior management) are female.

The Company targets to maintain a high level of female representation in the Group's workforce. There are no mitigating factors or circumstances which make achieving gender diversity across the workforce (including senior management) more challenging or less relevant.

BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Environmental, Social and Governance Committee for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the websites of the Stock Exchange and the Company and are available to Shareholders upon request.

Rule 3.21 of the Listing Rules requires the Audit Committee to comprise non-executive directors only, with a minimum of three members with independent non-executive directors in majority and at least one member with appropriate professional qualifications or accounting or related financial management expertise. The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under "Corporate Information" in this annual report.

Audit Committee

As of the date of this annual report, the Audit Committee consists of three independent non-executive Directors, being Mr. Fan Yongkui (chairman of the Audit Committee who holds appropriate accounting qualifications), Mr. Shao Xiaodong and Mr. Bruno Robert Mercier.

The main duties and functions of the Audit Committee are to review and supervise the financial reporting process, internal control and risk management system of the Group; to oversee the audit process; to advise on the appointment or replacement of external auditors; to review the effectiveness of the issuer's internal audit function; to provide advice and comments to the Board; and to perform other duties and responsibilities as may be assigned by the Board or required under the CG Code.

During the Reporting Period, the Audit Committee held 2 meetings, and reviewed, among other things, (i) the unaudited interim results and financial report for the six months ended 30 June 2025, and (ii) the review report of the Group's internal control status from the internal control consultant for the year 2025.

Attendance of each Audit Committee member is set out in the table below:

Name of Directors	Attended/ Eligible to attend
Mr. Fan Yongkui *(Chairman)*	2/2
Mr. Shao Xiaodong	2/2
Mr. Bruno Robert Mercier	2/2

According to code provision D.3.3(e)(i) of the CG Code and the terms of reference of the Audit Committee of the Company, the Audit Committee must meet, at least twice a year, with the Company's auditors. The members of Audit Committee met twice with the external auditor during the Reporting Period.

Remuneration Committee

As of the date of this annual report, the Remuneration Committee consists of two independent non-executive Directors and one executive Director, being Mr. Shao Xiaodong (chairman of the Remuneration Committee), Mr. Wang Qinsong and Mr. Fan Yongkui.

The main duties and functions of the Remuneration Committee are to recommend or determine the remuneration policy and structure for all Directors and senior management; to recommend or determine the remuneration packages of individual executive Directors and senior management; to recommend the remuneration package of non-executive Directors; to review and approve matters relating to share schemes under Chapter 17 of the Listing Rules; to assess performance of executive directors and to approve the terms of executive directors' service contracts; and to perform other duties and responsibilities as may be assigned by the Board or required under the CG Code.

During the Reporting Period, the Remuneration Committee held 2 meetings, and reviewed, among other things, the revised remuneration packages of Ms. Lu and the appointment of chief financial officer.

Attendance of each Remuneration Committee member is set out in the table below:

Name of Directors	Attended/ Eligible to attend
Mr. Shao Xiaodong *(Chairman)*	2/2
Mr. Wang Qinsong	2/2
Mr. Fan Yongkui	2/2

Nomination Committee

As of the date of this annual report, the Nomination Committee consists of two independent non-executive Directors and one executive Director, being Mr. Shao Xiaodong (chairman of the Nomination Committee), Mr. Bruno Robert Mercier and Ms. Yu Liying.

The main duties and functions of the Nomination Committee are to review the Board composition; to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and to perform other duties and responsibilities as may be assigned by the Board or required under the CG Code.

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Diversity Policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

The Nomination Committee will recommend to the Board for the appointment of a Director including an independent non-executive Director in accordance with the following selection criteria and nomination procedures:

(a) identify individuals who are suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships, having due regard to the Diversity Policy, the requirements in the Company's Articles of Association, the Listing Rules and applicable laws and regulations, and the relevant candidates' contributions to the Board in terms of qualifications, skills, experience, independence and gender diversity;

(b) assess the independence of independent non-executive Directors to determine their eligibility with reference to the factors set out in Rule 3.13 of the Listing Rules and any other factors deemed appropriate by the Nomination Committee or the Board; and

(c) develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship, including but not limited to evaluating the balance of skills, knowledge and experience on the Board.

During the Reporting Period, the Nomination Committee held 2 meetings, and reviewed, among other things, (i) the establishment of the Diversity Policy, and (ii) the structure, size and composition of the Board.

Attendance of each Nomination Committee member is set out in the table below:

Name of Directors	Attended/ Eligible to attend
Mr. Shao Xiaodong *(Chairman)*	2/2
Ms. Yu Liying	2/2
Mr. Bruno Robert Mercier	2/2
Mr. Wang Qinsong	0/0

Note:

(1) In response to the amendments to the Listing Rules and the CG Code, (i) Mr. Wang has resigned as the chairman of the Nomination Committee; (ii) Mr. Shao Xiaodong has been appointed as the chairman of the Nomination Committee; and (iii) Ms. Yu Liying has been appointed as a member of the Nomination Committee, all with effect from 25 August 2025. The Nomination Committee did not hold any meeting from the Listing Date to 25 August 2025.

Environmental, Social and Governance Committee

As of the date of this annual report, the Environmental, Social and Governance Committee consists of two executive Directors, being Mr. Wang (chairman of the Environmental, Social and Governance Committee) and Ms. Yu Liying.

The main duties and functions of the Environmental, Social and Governance Committee are to review and monitor the ESG strategy and policy of the Company; to keep abreast of the latest ESG-related laws and regulations; to identify the Group's key stakeholders with respect to ESG matters; to assess ESG-related risks; to implement ESG-related matters and prepare ESG report; and to perform other duties and responsibilities as may be assigned by the Board or required under the CG Code.

The Company established the Environmental, Social and Governance Committee on 17 December 2025. During the Reporting Period, the Environmental, Social and Governance Committee did not hold any meeting.

Corporate Governance Functions

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

The Board developed, reviewed and monitored the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and compliance manual applicable to employees and Directors, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

BOARD MEETINGS

The Company adopts the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

For other Board and Board committee meetings, reasonable notice is generally given. The agenda and accompanying board papers are dispatched to the Directors or Board committee members at least three days before the meetings to ensure that they have sufficient time to review the relevant papers and are adequately prepared for the meetings. When Directors or Board committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting. Minutes of meetings are kept by the joint company secretaries of the Company with copies circulated to all Directors or Board committee members for information and records.

Minutes of the Board meetings and Board committee meetings are recorded in sufficient details about the matters considered by the Board and the Board committees and the decisions reached, including any concerns raised by the Directors/Board committee members. Draft and final versions of the minutes of each Board meeting and Board committee meeting are sent to the Directors/Board committee members for comments and records respectively within a reasonable time after the date on which the meeting is held. Minutes of the Board meetings are open for inspection by Directors.

Attendance Records of Board and General Meetings

According to code provision C.5.1 of the CG Code, board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communication. According to code provision C.2.7 of the CG Code, the chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors.

The Company was listed on 16 May 2025. From the Listing Date to 31 December 2025, the Board held 7 meetings, including 4 physical meetings and 3 written resolution meetings, at which the Board reviewed, considered and approved, among other things, (i) the 2025 interim results and interim report; (ii) the utilisation of general mandate to repurchase shares; (iii) the risk management and the operation report of its internal controls for the year 2025; (iv) the adoption of the Diversity Policy; (v) the review results of the Board's structure, size, composition and related assessments; (vi) the Company's annual budget and strategic plan for the year 2026; (vii) the Group's the internal control status; (viii) the establishment of the Environmental, Social and Governance Committee.

One Board meeting was held on 23 March 2026, which was attended by all members of the Board, to consider and approve the audited consolidated financial statements of the Group for the year ended 31 December 2025.

The attendance record of each Director at the Board and general meetings of the Company held during the Reporting Period is set out in the table below:

	Attended/Eligible to attend	
Name of Directors	Board meeting	General meeting
Executive Directors		
Mr. Wang Qinsong (*Chairman*)	7/7	2/2
Ms. Yu Liying	7/7	2/2
Mr. Wang Jiawei	7/7	2/2
Non-executive Directors		
Ms. Lu Changmei	7/7	2/2
Mr. Liu Sheng	7/7	2/2
Ms. Xu Ruijie	7/7	2/2
Independent Non-executive Directors		
Mr. Shao Xiaodong	7/7	2/2
Mr. Bruno Robert Mercier	7/7	2/2
Mr. Fan Yongkui	7/7	2/2

Apart from regular Board meetings, the Chairman also held a meeting with independent non-executive Directors without the presence of other Directors during the Reporting Period.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2025.

The management has provided to the Board such explanations and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company provides all members of the Board with updates on the Group's performance, positions and prospects from time to time.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 106 to 111 of this annual report.

AUDITOR'S REMUNERATION

An analysis of the remuneration paid/payable to the external auditor of the Company, KPMG, for the year ended 31 December 2025, is set out below:

Type of Services	Amount (RMB)
Audit services	3,300,000
Non-audit services (including internal control review and ESG consultation)	525,000
Total	**3,825,000**

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the risk management and internal control measures and reviewing their effectiveness, and is also responsible for reviewing the effectiveness of the Group's internal control and risk management systems on, at least, an annual basis so as to ensure that internal control and risk management systems in place are adequate. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, to promote effective and efficient operations, to ensure reliable financial reporting and compliance with applicable laws and regulations, as well as to safeguard the Group's assets and Shareholders' interests, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The risk management and internal control system of the Group comprises a well-established organisational structure and comprehensive policies and standards.

The Group's risk management and internal control measures focus primarily on (i) financial risk management; (ii) strategy risk management; (iii) operational risk management; and (iv) compliance control risk management.

The Group also has an internal audit function, which primarily carries out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control measures, and reports their findings to the Board on, at least, an annual basis. The Company implements and strictly enforces procedures on inside information according to the relevant procedures stated under the "Guidelines on Disclosure of Inside Information" promulgated by the SFC in June 2012.

The Company has established a dynamic risk management process, continuously improves the risk management capability to ensure the sustainable development of the Group:

- business and functional departments of each operation line identify, assess and respond to risks in the course of operation in a systematic manner, escalating concerns and communicating results to the internal audit department;
- the internal audit department collects, analyses, and consolidates a list of significant risks at the company level, and provides input on risk response strategies and control measures for such risks. The corresponding risk responses and control measures against these significant risks will be reviewed by the Audit Committee before reporting to the Board;
- the internal audit department reviews and evaluates the responses to significant risks from time to time, and reports to the Audit Committee at least once a year; and
- the Audit Committee, on behalf of the Board, reviews the construction, implementation and supervision of the Group's risk management and internal control, and review the effectiveness of the Group's risk management and internal control system. The Audit Committee provides guidance to the Company's management to implement effective risk management system with supports from the internal audit department.

The Board has reviewed the effectiveness of the risk management and internal control measures of the Group for the year ended 31 December 2025 to ensure that a sound system is maintained and operated by the management in compliance with the agreed procedures and standards, and to resolve material internal control defects. The review covered all material controls, including financial, operational and compliance controls and risk management functions. In particular, the Board considered the resources, staff qualifications and experience, training programmes, intellectual property protection system and budget of the Company's accounting, internal audit and financial reporting functions and the Company's ESG performance and reporting to be adequate. The review was conducted through discussions with the management of the Company, and the assessment performed by the Audit Committee.

The Board considers that the current risk management and internal control measures effectively and adequately cover the existing businesses of the Group, and will continue to be optimised in line with the business development of the Group.

JOINT COMPANY SECRETARIES

Ms. Lu Juan, the joint company secretary of the Company, is responsible for advising the Board on corporate governance matters and ensuring that the Board's policies and procedures, as well as the applicable laws, rules and regulations are followed.

The Company also engaged Ms. Lai Siu Kuen, a director of the company secretarial services of Tricor Services Limited, as the other joint company secretary to assist Ms. Lu Juan to discharge her duties as company secretary of the Company during the Reporting Period. The primary corporate contact person at the Company is Ms. Lu Juan.

A summary of trainings received by the joint company secretaries during the Reporting Period is as follows:

Name of Joint Company Secretaries	Nature of Continuous Professional Development Programme
Ms. Lu Juan	(1)&(2)
Ms. Lai Siu Kuen	(1)&(2)

Notes:

(1) Attending the training for joint company secretary covering a wide range of topics, including but not limited to the management of inside information, discloseable transactions and connected transactions, duty of disclosure of interests, the ESG reporting standards, the laws applicable to the Company and the Company's continuing compliance obligations;

(2) Reading relevant guideline materials regarding the duties and responsibilities of being a joint company secretary, the relevant laws and regulations applicable to the joint company secretary and duty of disclosure of interests.

During the year ended 31 December 2025, Ms. Lu Juan and Ms. Lai Siu Kuen were fully in compliance with the Rule 3.29 of the Listing Rules as Ms. Lu Juan and Ms. Lai Siu Kuen received no less than 15 hours of professional training.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy").

Purpose of the Dividend Policy

The Dividend Policy aims to set out the principles and guidelines that the Group intends to apply in relation to the declaration, payment or distribution of its profits, whether realized or unrealized, or from any reserve set aside from profits which the Directors determine is no longer required, as dividends to the Shareholders.

Summary of the Dividend Policy

The Company is a holding company incorporated under the laws of the Cayman Islands and operate businesses of the Company through its operating subsidiaries in the PRC. As a result, the payment and amount of any future dividend will also depend on the availability of dividends received from our subsidiaries. The PRC laws require a foreign-invested enterprise to set aside at least 10% of its after-tax profits each year to its general reserves or statutory capital reserve fund until the aggregate amount of such reserves reaches 50% of its respective registered capital. Distributions from the Company and its subsidiaries may also become subject to any restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that the Company or its subsidiaries may enter into in the future.

The proportion of dividends declared by the Company to its Shareholders is determined to be 50% or more of the profit attributable to equity shareholders of the Company for a financial year. The Board adopts the policy that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves to meet its working capital requirements and support its future growth while enhancing Shareholder value. The Board shall also consider, among others, the following factors of the Group when considering the declaration and payment of dividends: (a) actual and expected operating results; (b) cash requirements and availability; (c) financial condition; (d) overall business condition and strategies; (e) expected operating capital requirements; (f) future expansion plan and prospects; (g) any legal, regulatory and other contractual restrictions on payment of dividends; and (h) any other factors that the Board may consider relevant.

Depending on the financial condition of the Company and the Group and the above factors, dividends may be proposed and/or declared by the Company in general meeting or by the Board in accordance with the Applicable Laws and Regulations for a given financial year or period (as the case may be), including: (a) interim dividend; (b) final dividend; (c) special dividend; and (d) any other distribution of profits that the Board may deem appropriate. Dividends for any financial year shall be subject to the approval of the Shareholders. The Company may declare and pay dividends in such form as the Board considers appropriate.

Confirmation

All dividend decisions made by the Board were made in accordance with the Dividend Policy.

BOARD INDEPENDENCE EVALUATION MECHANISM

Under the CG Code, the Board is required to establish mechanism(s) to ensure independent views and input are available to the Board and the Board should review the implementation and effectiveness of such mechanism(s) on an annual basis.

The Board has established the following mechanisms (the "**Mechanism**") to ensure independent views and input to be available to the Board:

(1) The Board ensures the appointment of at least three independent non-executive Directors and at least one third of its members being independent non-executive Directors. Further, independent non-executive Directors will be appointed to Board committees as required under the Listing Rules and as far as practicable to ensure independent views are available.

(2) The Board and the Nomination Committee will annually assess the independence of independent non-executive Directors in accordance with the relevant provisions of Rule 3.13 of the Listing Rules.

(3) The Nomination Committee is established with clear terms of reference to identify suitable candidates, including independent non-executive Directors, for appointment as Directors. The Company has also adopted a Diversity Policy setting out the criteria of identifying, selecting and recommending new directorship.

(4) A mechanism is in place for Directors to seek independent professional advice in performing their duties at the Company's expense.

The Board has reviewed the implementation of the Mechanism for the year ended 31 December 2025 and considered that the Mechanism is effective in ensuring that independent views and input are providing to the Board.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and the poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each general meeting.

Convening of extraordinary general meeting and putting forward proposals

In accordance with article 64 of the Articles of Association, any one or more members holding, as at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings shall have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may convene a physical meeting, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders may put forward proposals for consideration at a general meeting of the Company according to article 64 of the Articles of Association requisitioning an extraordinary general meeting and including a resolution at such meeting. The requirements and procedures of article 64 are set out above.

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

Enquiries to the Board

Shareholders and investors who intend to put forward their enquiries about the Company to the Board could send their enquiries to the headquarters of the Company at No. 1 Lingyin Road, Xihu District, Hangzhou Zhejiang Province, PRC (email address: ir@china-greentea.com.cn).

Changes to the contact details above will be communicated through the Company's website (www.china-greentea.com.cn), which also contains information and updates on the Group's business developments and operations, as well as press releases and financial information.

COMMUNICATION WITH SHAREHOLDERS

To ensure the Shareholders and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company, the Company has adopted a shareholder's communication policy (the "**Communication Policy**"). According to the Communication Policy, information shall be communicated to Shareholders and the investment community mainly through annual reports, interim reports and quarterly reports (if any), annual general meetings and other general meetings that may be convened, as well as by making available the disclosures submitted to the Stock Exchange for publication and corporate communications and other corporate publications on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.china-greentea.com.cn. A summary of the Communication Policy is set out below and the full text of which has been published on the Company's website (www.china-greentea.com.cn) for public information. The Board conducted regular review of the implementation and effectiveness of the Communications Policy, and the Board is satisfied that an effective Communications Policy was properly implemented throughout the Reporting Period.

Shareholders' Enquiries

The contact details of the Company are set out in the Company's website to enable the Shareholders to make any query that they may have with respect to the Company.

Shareholders can direct their enquiries about their shareholdings to the Company's Hong Kong share registrar.

Shareholders may at any time make a request for the Company's information to the extent such information is publicly available.

Corporate Communication

Corporate communications have the meaning ascribed thereto in the Listing Rules, which include but are not limited to (i) the directors' report, the annual accounts together with a copy of the auditor's report, (ii) the interim report, (iii) notice of general meeting, (iv) a listing document, (v) a circular, and (vi) a form of proxy.

Corporate communications should be made available to the Shareholders in a timely manner. They should be in plain language and in both English and Chinese versions.

Shareholders are encouraged to provide, amongst other things, their contact details, in particular, their email addresses to the Hong Kong share registrar of the Company in order to facilitate timely and effective communications.

Corporate Website

A dedicated "Investor Relations" section is available on the Company's website (www.china-greentea.com.cn) which provides the Shareholders with the corporate information, such as corporate communications and financial highlights of the Group. Also, it provides information on corporate governance of the Group, as well as the compositions and functions of the Board and the Board committees.

The Company publishes its results announcement on the Stock Exchange's and the Company's websites after the results have been approved by the Board. The results announcement contains the performance and results of the Group, details on the recommended dividend payment (if any) and closure of the register of members and any other information required to be disclosed under the Listing Rules from time to time.

Information released by the Company for publication on the website of the Stock Exchange is also posted on the Company's website promptly. Such information includes but is not limited to annual reports, interim reports and quarterly reports (if any), announcements, circulars, notices of general meetings and any other information required to be published under the Listing Rules from time to time.

Press releases and newsletters issued by the Company from time to time are also available on the Company's website.

Information on the Company's website is updated on a regular basis.

Shareholders' Meetings

General meetings provide an opportunity for constructive communication between the Company and the Shareholders.

Appropriate arrangements for the general meetings shall be put in place to encourage Shareholders' participation.

Notices of annual general meeting, related circulars and forms of proxy will be distributed to the Shareholders at least 20 clear business days (or any other period required under the Listing Rules from time to time) prior to the respective annual general meeting. The circulars will set out details of the proposed resolutions and other relevant information. The forms of proxy shall also be provided to the Shareholders for appointing proxies to attend and vote at the annual general meeting on their behalf.

Board members, in particular, the chairman of the Board committees or their delegates, appropriate senior executives and external auditor shall attend the annual general meeting to answer questions from Shareholders.

Proceedings of the Company's general meetings will be reviewed from time to time to ensure that they are in compliance with the requirements under the articles of association of the Company, the Listing Rules and the applicable laws of the Cayman Islands, and follow good corporate governance practices. Separate resolution on each substantially separate issue will be proposed for voting at the general meeting. The chairman of the general meeting will propose to vote the resolutions (except resolutions which relate purely to procedural or administrative matters) by poll in accordance with the Articles of Association. Scrutineer will be appointed for the vote-taking at the general meeting. The voting results will be published on the websites of the Company and of the Stock Exchange subsequent to the close of the general meeting.

Investment Market Communications

To facilitate communication between the Company, Shareholders and the investment community, results briefings, conferences, meetings and non-deal roadshows are conducted with Shareholders, potential investors and analysts from time to time.

Directors and employees of the Company who have contacts or dialogues with investors, analysts, media or other interested third parties are required to comply with the disclosure obligations and requirements under the Listing Rules and applicable laws and regulations.

CHANGE IN CONSTITUTIONAL DOCUMENTS

The Company adopted the Articles of Association on 30 April 2025, which took effect from the Listing Date. Except for the aforementioned, there were no significant changes to the Articles of Association during the Reporting Period. The latest Articles of Association have been published on the websites of the Stock Exchange and the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

This report is first Environment, Social and Governance (ESG) report of Green Tea Group Limited (the "**Group**" or "**we**"). The Report covers the Group's management of and performance in environmental, social and governance issues in 2025.

Reporting Period and Scope

This report's reporting period is from January 1st to December 31st, 2025 ("**2025**" or "**reporting period**"). Unless otherwise specified, the scope of this report is consistent with that of the Group's annual report.

Reporting Standards

The report adheres to the Environmental, Social, and Governance Reporting Code (the "**HKEX ESG Reporting Code**") published by The Stock Exchange of Hong Kong Limited (HKEX), and references the United Nation's 2030 Sustainable Development Goals (SDGs).

Reporting Principles

Materiality: We identify our key ESG topics through a materiality assessment process and disclose the relevant in this ESG Report.

Quantitative: The standards, methodologies, assumptions, calculations and data conversion factors applied to the environmental and social performance indicators in this Report are noted in the respective sections.

Balance: This Report presents the Group's annual performance in an objective and unbiased manner, avoiding any inappropriate descriptions or omissions that may influence readers' judgement or decision-making.

Consistency: As this is the Group's first ESG Report, any future changes to calculation methods, key performance indicators, or other factors that may affect meaningful year-to-year comparison will be disclosed in subsequent reports.

Publication Format

This Report is published in both Chinese and English and is available online. Stakeholders may access the Report on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

Contact Us

We highly value the views of our stakeholders and the general public. For any enquiries or suggestions regarding this Report, please contact the Group through the channels below:

Address: No. 1 Lingyin Road, Xihu District, Hangzhou Zhejiang Province, PRC

Telephone: +86-0571-87206380

Email: ir@china-greentea.com.cn

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE GROUP

Green Tea Group Limited was registered in the Cayman Islands on June 4, 2015, and serves as the holding company of our group. Our operating history dates back to 2008 when our co-founders, Mr. Wang and Ms. Lu (Mr. Wang's spouse), opened the first Green Tea restaurant under the "Green Tea" brand by the beautiful West Lake in Hangzhou, Zhejiang Province. Over the past seventeen years, we have experienced significant growth. As of December 2025, Green Tea Restaurant had over 600 operating stores across four countries. Its presence spans 21 provinces, 4 municipalities, 2 autonomous regions, and Hong Kong Special Administrative Region, China.

Green Tea Restaurant's international expansion accelerated significantly in 2025. Currently, 9 stores have been opened in the Hong Kong Special Administrative Region. The first stores in Singapore, Bangkok (Thailand), and Kuala Lumpur (Malaysia) have officially opened for business. The first store in the Macao Special Administrative Region is also set to open soon. By the end of 2025, the total number of its stores in Chinese Hong Kong and overseas had reached 14. Simultaneously, plans are underway to enter more markets such as Oceania, Europe, and the United States.

We have officially listed on the Hong Kong Exchange in May 2025, marking a new chapter in the Group's growth.

STATEMENT FROM THE BOARD

The Board of Directors assumes full responsibility for the Group's environmental, social and governance (ESG) strategy and reporting. An ESG Committee has been established under the Board as the primary governing body responsible for assessing and determining the Group's ESG-related risks, and for ensuring that the Group maintains appropriate and effective ESG risk management and internal control systems.

The Group has established a sound ESG governance framework led by the Board, which is actively involved in reviewing and making decisions on major ESG matters. This includes identifying and assessing ESG risks, guiding management in formulating ESG strategies and annual work plans within daily operations, conducting regular reviews and adjustments where necessary, and approving the ESG Report each year.

Considering external developments and the Group's strategic priorities, and with reference to disclosure requirements, market expectations and stakeholder engagement, the Group has identified key ESG topics such as resource use, employment management, food safety, and information security and privacy protection. These topics are integrated into our day-to-day management focus, with continuous efforts to improve related performance. Going forward, the Group will continue to enhance its sustainability performance in alignment with stakeholder expectations and actual operational needs.

As the highest decision-making and accountable body for ESG matters, the Board ensures that this Report contains no false or misleading statements or material omissions, and assumes full responsibility for the authenticity, accuracy and completeness of its contents.

COMMUNICATION WITH STAKEHOLDERS

The Group places high importance on stakeholder communication and actively considers their perspectives in its daily operations. We establish diverse channels to engage with various stakeholders, ensuring we fully understand their views and feedback. By identifying their expectations and requirements on ESG issues, we proactively refine our internal policies, measures, and management systems to effectively meet their needs.

Stakeholder	Issues of concern	Channels of communication	Responses
Shareholders and investors	• Long term development strategy and enhancement of brand value • Compliant and integrity-driven operations • Protection of investor rights and stable investment returns	• HKEX disclosures • Shareholders' meetings/ investor meetings, and roadshow activities • Official website • Dedicated investor email inbox	• Transparent, public, and timely disclosure of information • Continuously enhance enterprise value • Effective communication channels
Employees	• Employees' legal rights and interests • Occupational health and safety • Compensation and benefits • Equal employment opportunities	• Labour contracts and employee regulations • Internal employee training platform • Employee team-building activities	• Fair recruitment requirements • Abundant employee training opportunities • Diversified career development and promotion channels
Consumers	• Food safety and hygiene • Food quality and menu diversity • Service experience and privacy protection • Other value-added services	• Direct communication with the restaurants • Official hotline and online customer service • Service complaints and feedback • Website feedback	• Food safety management measures • Unified ingredient procurement and quality control • Regular menu updates • Standardised restaurant decoration and cooking processes • Protection of consumer rights
Suppliers and partners	• Integrity in contract performance • Fair tendering and procurement process • Sustainable partnership	• Supplier evaluation system • On-site inspection mechanism for new suppliers • Cooperation agreements	• Fair and impartial procurement policies • Rigorously controlled supply chain management • Ongoing positive relationships with business partners

Stakeholder	Issues of concern	Channels of communication	Responses
Government departments	• Compliant operations • Robust internal control and risk management • Timely, accurate, and complete information disclosure • Positive corporate image	• Policy communication • Compliance reports • Participation in symposiums	• Tax payment in accordance with laws and regulations • Strengthened internal supervision • Prompt response to relevant inquiries
Others	• Engage in public social welfare activities • Promote environmental protection concepts	• Information disclosure • Actively participate in public welfare and environmental protection activities	• Conduct public social welfare activities • Enhance restaurant safety management • Promote green operations and strictly control waste emissions

MATERIALITY ASSESSMENT

To identify ESG topics relevant to its operations, the Group engages with diverse stakeholders through various communication channels. This process is guided by the requirements of the Hong Kong Exchanges and Clearing Limited's ("**HKEX**") *ESG Reporting Code*, the Sustainability Accounting Standards Board's ("**SASB**") *Materiality Issues Library*, and ESG topics disclosed by industry peers. The Group also employs the Global Reporting Initiative's ("**GRI**") materiality analysis framework, conducts a materiality analysis of ESG topics.

Materiality Assessment Process

Issue identification	Identity key ESG issues most relevant and critical to the Group and its stakeholders, guided by the HKEX *ESG Reporting Guide* while considering the Group's policies, management strategies, industry-specific characteristics, as well as associated risks and opportunities
Issue research	Conduct interviews, market research and peer references to assess the materiality of identified issues from the perspectives of internal and external stakeholders
Prioritisation	Perform a detailed analysis of the research findings to refine the list of material topics and develop a materiality assessment matrix
Issue assessment	The ESG task force reviews and finalises the assessment results, which are presented to the board of directors (the "**Board**") for formal approval

List of the Group's Key ESG Issues

Highly Material		
Employment management	Health and safety	Food quality and safety
Food loss and waste management	Supply chain management	Excellent customer service
Material		
Packaging materials management	Nutrition and health	Employee training and development
Information security and data privacy	Business ethics and anti-corruption	Intellectual property protection
Responsible marketing		
Relevant		
Energy use	Water resources management	Climate change response
Community charity activities	Smart operations	Environment and natural resources

1. Principle of Governance

The Group is actively aligning with UN Sustainable Development Goal 16 by promoting a transparent and open working environment and ensuring its operations adhere to the highest ethical standards.

1.1 Corporate Governance and Risk Management

The Group is committed to upholding corporate integrity, ethical business practices, and robust governance. It strictly complies with the *Company Law of the People's Republic of China* and all other applicable laws and regulations in the jurisdictions where it operates, underpinned by a comprehensive governance framework. To further enhance governance standards, the Group has established the Audit Committee, the Remuneration Committee, the Nomination Committee, and the Environment, Social and Governance (the "**ESG**") Committee to assist the Board in fulfilling its oversight responsibilities.

As of the end of the reporting period, the Board consisted of nine Directors, comprising three executive Directors, three non-executive Directors and three independent non-executive Directors. Three of these directors were female, representing 33.3% of the Board. To enhance the Board's effectiveness and uphold high standards of corporate governance, we have adopted a board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board. When nominating directors, the Nomination Committee considers a range of factors – including, but not limited to, professional experience, skills, knowledge, gender, age, cultural and educational backgrounds, and ethnicity – to build a capable Board that can effectively lead the Group.

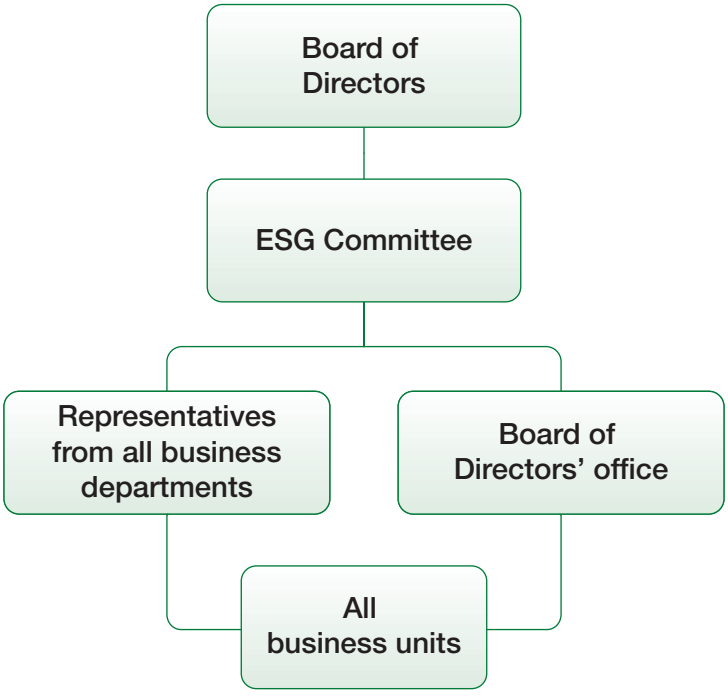
The Group has established a comprehensive risk management system to ensure compliance in core processes such as restaurant operations, procurement, and food safety. This system is designed to mitigate operational risks at source while maintaining process consistency and standardisation. Through the Audit Committee, the Group oversees financial reporting and internal controls, formulates policies pertaining to listing rules – including risk management, connected transactions, and information disclosure – and provides ongoing compliance-related and role-specific training for directors and senior management to ensure the effective implementation of corporate governance requirements.

The Board monitors the Group's overall sustainable development and progress through its ESG Committee. The ESG Committee oversees and provides guidance to business representatives and regional managers on addressing ESG-related risks and implementing risk mitigation strategies, while providing regular updates to the Board. Furthermore, the Board holds ultimate responsibility for all ESG-related decisions and initiatives.

The main responsibilities of the ESG Committee include:

- keeping abreast of the latest ESG-related regulations and updating the Group's policies accordingly;
- identifying the Group's stakeholders and assessing their influences on the Group's ESG initiatives;
- assessing ESG-related risks on a regular basis, with a particular focus on climate-related risks;
- monitoring the effectiveness of the ESG policy's implementation;
- reporting to management on an annual basis on the implementation of the ESG policy;
- preparing the annual ESG report.

During the year, the Group further strengthened its management systems for food safety, supply chain, response to climate change, and environmental compliance to mitigate the impact of ESG risks on its business, strategies, and asset performance. Additionally, we have revised and set new resource conservation targets, expanded our engagement in social welfare and fund-raising initiatives, and actively promote responsible business practices. Details of the Group's ESG initiatives and progress for the year of 2025 are further disclosed in other sections of this report.



1.2 Business Ethics and Anti-corruption

The Group is committed to upholding business ethics and anti-corruption principles. It rigorously complies with applicable laws and regulations, including the *Anti-Unfair Competition Law of the People's Republic of China* and the *Criminal Law of the People's Republic of China,* and has established corresponding institutional frameworks. The independently operating Discipline Inspection and Supervision Department oversees corporate integrity and compliance, while business unit leaders hold direct responsibility for managing day-to-day compliance. Both the Internal Audit Department and the Discipline Inspection and Supervision Department operate independently of the operational structure, conducting regular audits and evaluations of business units to ensure the effectiveness of internal controls and to prevent corruption incidents.

Our Employee Handbook strictly prohibits employees from engaging in corrupt or fraudulent activities, with violations subject to penalties ranging from warnings and dismissal to referral to judicial authorities for prosecution. Additionally, the Group mandates that core employees annually sign the "Anti-Corruption and Integrity Pledge" to reinforce a culture of integrity and compliance. Within the supply chain, all partnered suppliers must sign the "Anti-Commercial Bribery Agreement", which expressly forbids bribery, gift-giving, and entertainment-related activities. This ensures ethical business practices and anti-corruption compliance across both the upstream and downstream entities.

The Group has established a comprehensive anti-corruption training system that encompasses all key stakeholders, including Board members, employees, and external suppliers. We regularly update our training programmes and integrity manuals to ensure ongoing compliance and relevance, while also developing online integrity education resources – such as short-form videos and legal awareness mini-classes – to broaden engagement. To maximise participation across all regions, we deliver specialised integrity training through both in-person sessions and live streaming, thereby strengthening awareness of integrity and compliance. Comprehensive training records are maintained for audit and reference purposes. During the year, the Group's Discipline Inspection and Supervision Department delivered 51 online anti-corruption training sessions, reaching a total of 14,944 participants.

The Group has expanded overseas in recent years, while simultaneously advancing the localisation of compliance initiatives. Centred on the "Ten Major Prohibitions", the Group has developed multilingual compliance training materials tailored to local laws and regulations. These materials have been made available in Mandarin, English, Cantonese, Portuguese, and other languages to meet the learning needs of employees across different regions.

The Group implements a robust anti-corruption reporting mechanism. All reported information is centrally managed through the Group's dedicated channels – including telephone, email, and WeChat – ensuring accessibility and ease of use. The Discipline Inspection and Supervision Department investigates every report of integrity violations or misconduct in accordance with the Group's *Management Measures for Reporting Clues*. The department oversees the entire handling process and reviews the resolution of all reported issues, ensuring each report is diligently addressed and resolved to establish a closed-loop management system.

The Group has explicitly mandated the implementation of the highest confidentiality measures to safeguard whistleblower information while enforcing a zero-tolerance policy against any form of information leakage or retaliatory actions. Whistleblower identities are disclosed solely to designated personnel and essential reporting recipients. Furthermore, an incentive program has been established to reward verified reports that help the Group prevent financial losses or protect its reputation. The Discipline Inspection and Supervision Department upholds the highest confidentiality standards to ensure the integrity and credibility of the oversight process during investigations. Since its establishment, the department has maintained a flawless record, with no incidents of retaliation linked to information leaks.

In 2025, the Group was neither involved in bribery, extortion, fraud, or money laundering, nor were any corruption-related cases concluded against it.

1.3 Information Security and Intellectual Property Protection

The Group places high importance on data security and privacy, enacting rigorous measures to protect personal and sensitive information. Our IT Department oversees network security and personal information protection, having established robust internal systems and policies to safeguard personal information.

To safeguard the personal information of members and customers, we assign access rights to employees based on their roles and responsibilities while actively monitoring their information-handling and operational activities. Additionally, core employees are required to sign "Confidentiality Agreement" to reinforce data protection protocols, ensuring sensitive information is securely and effectively managed within a controlled environment.

During the reporting period, there were no breaches involving the privacy of customers or employee personal information.

The Group respects and protects intellectual property rights, and has implemented relevant management systems and protective measures. All R&D staff are required to sign a "Confidentiality Agreement" that commits them to refrain from unauthorised use, disclosure, or infringement of the Group's and its partners' intellectual property rights during and after their employment. The Group also enforces strict information and data access controls based on employees' job responsibilities, while monitoring access and usage to prevent unauthorised use or leakage. During the reporting period, no incidents involving infringement of intellectual property rights had occurred.

2. Product and Service

The Group is committed to ensuring safety and actively aligns with UN 2030 Sustainable Development Goals (SDGs) 2, 9, 12, and 15. This includes promoting responsible production, ensuring food safety, and pursuing innovation and sustainable development.

2.1 Food Safety Management

The Group strictly complies with all relevant laws and regulations, including the *Food Safety Law of the People's Republic of China*, the *Hygienic Operation Standards for Catering Services*, and the *National Food Safety Standards*. To uphold our commitment to quality and safety, we have established comprehensive systems to ensure the consistent delivery of high-quality, safe ingredients to our customers.

The Group has established a Food Safety Centre to develop and oversee organisation-wide food safety programmes and processes. Food safety directors are appointed at both headquarter and regional levels, while food safety officers are assigned to each branch and restaurant to ensure a clear division of responsibilities.

Guided by the "prevention-oriented and training-first" principle, we formulate an annual training plan that requires all food safety management personnel to participate in mandatory monthly training sessions. Employees at each restaurant are required to complete monthly food safety knowledge training via an online platform and pass the required assessments. In 2025, we achieved a 100% participation rate in these initiatives. Additionally, we have established a group-wide emergency response mechanism for food safety, including biannual food recall drills. In 2025, 100% of our restaurants participated in these exercises, conducting over 1,000 emergency drills. This proactive approach has significantly enhanced our ability to respond swiftly to food safety incidents, ensuring the effective operation of our overall food safety management system.

Our headquarters conducts regular on-site inspections targeting key areas – including raw material procurement, processing procedures, and storage – to identify food safety hazards, and ensures that all corrective measures are effectively implemented. In accordance with the requirements of the *Provisions on Supervision and Administration of the Performance of Principal Responsibility for Food Safety by Enterprises*, food safety managers at all restaurants implement the "daily control, weekly inspection, and monthly review" mechanism to systematically identify and assess potential risks. All substandard products must be promptly reported to and followed up on by both the headquarters and the relevant branches to ensure appropriate resolution.

To prevent food safety incidents, we have implemented the following internal control measures:

- Daily inspections conducted by restaurant safety officers, with findings documented in the Daily Control Log;
- Daily random pesticide residue testing conducted on two types of fresh produce at each restaurant using pesticide test kits;
- Four monthly unannounced inspections conducted at each restaurant to identify and address potential quality and food safety issues;
- Monthly random samples of food and ingredients sent to certified food safety inspection agencies for testing, implementing a closed-loop corrective process;
- Third-party organisations engaged to perform regular food safety inspections, establishing a multi-tiered monitoring system;
- Food Safety Awareness Weeks and related competitions regularly hosted to enhance employees' awareness of food safety.

Furthermore, the Group is proactively advancing the digitisation and standardisation of its management processes. By leveraging information systems, we have enhanced daily food safety controls, making store inspections, risk documentation, and issue resolution more transparent, efficient, and fully traceable.

The Group did not experience any food safety incidents in 2025.

2.2 Enhance Product Quality

The Group has established a comprehensive ingredient storage management system to ensure the safety of ingredients, raw materials, and food products. During transportation, suppliers are required to strictly monitor temperature and humidity levels and avoid co-loading with hazardous materials. Transport vehicles must be maintained clean, free from odours, contamination, and pests. Upon arrival, goods are subject to random inspections by staff in accordance with the Group's *Distribution Centre Management System*. Storage only proceeds after verifying the accuracy of delivery documents and inspection reports. The system is regularly updated to address evolving operational needs, while sustainable energy solutions are being gradually adopted to enhance logistics sustainability and improve temperature control efficiency.

In terms of the management of deteriorated ingredients, the Group maintains clear product acceptance standards. If deteriorated ingredients are identified, a Concession Acceptance Form will be issued as required. Raw materials that fail to meet quality requirements are rejected according to established standards, and the relevant suppliers are documented accordingly. Warehouse personnel also conduct regular inspections of raw material inventory to ensure compliance. Any abnormal materials are immediately quarantined and preserved, with suppliers notified to arrange returns, thereby reducing production risks. Through these measures, the Group significantly enhances raw material quality management and ensures food safety across the entire storage and supply chain process.

Recall and Traceability System

The Group has established a *Product Recall Control Procedure* and implemented a robust traceability management system. This system mandates comprehensive documentation of the acceptance, warehousing, distribution, and usage of every raw material batch across the Group's restaurants, ensuring transparent and verifiable information.

- Suppliers must ensure that the batch numbers and quantities of physical products exactly matches the details on the delivery notes and compliance documents.
- Upon arrival at the warehouse, warehouse staff and relevant departments must verify the physical products, delivery notes, and certification documents item-by-item regarding batch numbers and quantities. Goods are only accepted into storage after confirmation of accuracy.
- Distribution to stores must also strictly adhere to batch information to establish a clear and complete traceability chain.

Upon receiving goods requiring return due to quality issues, the Procurement, Quality Control, and Warehouse departments immediately verify the product batches, production dates, and supplier information. They then notify the supplier to engage in the resolution process. If quality or safety risks are confirmed, the Group proactively initiates the recall mechanism in accordance with its *Product Recall Control Procedure.* The entire recall process is meticulously documented and managed, while the root cause is analysed and corrective actions are implemented to fully address the risks and prevent future occurrences.

During the year, our training curriculum incorporated specialised modules on raw material quality control, ingredient labelling requirements, and transparency practices, aligned with the *GB7718-2025 General Standard for the Labelling of Pre-packaged Foods*.

The Group reported no food recall incidents during the year.

2.3 Supply Chain Management

The Group places a strong emphasis on the compliance and sustainability of its supply chain, and has formulated the "Supply Chain Management Handbook" to standardise expectations for suppliers' conduct and performance. When selecting suppliers, we adhere to the principles of "thorough understanding, rigorous evaluation and comprehensive comparison," comprehensively assessing factors including their scale, production capacity, operational status, and safety management capabilities. Suppliers' food safety qualifications and control measures serve as core criteria for establishing long-term partnerships.

We have established a supplier access and periodic review mechanism. This includes conducting regular on-site inspections both prior to and during cooperation to ensure suppliers' equipment, storage, and production environments comply with our quality, hygiene, and food safety standards. To address social risks, we regularly assess potential issues within the supply chain to prevent child labour or forced labour among our partners. If suppliers violate relevant regulations or fail to meet our standards, we will terminate the cooperation. During the year, the Group worked with 530 suppliers, including 179 newly onboarded partners, and no partnerships were terminated for any reason (including business, environmental, or social concerns).

Supplier Regional Distribution

Beijing-Tianjin-Hebei regions	49	Other regions	118
Eastern China	257	Overseas	57
Guangdong province	49		

Sustainable Procurement System

The Group incorporates environmental and social considerations into its procurement strategy, proactively identifying and managing associated risks throughout the supply chain. The goal is to build collaborative relationships with suppliers and jointly foster a virtuous cycle of sustainable development.

We prioritise suppliers with sustainable certifications and award bonus points during the supplier selection and evaluation process. Furthermore, we require that their source factories comply with relevant certification standards, such as ISO 9000, HACCP, and ISO 14000.

As part of green procurement planning, the Group actively encourages its suppliers to reduce unnecessary packaging materials and prioritise biodegradable alternatives. Additionally, to minimise the environmental impact of our food delivery services, we actively promote and use eco-friendly packaging materials.

Our procurement process adopts a dual-track management model that combines both centralized and decentralized sourcing. Based on the attributes of different product categories, we implement different procurement strategies to achieve a dynamic balance between cost optimization and quality assurance.

For non-standard items and fresh perishable ingredients, we adhere to the principle of *localized direct sourcing*. By prioritizing high-quality suppliers located in the same region as our stores, we shorten the supply radius, thereby maximizing freshness and taste while building a highly resilient regional supply chain.

2.4 Providing High-quality Services

The Group adheres strictly to relevant laws and regulations, including the *Advertising Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*. To ensure responsible marketing practices, we have established robust internal policies such as the "New Media Management System", the "Public Incident Reporting Procedures", and the "Emergency Management System" amongst others. All marketing activities must undergo multi-level reviews by business departments to guarantee compliance prior to launch. During the reporting period, we introduced a series of seasonal promotional activities to promote traditional Chinese cuisine and ingredients, thereby enhancing customers' brand experience.

The Group has established a multi-channel customer feedback management mechanism. We place great importance on consumer voices and leverage diversified communication touchpoints to allow us to respond to customer feedback in a timely manner.

We implement a *Frontline Responsibility and Escalation to Headquarters* mechanism when handling complaints. Stores act as the first point of contact and are responsible for ensuring that on-site issues are resolved promptly and professionally whenever possible. At the same time, our headquarters uses an integrated follow-up platform to escalate, supervise, and resolve complex or cross-regional issues, ensuring that every piece of feedback is properly addressed and contributes to continuous service improvement.

The Group organised a culinary skills competition to boost employee creativity and enthusiasm, enhancing service quality through this collective effort.

3. People-oriented

The Group emphasises employee management and sustainable talent development, proactively aligning its efforts with UN Sustainable Development Goals 3, 5, 8, and 10. This includes advancing occupational health and safety, promoting equality, and safeguarding employee well-being.

3.1 Employee Recruitment

The Group strictly adheres to relevant laws and regulations, including the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Regulations on the Prohibition of the Use of Child Labour*, and the *Law on the Protection of Minors of the People's Republic of China.* It has established relevant policies and implemented clear procedures and measures for employee recruitment, training, promotion, and incentive programmes. The recruitment and promotion processes are conducted with fairness and impartiality, ensuring no discriminatory practices based on ethnicity, gender, age, or other factors. The Group actively welcomes outstanding talents from diverse backgrounds. As of the end of the reporting period, 42% of the Group's employees were female.

We strictly prohibit the use of child labour or forced labour. The Group's onboarding system requires mandatory verification of ID documents to ensure individuals under the age of 18 cannot submit job applications.

The Group upholds the labour rights of its employees and implement an 8-hour workday. We have established employee grievance channels to address any improper management practices and safeguard employee rights. During the year, there were no cases of child labour or forced labour.

The Human Resources Department manages recruitment, attracting new talent through diverse channels such as job portals, campus events, internal referrals, and employee recommendations.

We are committed to fostering an inclusive and diverse workplace and proactively create employment opportunities for individuals with disabilities. This includes creating and filling roles specifically designed for people with disabilities, such as deafness/muteness or mild intellectual disabilities. These roles, primarily focused on kitchen operations, are designed to align with individual capabilities.

Corporate Culture

The Group actively promotes a positive corporate culture built on diversity, equality, and inclusion, and strictly prohibits any form of discrimination or harassment. All employees are required to sign the Group's "Ten Major Prohibitions" upon joining, which explicitly forbid harassment, threats, and physical altercations, among other violations. Violations will result in termination following a thorough investigation, reinforcing a robust disciplinary framework. The Group's "Employee Handbook" also explicitly prohibits discrimination, verbal abuse, and insults based on gender, age, ethnicity, or religious beliefs, with offenders subject to disciplinary action. To ensure adherence, the Group has established clear reporting channels, including a dedicated hotline prominently displayed in all restaurants, enabling employees to report any unfair or non-compliant behaviour. The Human Resources Department will promptly investigate and resolve all reported incidents in accordance with established protocols.

The Group provides its employees with a competitive compensation package supported by robust systems and management framework. Beyond base salaries, we also provide performance-based bonuses, meal and accommodation allowances, and a range of additional benefits. Tailored compensation schemes are designed for different restaurants and employee levels: restaurant managers and head chefs receive profit-sharing incentives tied to the performance of the restaurant they oversee, while core management personnel are eligible for equity incentive programmes. We regularly review and refine our compensation policies to align with evolving market changes.

We value employee well-being and demonstrate our commitment through a series of employee-centric initiatives designed to foster a strong sense of belonging:

- Accommodation support
- Team dinners
- Organised birthday celebrations
- Paid holidays
- Employee dining discount: 20% off at all of the Group's restaurants
- Customised gift packages for family members of employees who receive annual excellence awards
- Support for sick employees
- Paid parental leave
- Breastfeeding leave

Birthday parties are held for employees to foster a cohesive work culture

We are committed to fostering an open and transparent communication culture with our employees. Regular employee satisfaction surveys are conducted to assess satisfaction levels and gather feedback from restaurant staff on key areas such as compensation, accommodation, meals, working conditions, and management practices. These insights help us identify opportunities for improvement and implement targeted initiatives. The Group prioritises conducting surveys at newly opened restaurants and those with high attrition rates to address challenges proactively. Additionally, exit interviews are conducted when employees leave to proactively understand their reasons for departure and inform future strategies. Satisfaction surveys are also conducted for restaurants where mid-level managers have been promoted, to ensure the continued effectiveness and quality of management practices. The group has established comprehensive system to regularly monitor employee feedback. This year, the Group conducted 131 employee satisfaction surveys, achieving a participation rate of 83%. The overall satisfaction level reached 4.81 points (out of 5). This demonstrates the Group's fruitful efforts in investing in employee development and health, and in fostering a positive workplace culture.

As of the end of the reporting period, the employee composition of the Group was as follows:

Category		2025 (Unit: Person)
All employees	/	17,342
Type	Full-time employees	14,188
	Part-time employees	3,154
Age group	Aged below 30	10,811
	Aged between 30 and 40	2,670
	Aged above 40	3,861
Position level	Senior management	68
	Middle management	2,369
	Junior staff	14,905
Gender	Male	10,061
	Female	7,281
Regional distribution	Guangdong province	3,083
	Eastern China	6,808
	Beijing-Tianjin-Hebei regions	1,909
	Other regions	5,094
	Overseas	448

As of the end of the reporting period, the Group's employee turnover figures were as follows:

Type		Unit	2025
Employee turnover rate by gender	Male	%	68.34
	Female	%	69.60
Employee turnover rate by region	Guangdong province	%	67.38
	Eastern China	%	69.48
	Beijing-Tianjin-Hebei regions	%	66.56
	Other regions	%	70.62
	Overseas	%	51.41
Employee turnover rate by age group	Aged below 30	%	73.98
	Aged between 30 and 40	%	52.58
	Aged above 40	%	52.16

Turnover rate = number of employees lost this year/(number of employees lost at the end of the year + number of employees lost this year)

3.2 Employee Training and Promotion

The Group has established clear ranking systems and promotion mechanisms for different positions, which are governed by the Group's *Performance Evaluation and Promotion Management Measures for Functional Positions* and the *Performance Evaluation and Promotion Management Measures for Operational Positions.* These frameworks ensure consistent employee performance evaluation and provide a structured institutional basis and clear criteria to support the development of functional roles.

We implement a star rating system for the management and development of front-line staff, including service staff and chefs. Each star level has well-defined qualification criteria, and all positions require corresponding professional certifications. Performance is assessed against these certification standards. The star-based promotion system enables front-line staff to advance up to the position of Deputy Restaurant Manager. To ensure timely and accurate assessments, restaurant and regional teams conduct daily evaluations.

For key leadership roles such as Regional Deputy General Manager, Regional General Manager, Restaurant Manager, and Head Chef, promotion evaluations are jointly conducted by regional divisions and the training department (Green Tea University). Additionally, the Group maintains a comprehensive talent reserve mechanism. Employees who enter the talent pool and pass evaluations are prioritised for vacant positions, ensuring the stability and continuity of the Group's management and operations.

For the appointment of city managers and regional officers, each region submits a list of candidates monthly to headquarters. These submissions undergo initial screening and transparent evaluation to ensure fair, well-justified appointment decisions. This model helps establish a stable and development-oriented management pipeline at the regional level. For functional positions at headquarters, the Group provides biannual promotion opportunities in April and October.

The Group has implemented a development and evaluation system tailored to employees at various levels. For frontline staff, the Group employs a star rating system that enables employees to progress from the probationary stage to one-star, two-star, and three-star levels by earning relevant certifications and demonstrating consistent work performance. Upon reaching the three-star level, employees can advance to the backbone level, equivalent to the role of an assistant restaurant manager. This system is designed to enhance professional skills and service standards, while also offering employees with a clear and defined career path.

The Group implements an annual performance appraisal system for restaurant managers, head chefs, and other senior-level managers. Appraisal outcomes directly influence their performance coefficients and commission-based income. Performance indicators span multiple critical dimensions – including revenue and profit attainment rates, management of Class A safety issues, mystery shopper scores, and Dianping ratings – to comprehensively evaluate their impact on restaurant operational quality. Furthermore, safety management is a top priority for the Group. If Class A safety issues are identified, financial penalties are immediately imposed, directly affecting performance evaluations. This ensures a stringent and uncompromising approach to safety standards across all operations.

Employee Training

Guided by an employee-oriented principle, the Group prioritises employee skills and career development. To unlock individual potential and empower our teams to become pioneers within the food and beverage industry, we have established a standardised training system to structure our employee development framework. In 2019, the Group established a dedicated department for employee training and development – Green Tea. By presenting a clear and structured career progression pathway and learning roadmap, the programme offers leadership training for employees, supporting their advancement into management roles.

Training is designed around the principles of “employee-centric, customers-first” and is aimed to equip employees with well-rounded leadership competencies. Since its launch, over six thousand employees have participated in the Green Tea University leadership training series, with a one-year retention rate of 88.5% among participants.

Additionally, we currently collaborate with 35 vocational schools, enabling students to gain work experience in our restaurants and potentially transition to full-time roles upon successful completion. In 2025, our training and promotion initiatives facilitated the advancement of over a thousand restaurant staff to management positions, laying a solid foundation for our organic growth. These career development programmes also help maintain a higher employee retention rate. As of the end of the reporting period, over five hundred of our restaurant managers had been with the Group for more than five years.

Green Tea University regularly delivers online and offline training sessions for all employees, supported by the "Green Tea University Training Management System". These initiatives are designed to enhance job performance and establish position-specific certification standards. To ensure employees receive targeted training, the Group integrates certificate-based talent management processes, including promotions and job placements tied to certification achievements. Notable programmes include the Management Enhancement Programmes for restaurant supervisors, and New Restaurant Training for teams at newly opened restaurants. Additionally, the Group offers online courses to develop essential job-related skills, such as Takeout Food Store Training, 6S Certification Live Course, Culinary Live Course. These programmes aim to strengthen employees' professional capabilities and foster continuous improvement in their roles. In 2025, the Group held over six thousand online sessions, nine offline sessions, with a total participation record of over 1.5 million and total investment of over RMB3 million into training programmes.

The Group's Management Enhancement Programme in 2025

Employee Training

Total training duration	/	Hour	548,142.89
Average training hours per employee	/	Hour	25.67
Percentage of employees trained		%	100
Percentage of trained employees by gender	Male	%	100
	Female	%	100
Percentage of trained employees by employee category	Senior management	%	100
	Middle management	%	100
	Junior staff	%	100
Average training hours per employee by gender	Male	Hour	32
	Female	Hour	17.66
Average training hours per employee by employee category	Senior management	Hour	53.59
	Middle management	Hour	104.24
	Junior staff	Hour	15.48

3.3 Occupational Safety and Health

The Group strictly complies with relevant laws and regulations, such as the *Work Safety Law of the People's Republic of China*, and the *Law of People's Republic of China on the Prevention & Control of Occupational Diseases*. It has established management systems for work safety and occupational health to proactively prevent potential safety hazards in the workplace. These systems also ensure that employees maintain adequate safety awareness and are equipped with the necessary response capabilities to address unforeseen incidents effectively.

Each of our restaurants is assigned a designated safety officer responsible for overseeing daily safety operations. These officers must conduct comprehensive inspections of high-risk areas twice daily during morning and evening rush hours, uploading relevant photos to the system for documentation and tracking. Key personnel in both front-of-house and back-of-house roles must hold Food Safety Officer certification before onboarding and are tasked with managing safety within their respective departments. To ensure effective implementation of safety protocols, the Group's Safety Centre conducts regular inspections, including organising monthly targeted checks and at least one full audit per quarter for every restaurant. This reinforces compliance and operational consistency. In 2025, over 24,000 safety inspections have been carried out across all restaurants.

We have established a comprehensive reporting process for occupational safety accidents. All such incidents must be reported within 24 hours of occurrence, with detailed records maintained in a centralised log. Additionally, ongoing follow-up is conducted to support employees' medical treatment and insurance reimbursement processes. The Group has classified work-related injuries into three categories based on severity:

- Minor injuries refer to superficial wounds like scratches or abrasions;
- Moderate injuries refer to those requiring rest but do not impair normal work capacity;
- Severe injuries refer to those requiring inpatient treatment.

The Group's commitment to workplace safety is reflected in a range of initiatives, including the provision of safety equipment (such as blood pressure monitors), supply of protective materials, and delivery of relevant training programs. In 2025, the Group recorded 13 workplace injury incidents, with appropriate follow-up actions having been taken. Notably, there have been no work-related fatalities in the past three years.

Employee Health and Safety	Unit	2025
Number of work-related fatalities	Person	–
Work-related fatality rate	%	–
Lost days due to work injuries	Day	397.8

Safety Training

The Group has established a multi-tiered, comprehensive safety training system to ensure continuous improvement in employees' professional competencies and safety awareness across all position. At the store level, each restaurant develops weekly and monthly training schedules, focusing on critical areas such as safety and production. This approach ensures both regular and effective training for frontline staff. At the provincial and city levels, regional training sessions are organised in response to local operational needs and identified competency gaps. These initiatives directly address specific restaurant requirements while elevating overall management standards across the organisation.

Specialised centres at headquarters – such as Safety, Human Resources, and Finance – conduct monthly professional training sessions nationwide. These programmes share unified standards and best practices to ensure consistent management practices and professional expertise across the organisation. Additionally, the Human Resources Centre hosts live-streamed courses every Wednesday for restaurant managers and head chefs nationwide. These sessions focus on key topics such as management skills, professional knowledge, and safety, further strengthening the overall capabilities and standardisation of management personnel.

To reinforce employees' awareness of fire prevention and evacuation, the Group organises quarterly fire drills at all its restaurants. In 2025, all restaurants achieved a 100% participation rate, conducting a total of over 2,000 fire drills. Additionally, our restaurants participate in fire drills as required by the shopping malls where they are located.

3.4 Social Responsibility

In order to actively fulfill social responsibilities, the group steadily promotes various charitable work and continues to fulfill its firm commitment to social care. The funds invested in social welfare undertakings this year are mainly to support emergency assistance of HKD1 million for people affected by the Tai Po fire accident in Hong Kong in November 2025, and to assist the development of public welfare, public safety and emergency capacity building of West Lake Scenic Area in Hangzhou, and donate RMB3.62 million to the Charity Association of West Lake Scenic Area in Hangzhou.

4. Environment Protection

4.1 Green Operations

The Group strictly adheres to all relevant environmental regulations, including the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes,* and the *Anti-Food Waste Law of the People's Republic of China*. Through a robust environmental management framework, we proactively reduce waste emissions, optimise resource utilisation, and promote eco-friendly and recycling initiatives to drive sustainable operations. We closely monitor emissions and resource consumption data across our restaurants and set specific targets to guide the Group's long-term green strategies. In 2025, the Group recorded no significant environmental incidents and has not incurred any fines for violations of environmental laws and regulations.

Waste Management

The Group has established a comprehensive food waste management system, outlining detailed mechanisms and measures to reduce food waste and foster a culture of waste reduction among employees. In 2025, we plan to optimise our management of food waste and create a waste-tracking system for our restaurants. This will act as a foundation for us to create a waste reduction target in the future,

To reduce food and ingredient waste, we regularly provide training to our kitchen staff to enhance knife skills and ingredient processing techniques, minimising waste during food preparation. Frontline employees also complete online courses focused on waste reduction, which further strengthens their environmental awareness. Additionally, posters in our restaurants encourage customers to avoid waste, and we offer smaller portion sizes for takeout orders. During service, our staff advise customers to order according to their needs and proactively recommend taking leftovers home. These integrated efforts contribute significantly to reducing waste across both dine-in and takeout services.

For waste cooking oil management, the Group has installed small-scale wastewater treatment and oil separation facilities at each of its restaurant. These facilities separate oil and solids, collect waste oil, and ensure wastewater discharge complies with regulations. Restaurant staff follow standardised procedures to process waste cooking oil, recording the volume of collected waste oil and disposal details in logs to enhance tracking and oversight.

The Group's primary hazardous waste comprises butane canisters used to heat meals. All such waste is segregated in accordance with local government requirements prior to disposal, ensuring proper and compliant treatment of hazardous materials.

Packaging Materials Management

In managing packaging materials, the Group actively reduces plastic use and promotes eco-friendly alternatives. All takeaway boxes and restaurant packaging bags are made from fully biodegradable or reusable materials, strictly adhering to local regulations. Additionally, we tailor packaging box sizes to specific products, preventing resource waste caused by mismatched capacity.

Moreover, all takeout tableware is entirely made from eco-friendly materials. This includes bamboo chopsticks, paper packaging (including straws), fully biodegradable spoons and straws. Drinking cups also use biodegradable or reusable materials to further reduce the single-use plastic waste and enhance the restaurant's green operations practices.

Information about the Group's usage of packaging materials is as follows:

Indicators	Unit	2025
Total usage of packaging materials	tonne	2,105.43
Food containers	tonne	819.25
Disposable tableware	tonne	383.86
Takeout bags	tonne	766.93
Straws	tonne	19.38
Drinkware	tonne	116.02

4.2 Use of Resources and Emissions Management

The Group strictly complies with the relevant laws and regulations, such as the *Energy Conservation Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Water Pollution,* and the *Environmental Protection Law of the People's Republic of China*. To support this compliance, we have established relevant management systems to standardise processes to reduce resource consumption, ensuring alignment with our long-term goals for energy conservation and emissions reduction.

Energy Use

The group has set a goal for energy use, using 2025 as the base year, to reduce the average annual energy consumption of each restaurant by 3% over the next four years, and is actively exploring the use of renewable energy in its restaurant. To improve electricity efficiency, the Group has continued this year to replace traditional stoves with energy-efficient models, prioritising the phasing out of outdated, high-energy-consuming equipment. Additionally, new energy-saving steamers have been introduced to optimise kitchen operations. These steamers distribute heat more evenly than traditional models, reducing both the time and electricity required for reheating.

Additionally, we have installed heat pump water heaters, direct-current (DC) air conditioning systems, and ventilation systems in our restaurants. These energy-efficient technologies optimise the restaurant environment and reduce energy consumption by harnessing heat energy from ambient air. We also conduct regular equipment inspections to prevent unnecessary power usage during non-operational hours and enhance staff awareness of energy conservation through employee training programmes, further strengthening our daily energy management practices.

Information about the Group's energy consumption is as follows:

Indicators	Unit	2025
Gasoline	Litre	18,422.06
Natural gas	m^3	13,872,624.49
Electricity	kWh	158,758,627.96
Comprehensive energy consumption[1]	kWh	309,046,483.65
Comprehensive energy consumption intensity	kWh/RMB 1 million	64,885.29

Use and Management of Water Resources

The Group prioritises water resources management, setting 2025 as the base year for water consumption, with a water-saving target of reducing the average annual water consumption of each restaurant by 3% over the next four years. To achieve this, we actively manage water usage across our restaurants through multiple measures. These include installing water-efficient controls on kitchen stoves and performing regular tank inspections to prevent leaks.

In our daily operations, wastewater is primarily generated by our restaurants and offices. We rigorously manage wastewater disposal from our restaurants, ensuring it is directed into authorised channels such as municipal sewage for proper treatment. The Group sources its water supply mainly from municipal providers and has encountered no difficulties in securing these resources.

Information about the Group's water usage is as follows:

Indicators	Unit	2025
Total water consumption	tonne	3,128,347.12
Water consumption density	tonne/RMB 1 million	656.81

Emissions

In terms of waste gas emissions management, the Group's primary emissions stem from cooking oil fumes generated during food preparation. All our restaurants are equipped with oil fume purifiers to ensure catering emissions comply with local regulations. Government authorities conduct regular unannounced inspections to monitor compliance. In some regions, we are gradually implementing online oil fume monitoring systems at our restaurants. These systems include real-time monitoring equipment to strengthen emissions control. If this equipment detects abnormalities, our staff take immediate corrective action to ensure emissions remain within regulatory limits. Additionally, the Group has established an internal monitoring mechanism. This involves compiling and reviewing monthly oil fume emission data from each restaurant to identify potential issues proactively and enhance management at source.

[1] Comprehensive energy consumption is calculated according to the conversion factor in the *National standard of China's General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T2589-2020).

4.3 Addressing Climate Change

The Group is committed to combating climate change and actively supporting China's "3060" dual carbon goals. By continuously monitoring the environmental impact of its operations, the Group is steadily reducing its carbon footprint as part of its long-term strategy for low-carbon transformation. To address both the risks and opportunities associated with climate change, the Group assesses and discloses climate-related impacts in accordance with Part D of the Hong Kong Stock Exchange's *ESG Reporting Guide*, enabling it to formulate robust, long-term climate strategies.

Governance

The Group has integrated the review and management of climate-related issues into its overall ESG governance framework. The Board holds ultimate decision-making authority on climate matters, with its ESG Committee responsible for planning and managing climate-related risks and opportunities. Working with representatives from across business units, the Committee implements relevant measures at the business level. The Group has established a mechanism to provide climate-related training to members of the ESG Committee, ensuring that they acquire the necessary knowledge, understand regulatory requirements and industry trends, in order to competently perform management and supervisory duties. Annually, the ESG Committee reports to the Board on the progress of climate-related initiatives, ensuring the Board integrates these risks and opportunities into the Group's overarching strategy and risk management system.

Board of directors	Decision-making level
ESG Committee – Develop and review climate strategies – Formulate climate-related goals and initiatives – Identify and evaluate climate-related risks and opportunities – Assess performance against climate-related KPIs	Management level
Representatives from all business departments	Execution level

Strategy

Climate change poses a certain impact on the Group's daily operations and long-term planning. We closely monitor the risks and opportunities brought by climate change to the food and beverage industry. By integrating our operational context, industry specifics, and best practices, we identify and assess relevant climate risks and opportunities. Our goal is to incorporate these insights into our business strategies, collaborate with our supply chain to develop and implement mitigation and adaptation measures, and strengthen the overall climate resilience of our business.

Climate-related risks encompass physical risks arising from climate change and transition risks stemming from the global shift toward a low-carbon economy. Physical risks may include impacts from extreme weather events or changing climate patterns, while transition risks can be classified into four categories: policy and regulatory risks, technological risks, market risks, and reputation risks. Additionally, climate-related opportunities may include market advantages arising from early business transitions, technological advancements, or enhanced consumer trust.

The Group has assessed the impacts of physical and transition risks at both the asset and business levels, spanning the near term to the long term. These timeframes are categorised as follows: 1-2 years (short term), 2-4 years (medium term), and 5 years or beyond (long term). Details are provided below.

Category	Risk/ opportunity type	Sub-type	Description	Impact cycle	Impact on our business/ value chain	Potential financial impact	Responses
Risk	Physical risk	Acute	Extreme weather events may damage restaurant equipment and cause temporary supply chain disruptions	Short to medium term	Affect business continuity Affect ingredient prices	Increase operational costs and facility repair costs	• Develop an emergency response mechanism to safeguard employees and business operations during extreme weather • Regularly inspect and maintain restaurant equipment to enhance disaster resilience
			Extreme weather conditions pose safety risks to employee commuting	Short to medium term	Affect employee safety and health, and business continuity	Affect labour-related costs	• Actively participate in emergency drills organised by the shopping mall where the restaurant is located
		Chronic	Changing climate patterns cause agricultural output volatility	Medium to long term	Affect supply chain pricing and stability	Affect cost stability	• Coordinate and collaborate with the supply chain, and encourage sustainable practices
			Rising average temperatures alter ingredient storage conditions or increase HVAC/refrigeration usage	Medium to long term	Affect ingredient sourcing models and pricing	Increase costs	• Continuously optimise sourcing models, such as localised procurement and flexible procurement • Select equipment with better energy efficiency when replacing refrigeration and freezing equipment
	Transition risk	Policies and laws	Regulators introduce stricter climate disclosure requirements	Medium to long term	Affect corporate operational compliance	Affect business compliance	• Keep a close watch on policy trends and regulatory changes, and adjust the Group's response strategies in a timely manner
			Regulations governing packaging are on the rise	Medium to long term	Potential packaging-related levies	Increase operational costs	• Actively introduce and adopt fully biodegradable or degradable materials to replace traditional plastic packaging
		Market	Policy changes can drive volatility in energy market prices	Medium to long term	Increase production and operational costs	Affect revenue	• Closely monitor policy trends and market changes, and continuously explore the feasibility of utilising renewable energy in operations

Category	Risk/ opportunity type	Sub-type	Description	Impact cycle	Impact on our business/ value chain	Potential financial impact	Responses
Opportunities	Physical opportunities	Technology	Adopting energy-efficient and resource-saving equipment can reduce electricity consumption and other costs	Medium to long term	Reduce electricity consumption and resource usage	Affect costs	• Adopt energy-efficient cooking equipment, such as energy-efficient steamers • Monitor water usage in the restaurants
	Transition opportunities	Reputation	As low-carbon awareness grows, consumers are increasingly likely to prioritise the sustainability of food sources	Medium to long term	Increase awareness and adoption of certified sustainable food among consumers	Affect revenue	• Prioritise suppliers with sustainability certifications

Risk Management

To promptly identify and manage climate-related risks, the Group has established the following assessment and monitoring procedures:

Step 1: Risk Identification	• Incorporate industry-specific characteristics and the Group's actual circumstances; • Understand current business operations via internal interviews.
Step 2: Risk Analysis	• Collect information on the Group's financial status and business development; • Evaluate climate risks impacting the Group's operations and value chain.
Step 3: Risk Assessment	• Conduct a qualitative assessment of the impacts of identified climate risks on the Group's strategy and financial planning.
Step 4: Risk Management and Response	• Strengthen measures to address significant climate risks; • Regularly monitor relevant issues and risks; • Analyse and benchmark against industry and peers' best practices

Metrics and Targets

The Group has completed greenhouse gas inventories for its restaurants and offices and is currently establishing greenhouse gas emission targets. The scope of these inventories is currently restricted to the Group's directly operated restaurants located in Chinese Mainland, the Hong Kong Special Administrative Region (HKSAR), and overseas. The primary emission sources are electricity consumption and the combustion of fuels in stationary equipment.

The Group will continue to strengthen its climate-related disclosures in accordance with the requirements of the Hong Kong Exchanges and Clearing (HKEX) and actively evaluate the feasibility of disclosing Scope 3 greenhouse gas emissions (GHG) to further enhance transparency.

Indicators	Unit	2025
Total (Scope 1) direct GHG Emissions[2]	tonne of carbon dioxide equivalent	17,200.46
Total (Scope 2) direct GHG Emissions[3]	tonne of carbon dioxide equivalent	84,237.33
Total GHG emissions	tonnes of carbon dioxide equivalent	101,437.79
GHG emissions intensity	tonnes of carbon dioxide equivalent/ RMB 1 million revenue	21.30

[2] Total direct GHG emissions: calculated by multiplying the Group's gasoline, natural gas consumption, refrigerant addition amount by the corresponding emission factor. For the emission factor, please refers to ① China Energy Statistical Yearbook ② IPCC 2006;

[3] Total indirect GHG emissions: calculated by multiplying the Group's purchased electricity consumption by the corresponding emission factor, which is determined with reference to the *Notice on Key Tasks Related to the Reporting Greenhouse Gas Emissions by Enterprises for 2023* issued by the Ministry of Ecology and Environment of China.

APPENDIX

ESG Key Performance Indicators (KPI)

Social KPIs		Unit	2025
Total Number of Employees	/	Person	17,342
Number of employees by employment type	Full-time employees	Person	14,188
	Part-time employees	Person	3,154
Number of employees by gender	Male	Person	10,061
	Female	Person	7,281
Number of employees by employee category	Senior management	Person	68
	Middle management	Person	2,369
	Junior staff	Person	14,905
Number of employees by region	Guangdong province	Person	3,083
	Eastern China	Person	6,808
	Beijing-Tianjin-Hebei regions	Person	1,909
	Other regions	Person	5,094
	Overseas	Person	448
Number of employees by age group	Aged below 30	Person	10,811
	Aged between 30 and 40	Person	2,670
	Aged above 40	Person	3,861
Employee Turnover Metrics			
Employee turnover rate by gender	Male	%	68.34
	Female	%	69.60
Employee turnover rate by region	Guangdong province	%	67.38
	Eastern China	%	69.48
	Beijing-Tianjin-Hebei regions	%	66.56
	Other regions	%	70.62
	Overseas	%	51.41
Employee turnover rate by age group	Aged below 30	%	73.98
	Aged between 30 and 40	%	52.58
	Aged above 40	%	52.16

Social KPIs		Unit	2025
Employee Health and Safety			
Number of work-related fatalities	/	Person	–
Work-related fatality rate	/	%	–
Lost days due to work injuries	/	Day	397.8
Employee Training			
Total training duration	/	Hour	548,142.89
Duration of offline training sessions	/	Hour	6,704
Average training hours per employee	/	Hour	25.67
Percentage of trained employees by gender	Male	%	100
	Female	%	100
Percentage of trained employees by employee category	Senior management	%	100
	Middle management	%	100
	Junior staff	%	100
Average training hours per employee by gender	Male	Hour	32
	Female	Hour	17.66
Average training hours per employee by employee category	Senior management	Hour	53.59
	Middle management	Hour	104.24
	Junior staff	Hour	15.48
Supplier Management			
Total number of suppliers		Number	530
Number of suppliers by region	Beijing-Tianjin-Hebei regions	Number	49
	Eastern China	Number	257
	Guangdong province	Number	49
	Other regions	Number	118
	Overseas	Number	57
Anti-corruption			
Corruption-related violations and illegal incidents	/	Number	–
Community Charity Activities			
Donation amount	/	RMB	4.6 million

Environmental KPIs	Unit	2025
Resources Management		
Total water consumption	tonne	3,128,347.12
Water consumption intensity	tonne/RMB 1 million	656.81
Total electricity consumption	kWh	158,758,627.96
Electricity intensity	kWh/RMB 1 million	33,331.88
Gasoline	Litre	18,422.06
Natural gas consumption	m^3	13,872,624.49
Comprehensive energy consumption	kWh	309,046,483.65
Comprehensive energy intensity	kWh/RMB 1 million	64,885.29
Emissions Management		
Sulphur dioxide emissions	tonne	0.0024
Nitrogen oxide emissions (kg)	tonne	0.02
Total GHG emissions	tonne of carbon dioxide equivalent	101,437.79
Direct (Scope 1) GHG emissions	tonne of carbon dioxide equivalent	17,200.46
Indirect (Scope 2) GHG emissions	tonne of carbon dioxide equivalent	84,237.33
GHG emissions intensity	tonne of carbon dioxide equivalent/ RMB 1 million	21.30
Packaging Materials Management		
Total usage of packaging materials	tonne	2,105.43
Food containers	tonne	819.25
Disposable tableware	tonne	383.86
Takeout bags	tonne	766.93
Straws	tonne	19.38
Drinkware	tonne	116.02
Packaging materials usage intensity	tonne/RMB 1 million	0.44

HKEX ESG Reporting Guide Content Index

Aspect	Disclosure	Reference
Part B: Mandatory Disclosure Requirements		
	Statement from the Board	Statement from the Board
	Reporting Principles	About this report
	Reporting Boundary	About this report
Part C: "Comply or explain" Provisions		
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Environment Protection – Addressing Climate Change
	A1.1 The types of emissions and respective emissions data.	ESG Key Performance Indicators
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Note 1
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Note 2
	A1.5 Description of emission target(s) set and steps taken to achieve them.	Environment Protection – Use of Resources and Emissions
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environment Protection – Green Operations

Aspect	Disclosure	Reference
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Environment Protection – Use of Resources and Emissions
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environment Protection – Use of Resources and Emissions
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environment Protection – Use of Resources and Emissions
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Environment Protection – Use of Resources and Emissions
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environment Protection – Use of Resources and Emissions
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Environment Protection – Use of Resources and Emissions
A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environment Protection – Green Operations
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment Protection – Green Operations
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	People-oriented – Employee Recruitment
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	People-oriented – Employee Recruitment
	B1.2 Employee turnover rate by gender, age group and geographical region.	People-oriented – Employee Recruitment

Aspect	Disclosure	Reference
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	People-oriented – Occupational Safety and Health
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	People-oriented – Occupational Safety and Health
	B2.2 Lost days due to work injury.	People-oriented – Occupational Safety and Health
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	People-oriented – Occupational Safety and Health
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	People-oriented – Employee Training and Promotion
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	People-oriented – Employee Training and Promotion
	B3.2 The average training hours completed per employee by gender and employee category.	People-oriented – Employee Training and Promotion
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	People-oriented – Employee Recruitment
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	People-oriented – Employee Recruitment
	B4.2 Description of steps taken to eliminate such practices when discovered.	People-oriented – Employee Recruitment

Aspect	Disclosure	Reference
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Product and Service – Supply Chain Management
	B5.1 Number of suppliers by geographical region.	Product and Service – Supply Chain Management
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Product and Service – Supply Chain Management
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Product and Service – Supply Chain Management
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Product and Service – Supply Chain Management
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product and Service – Providing High-quality Services
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product and Service – Providing High-quality Services
	B6.2 Number of products and service related complaints received and how they are dealt with.	Note 3 Product and Service – Providing High-quality Services
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Principle of Governance – Business Ethics and Anti-corruption
	B6.4 Description of quality assurance process and recall procedures.	Product and Service – Enhance Product Quality
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Principle of Governance – Business Ethics and Anti-corruption

Aspect	Disclosure	Reference
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Principle of Governance – Business Ethics and Anti-corruption
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Principle of Governance – Business Ethics and Anti-corruption
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Principle of Governance – Business Ethics and Anti-corruption
	B7.3 Description of anti-corruption training provided to directors and staff.	Principle of Governance – Business Ethics and Anti-corruption
B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	People-oriented – Social Responsibility
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	People-oriented – Social Responsibility
	B8.2 Resources contributed (e.g. money or time) to the focus area.	People-oriented – Social Responsibility
Part D: Climate-related Disclosures		
D-I Governance	The governance body(s) responsible for oversight of climate-related risks and opportunities	Environment Protection – Addressing Climate Change
	Management's role in the processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	Environment Protection – Addressing Climate Change

Aspect	Disclosure	Reference
D-II Strategy	Climate-related risks and opportunities	Environment Protection – Addressing Climate Change
	Business model and value chain	Environment Protection – Addressing Climate Change
	Strategy and decision-making	Note 4
	Financial position, financial performance and cash flows	Note 4
	Climate resilience	Note 4
D-III Risk Management	The processes and related policies used to identify, assess, prioritise and monitor climate-related risks	Environment Protection – Addressing Climate Change
	The processes and related policies used to identify, assess, prioritise and monitor climate-related opportunities	Environment Protection – Addressing Climate Change
	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process	Environment Protection – Addressing Climate Change
D-IV Metrics and Targets	Greenhouse gas emissions	Environment Protection – Addressing Climate Change Note 5
	Climate-related transition risks	Note 4
	Climate-related physical risks	Note 4
	Climate-related opportunities	Note 4
	Capital deployment	Note 4
	Internal carbon prices	Note 5
	Remuneration	Note 6
	Climate-related targets	Environment Protection – Addressing Climate Change

Note 1: The Group is in the process of improving its hazardous waste data statistics and will disclose the information when conditions are ready.

Note 2: All non-hazardous waste generated by the Group is handed over to the local sanitation authorities through the property management of the shopping malls where our stores are located. The Group is currently improving its in-store non-hazardous waste tracking procedures and expects to begin reporting the relevant data in the next reporting year.

Note 3: The Group continues to establish and improve its complaint registration system, which will be disclosed when conditions permit.

Note 4: The Group primarily operates restaurants within shopping malls. These locations are carefully selected by real estate developers and benefit from well-maintained property management services, resulting in secure physical environments. As such, the impact of climate change on our operations is relatively limited, and we have not yet assessed this matter.

Note 5: The Group is currently advancing green operations and practices in its management processes. We will measure our scope 3 emissions and introduce an internal carbon pricing mechanism when conditions permit.

Note 6: The Group has not yet incorporated climate-related factors into remuneration. The Human Resources Department will consider integrating climate-related factors into the remuneration policy in the future.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GREEN TEA GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Green Tea Group Limited ("**the Company**") and its subsidiaries ("the Group") set out on pages 112 to 190, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code"),as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

KEY AUDIT MATTER

Assessing potential impairment of right-of-use assets and property, plant and equipment in restaurants	
Refer to note 11 to the consolidated financial statements and the accounting policies in note 1(i)..	
The Key Audit Matter	**How the matter was addressed in our audit**
Local economic conditions and competition from other restaurants impact the performance of the Group's restaurants. There is a risk that the carrying amounts of the property, plant and equipment and right-of-use assets of the restaurants may not be recoverable by the future net cash flows to be generated from the operations of these restaurants. As at 31 December 2025, the net book value of the Group's property, plant and equipment and right-of-use amounted to RMB1,987,697,000. Each operating restaurant of the Group is identified as a separate cash generating unit ("CGU"). At the end of each reporting period, the property, plant and equipment and right-of-use assets are allocated to respective CGUs. Management reviews the performance of these individual CGUs at the end of each reporting period to identify if there is any indication of impairment. Where impairment indicators are identified, management performs an impairment assessment of the CGU by comparing its carrying value with its recoverable amount, which is higher of fair value less costs of disposal and value-in-use. In determining the value-in-use of the relevant CGU, management prepares discounted cash flow forecast.	Our audit procedures to assess the potential impairment of property, plant and equipment and right-of-use assets of the restaurants included the following: • understanding and evaluating the design and implementation of key internal controls over the impairment assessment; • evaluating the identification of CGUs, the allocation of property, plant and equipment and right-of-use assets to each CGU, and the impairment indicators adopted by management with reference to the requirements of the prevailing accounting standards; • on sample basis, with the assistance of our internal valuation specialists, assessing the methodology adopted by management in preparing the discounted cash flow forecasts with reference to the requirements of the prevailing accounting standards; • comparing the actual performance of selected restaurants for the current year with forecasts adopted by management in the prior year, and making enquiries with management for any significant variations identified and considering if there was any indication of management bias;

KEY AUDIT MATTER (Continued)

Assessing potential impairment of right-of-use assets and property, plant and equipment in restaurants	
Refer to note 11 to the consolidated financial statements and the accounting policies in note 1(i).	
The Key Audit Matter	**How the matter was addressed in our audit**
The preparation of discounted cash flow forecast involves determination of key assumptions including discount rate, future revenue, raw materials and consumables used and staff costs to revenue ratio which require significant management judgement. An impairment loss is recognised when the recoverable amount is lower than the carrying amount of the relevant CGU. As at 31 December 2025, the Group recognised an accumulated impairment loss of RMB1,873,000 and recognised an impairment loss of RMB1,174,000 and a reversal of impairment loss of RMB1,297,000 on property, plant and equipment and right-of-use assets of the restaurants for the year then ended.	• evaluating the appropriateness of key assumptions adopted by management in the discounted cash flow forecasts, including revenue, raw materials and consumables used and staff costs to revenue ratio, on sample basis, by comparing to historical financial performance of the restaurants; and the management's budgets approved by the board of directors; • on sample basis, with the assistance of our internal valuation specialists, assessing the discount rates used in the discounted cash flow forecasts by benchmarking against other similar listed catering entities; and • evaluating the sensitivity analysis prepared by management and considering whether reasonable change in key assumptions used in the discounted cash flow forecasts would materially affect the estimation of the recoverable amounts of the selected restaurants.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yue Tat Wai (practising certificate number: P06438).

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

23 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

(Expressed in Renminbi)

	Note	2025 RMB'000	2024 RMB'000
Revenue	3	4,762,967	3,838,202
Other revenue	4	36,224	31,957
Raw materials and consumables used		(1,508,430)	(1,287,638)
Staff costs	5(b)	(1,242,539)	(989,008)
Depreciation of right-of-use assets		(242,298)	(202,868)
Other rentals and related expenses		(91,059)	(76,064)
Depreciation and amortisation of other assets		(238,873)	(217,875)
Utilities expenses		(169,764)	(141,251)
Delivery service expenses		(202,707)	(120,972)
Other expenses	5(d)	(464,564)	(372,672)
Other net (losses)/income	5(c)	(7,790)	2,153
Finance costs	5(a)	(54,037)	(45,309)
Profit before taxation	5	577,130	418,655
Income tax	6	(90,731)	(68,488)
Profit for the year		486,399	350,167
Attributable to:			
Equity shareholders of the Company		486,481	350,167
Non-controlling interests		(82)	(*)
Profit for the year		486,399	350,167
Earnings per share			
Basic earnings per share (RMB)	10(a)	0.80	0.66
Diluted earnings per share (RMB)	10(b)	0.80	0.65

* The amount represents amount less than RMB1,000.

The notes on pages 120 to 190 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 25(d).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

(Expressed in Renminbi)

	Note	2025 RMB'000	2024 RMB'000
Profit for the year		486,399	350,167
Other comprehensive income for the year	9		
Items that may not be reclassified to profit or loss:			
Exchange differences on translation of financial statements of the Company		(17,041)	410
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		(2,813)	198
Total comprehensive income for the year		466,545	350,775
Attributable to:			
Equity shareholders of the Company		466,530	350,775
Non-controlling interests		15	(*)
Total comprehensive income for the year		466,545	350,775

* The amount represents amount less than RMB1,000.

The notes on pages 120 to 190 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(Expressed in Renminbi)

	Note	2025 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment	11(a)	848,002	724,765
Right-of-use assets	11(b)	1,139,695	966,954
Intangible assets	12	2,004	3,055
Deferred tax assets	22(b)	52,202	44,258
Rental deposits		55,673	39,038
Other non-current assets	23	23,088	13,213
		2,120,664	1,791,283
Current assets			
Inventories	14	61,269	67,227
Trade and other receivables	15	382,438	332,266
Income tax prepayments	22(a)	6,390	1,395
Financial assets at fair value through profit or loss ("**FVPL**")	26(e)	5,011	25,022
Bank deposits with original maturity over three months	16(a)	20,300	–
Cash and cash equivalents	16(a)	1,199,327	247,152
		1,674,735	673,062
Current liabilities			
Trade and other payables	17	602,029	462,339
Contract liabilities	18	6,106	8,021
Lease liabilities	19	317,486	256,728
Current taxation	22(a)	31,304	10,916
		956,925	738,004
Net current assets/(liabilities)		717,810	(64,942)
Total assets less current liabilities		2,838,474	1,726,341

The notes on pages 120 to 190 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(Expressed in Renminbi))

	Note	2025 RMB'000	2024 RMB'000
Non-current liabilities			
Lease liabilities	19	956,733	846,212
Provisions	20	68,352	51,620
Deferred lease incentives	21	12,456	12,823
Deferred tax liabilities	22(b)	47,508	44,553
		1,085,049	955,208
NET ASSETS		1,753,425	771,133
CAPITAL AND RESERVES			
Share capital	25(a)	93	76
Reserves		1,753,332	770,657
Total equity attributable to equity shareholders of the Company		1,752,016	770,733
Non-controlling interests		1,409	400
TOTAL EQUITY		1,753,425	771,133

Approved and authorised for issue by the board of directors on 23 March 2026.

Yu Liying
Executive Director

Wang Jiawei
Executive Director

The notes on pages 120 to 190 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

(Expressed in Renminbi)

		Attributable to equity shareholders of the Company									
	Note	Share capital RMB'000 25(a)	Share premium RMB'000 25(c)(i)	Share-based payments reserve RMB'000 25(c)(ii)	Exchange reserve RMB'000 25(c)(iii)	Statutory surplus reserve RMB'000 25(c)(iv)	Shares held for RSU Scheme /Treasury shares RMB'000 25(c)(v)	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2025		76	–	59,025	(351)	62,568	(4)	649,419	770,733	400	771,133
Changes in equity for 2025:											
Profit for the year		–	–	–	–	–	–	486,481	486,481	(82)	486,399
Other comprehensive income		–	–	–	(19,869)	–	–	–	(19,869)	15	(19,854)
Total comprehensive income		–	–	–	(19,869)	–	–	486,481	466,612	(67)	466,545
Issuance of new shares		17	738,757	–	–	–	–	–	738,774	–	738,774
Appropriation to statutory reserve		–	–	–	–	23,173	–	(23,173)	–	–	–
Capital injection in subsidiaries from non-controlling interests		–	–	–	–	–	–	–	–	1,076	1,076
Repurchase of ordinary shares	25(c)	–	–	–	–	–	(36,083)	–	(36,083)	–	(36,083)
Dividend declared	25(d)	–	(195,744)	–	–	–	–	–	(195,744)	–	(195,744)
Restricted share unit ("RSU") schemes: – Equity settled share-based transactions	25(c)	–	–	7,724	–	–	–	–	7,724	–	7,724
Balance at 31 December 2025		93	543,013	66,749	(20,220)	85,741	(36,087)	1,112,727	1,752,016	1,409	1,753,425

* The amount represents amount less than RMB1,000.

The notes on pages 120 to 190 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

(Expressed in Renminbi)

		Attributable to equity shareholders of the Company									
	Note	Share capital RMB'000 25(a)	Share premium RMB'000 25(c)(i)	Share-based payments reserve RMB'000 25(c)(ii)	Exchange reserve RMB'000 25(c)(iii)	Statutory surplus reserve RMB'000 25(c)(iv)	Shares held for RSU Scheme /Treasury shares RMB'000 25(c)(v)	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2024		76	–	53,578	(959)	41,467	(4)	320,353	414,511	–	414,511
Changes in equity for 2024:											
Profit for the year		–	–	–	–	–	–	350,167	350,167	(*)	350,167
Other comprehensive income		–	–	–	608	–	–	–	608	–	608
Total comprehensive income		–	–	–	608	–	–	350,167	350,775	(*)	350,775
Appropriation to statutory reserve		–	–	–	–	21,101	–	(21,101)	–	–	–
Recognition of non-controlling interests in an asset acquisition		–	–	–	–	–	–	–	–	400	400
RSU schemes:											
– Equity settled share-based transactions	25(c)	–	–	5,447	–	–	–	–	5,447	–	5,447
Balance at 31 December 2024		76	–	59,025	(351)	62,568	(4)	649,419	770,733	400	771,133

The notes on pages 120 to 190 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

(Expressed in Renminbi)

	Note	2025 RMB'000	2024 RMB'000
Operating activities			
Cash generated from operations	16(b)	1,135,275	838,517
Income tax paid	22(a)	(80,327)	(104,553)
Net cash generated from operating activities		1,054,948	733,964
Investing activities			
Payment for the purchase of property, plant and equipment		(350,901)	(336,359)
Proceeds from disposal of property, plant and equipment		1,235	910
Payment for purchase of intangible assets		(263)	(1,539)
Proceeds from disposal of intangible assets		275	–
Placements of bank deposits with original maturity over three months		(20,300)	–
Payment for purchase of wealth management		(5,539,140)	(1,785,000)
Proceeds from disposal of wealth management products		5,566,484	1,882,660
Payment for asset acquisition, net of cash acquired	16(e)	–	(10,395)
Interest income received		9,998	3,959
Payment for provisions		(903)	(2,023)
Net cash used in investing activities		(333,515)	(247,787)

The notes on pages 120 to 190 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

(Expressed in Renminbi)

	Note	2025 RMB'000	2024 RMB'000
Financing activities			
Proceeds from new bank loans	16(c)	1,200	–
Repayment of bank loans	16(c)	(1,200)	(50,100)
Payment of capital element and interest element of lease liabilities	16(c)	(265,662)	(218,198)
Interest expenses of bank loans paid	16(c)	(3)	(37)
Withdrawal of restricted bank deposits		–	25,000
Net proceeds from the issuance of new shares		742,875	–
Payment of shares repurchased		(36,083)	–
Capital injection from non-controlling interests		1,076	–
Dividends paid to equity shareholders of the Company	25(d)	(195,744)	(350,028)
Payment of listing expenses	16(c)	(1,902)	(2,121)
Net cash generated from/(used in) financing activities		244,557	(595,484)
Net increase/(decrease) in cash and cash equivalents		965,990	(109,307)
Effect of foreign exchange rate changes		(13,815)	170
Cash and cash equivalents at January 1	16(a)	247,152	356,289
Cash and cash equivalents at December 31	16(a)	1,199,327	247,152

The notes on pages 120 to 190 form part of these financial statements.

1 MATERIAL ACCOUNTING POLICIES

(a) Statement of Compliance

Green Tea Group Limited (the "**Company**") was incorporated in the Cayman Islands on 4 June 2015 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in restaurant operations in Chinese Mainland. The information of the principal subsidiaries is set out in Note 13.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Listing**") on 16 May 2025.

These financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual IFRS Accounting Standards, International Accounting Standards and Interpretations as issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Material accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new or amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

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

Item included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity (the "Functional Currency").

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

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that financial assets are stated at their fair value as explained in the accounting policies set out below:

– investments in debt and equity securities (see Note 1(e));

1 MATERIAL ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements (Continued)

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 2.

(c) Changes in accounting policies

The Group has applied amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(d) Subsidiaries and non-controlling interests (Continued)

For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company. Loans from holders of NCI and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Notes 1(n), (o) or (p) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 1(i)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(e) Other investments in securities

The Group's policies for investments in securities, other than investments in subsidiaries, are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 28(e). These investments are subsequently accounted for as follows, depending on their classification.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(e) Other investments in securities (Continued)

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see Note 1(t)(ii)), foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- FVOCI – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in OCI. When the investment is derecognised, the amount accumulated in OCI is recycled from equity to profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(f) Property, plant and equipment

The following items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses (see Note 1(i)(ii)):

- right-of-use assets arising from leases over freehold or leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see Note 1(h)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual values, if any, using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment (Continued)

The estimated useful lives for the current and comparative periods are as follows:

– Leasehold Improvements	5 to 30 years, or lease term, whichever is shorter
– Kitchen equipment	5 years
– Furniture and fixture	3-5 years
– Electronic equipment and others	3-5 years

Depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(g) Intangible assets (other than goodwill)

Intangible assets, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses (see Note 1(i)(ii)).

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

– Software	5 years
– Others	5-10 years

Amortisation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less and leases of low-value items such as apartments and kitchen equipment. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(h) Leased assets (Continued)

(i) As a lessee (Continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and are charged to profit or loss as incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 1(f) and 1(i)(ii)).

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost (see Notes 1(e)(i), 1(t)(ii) and 1(i)(i)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses ("ECL"s) on financial assets measured at amortised cost (including cash and cash equivalents, bank deposits with original maturity over three months, trade and other receivables and rental deposits);

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following rates if the effect is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof.
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and
- lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Significant increases in credit risk (Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held), or
- the financial asset is 90 days past due.

The Group considers a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in non-equity securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in OCI and accumulated in the fair value reserve (recycling) does not reduce the carrying amount of the financial asset in the statement of financial position.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see Notes 1(i)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(j) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 1(t)(i)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable would also be recognised (see Note 1(l)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 1(t)(i)).

(l) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost (see Note 1(i)(i)).

1 MATERIAL ACCOUNTING POLICIES (Continued)

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL (see Note 1(i)(i)).

(n) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(o) Preference share capital

Non-redeemable preference shares are classified as equity, because they bear discretionary dividends, do not contain any obligations to deliver cash or other financial assets and do not require settlement in a variable number of the group's equity instruments. Discretionary dividends thereon are recognised as equity distributions on approval by the company's shareholders.

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 1(v).

(q) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(q) Employee benefits (Continued)

(ii) Share-based payments

The grant-date fair value of equity-settled share-based payments granted to employees is measured using the income approach and binomial model. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

(r) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and

1 MATERIAL ACCOUNTING POLICIES (Continued)

(r) Income tax (Continued)

– those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities, provisions and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(s) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods and the provision of services.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognises revenue on a gross basis. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products or services.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

The Group principally generates revenue from restaurant operations. Revenue excludes value added tax or other sales taxes and is after deduction of other sales taxes or any trade discounts.

For restaurant operations for which the control of services is transferred at a point in time, revenue is recognised when the related services have been rendered to customers.

For sales of goods for which the control of goods is transferred at a point in time, revenue is recognised when the goods are delivered and accepted by the customers.

Revenue for rendering of other services is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation as the customer simultaneously receives the benefits provided by the Group's performance as the Group performs.

(ii) Interest income

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(t) Revenue and other income (Continued)

(iii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(u) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into RMB at the foreign exchange rates at the reporting date. The income and expenses of foreign operations are translated into RMB at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(u) Translation of foreign currencies (Continued)

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint venture, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(w) Asset acquisition

Groups of assets acquired and liabilities assumed are assessed to determine if they are business or asset acquisitions. On an acquisition-by-acquisition basis, the Group chooses to apply a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

When a group of assets acquired and liabilities assumed do not constitute a business, the overall acquisition cost is allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of acquisition. An exception is when the sum of the individual fair values of the identifiable assets and liabilities differs from the overall acquisition cost. In such case, any identifiable assets and liabilities that are initially measured at an amount other than cost in accordance with the Group's policies are measured accordingly, and the residual acquisition cost is allocated to the remaining identifiable assets and liabilities based on their relative fair values at the date of acquisition.

(x) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

1 MATERIAL ACCOUNTING POLICIES (Continued)

(x) Related parties (Continued)

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 ACCOUNTING JUDGEMENTS AND ESTIMATES

(a) Critical accounting judgements in applying the group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

Control assessment of cooperation agreements

As further disclosed in Note 13(b), the Group entered into a series of cooperation agreements with certain entities controlled by Wang Qinsong and Lu Changmei, controlling shareholders of the Group, pursuant to which the Group is responsible for providing entrusted management services of running the restaurant business of these entities and is awarded of the management fee which represents the operation results of the restaurant business of these entities. The Group is acting as a principal to operate the underlying restaurant businesses with delegated decision-making rights pursuant to the cooperation agreements and controls the underlying restaurant businesses through the cooperation agreements under IFRS 10 *Consolidated financial statements*.

Accordingly, the operation results of the relevant restaurant businesses, and related property, plant and equipment and right-of-use assets used for the operation of the restaurant businesses are consolidated in the consolidated financial statements of the Group during the period of entrusted management services until the Group terminated the cooperation agreements.

(b) Sources of estimation uncertainty

Significant sources of estimation uncertainty in the process of applying the Group's accounting policies are as follows:

(i) Depreciation and amortisation

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over the estimated useful lives of the assets. Intangible assets are amortised on a straight-line basis over the estimated useful lives. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation or amortisation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets. The depreciation or amortisation expense for future periods is adjusted if there are material changes from previous estimates.

(ii) Impairment of property, plant and equipment, right-of-use assets and intangible assets

Internal and external sources of information are reviewed at the end of each reporting period to assess whether there is any indication that property, plant and equipment, right-of-use assets and intangible assets may be impaired. If any such indication exists, the recoverable amount of the property, plant and equipment, right-of-use assets and intangible assets is estimated. Changes in facts and circumstances may result in revisions to the conclusion of whether an indication of impairment exists and revised estimates of recoverable amounts, which would affect profit or loss in future periods.

2 ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty (Continued)

(iii) Provision for restoration costs

As explained in Note 20, the Group makes provision for restoration costs based on the best estimate of the expected costs to be incurred upon expiry of the respective tenancy agreements, which are subject to uncertainty and might differ from the actual costs incurred. Any increase or decrease in the provision would affect profit or loss in future periods.

(iv) Recognition of deferred tax assets

Deferred tax assets in respect of tax losses carried forward and deductible temporary differences are recognised and measured based on the expected manner of realisation or settlement of the carrying amount of the relevant assets and liabilities, using tax rates enacted or substantively enacted at the end of each reporting date. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and require a significant level of judgement exercised by the directors. Any change in such assumptions and judgement would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are restaurant operations and delivery business.

(i) Disaggregation of revenue

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

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of IFRS 15		
Restaurant operations	3,540,796	3,099,173
Delivery business	1,203,970	723,057
Others	18,201	15,972
	4,762,967	3,838,202

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue (Continued)

	2025 RMB'000	2024 RMB'000
Disaggregated by timing of revenue recognition		
Point in time	4,762,566	3,837,729
Overtime (Note)	401	473
	4,762,967	3,838,202

Note: Revenue from rendering of parking services was recognised over time during the contract period.

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

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

Contracts within the scope of IFRS 15

As at 31 December 2025, the Group has applied the practical expedient in paragraph 121 of IFRS 15 to its contracts for rendering service such that information about revenue expected to be recognised in the future is not disclosed in respect of revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for rendering service that had an expected duration of one year or less.

(b) Segment Reporting

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

No analysis of segment assets and segment liabilities is presented as these information is not regularly provided to the Group's most senior executive management for review.

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

4 OTHER REVENUE

	2025 RMB'000	2024 RMB'000
Interest income on:		
– bank deposits	9,998	3,959
– rental deposits	2,825	2,483
	12,823	6,442
Investment income on wealth management products	7,333	2,490
Government grants (note (i))	15,384	22,322
Lease incentives (Note 21)	684	703
	36,224	31,957

Note:

(i) Government grants mainly represented various forms of incentives and subsidies granted to the Group by the local government authorities in the PRC.

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2025 RMB'000	2024 RMB'000
Interest on bank loans (Note 16(c))	3	37
Interest on lease liabilities (Note 16(c))	51,185	39,305
Interest on long-term payable	–	3,729
Interest on provisions (Note 20)	2,849	2,238
	54,037	45,309

5 PROFIT BEFORE TAXATION (Continued)

(b) Staff costs

	2025 RMB'000	2024 RMB'000
Salaries, wages and other benefits	1,210,684	965,419
Contributions to defined contribution retirement plan (Note (i))	24,131	18,142
Equity-settled share-based payment expenses (Note 24)	7,724	5,447
	1,242,539	989,008

Note:

The employees of the subsidiaries of the Group established in Chinese Mainland participate in a defined contribution scheme managed by the local municipal governments, whereby these companies are required to contribute to the scheme at certain rates of the employees' salaries as agreed by the local municipal governments. Employees of these companies are entitled to benefits, calculated based on a percentage of the average salaries level in Chinese Mainland, from the above mentioned retirement scheme at their normal retirement age.

The Group's employees in Hong Kong SAR participate in a defined contribution scheme registered under the Mandatory Provident Fund Scheme Ordinance (Cap. 485) (the "MPF Scheme"). The MPF Scheme is a defined contribution retirement plan administered by an independent trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of Hong Kong dollars ("HKD") 30,000. Contributions to the plan vest immediately.

The Group has no further obligation for payment of other retirement benefits beyond the above contributions.

(c) Other net losses/(income)

	2025 RMB'000	2024 RMB'000
Net losses on restaurant closures	1,525	660
Net foreign exchange (income)/losses	(474)	35
Net gains on disposal of property, plant and equipment, intangible assets and right-of-use assets	(306)	(1,046)
Impairment losses of property, plant and equipment and right-of-use assets	1,174	–
Reversal of impairment losses of property, plant and equipment and right-of-use assets	(1,297)	–
Donation	4,567	–
Other losses/(income)	2,601	(1,802)
	7,790	(2,153)

5 PROFIT BEFORE TAXATION (Continued)

(d) Other expenses

	2025 RMB'000	2024 RMB'000
Property management expenses	106,686	87,609
Services fees to third-party service providers	79,876	70,639
Platform service fees	82,622	65,498
Transportation charges	37,010	30,704
Business development expenses	43,308	33,868
Advertising and promotion expenses	38,845	30,105
Office expenses	6,798	5,746
Listing expenses	18,262	6,312
Auditors' remuneration		
– annual audit services	2,500	–
– review services	800	–
Others	47,857	42,191
	464,564	372,672

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) Taxation in the consolidated statements of profit or loss represents:

	2025 RMB'000	2024 RMB'000
Current tax:		
Provision for the year	86,867	58,477
Over-provision in respect of prior years	(1,879)	(733)
	84,988	57,744
Deferred tax		
Origination and reversal of tax losses and temporary differences	5,743	10,744
	90,731	68,488

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (Continued)

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

	2025 RMB'000	2024 RMB'000
Profit before taxation	577,130	418,655
Notional tax on profit before taxation, calculated at the applicable rates in the tax jurisdictions concerned (note i, ii, iii)	145,123	105,961
Tax benefit of subsidiaries subject to preferential tax rates (note iii)	(69,845)	(48,176)
PRC dividend withholding tax (Note 22(b))	13,687	9,907
Tax effect of non-deductible expenses	2,589	1,619
Tax effect of unused tax losses and temporary differences not recognised	1,121	15
Over-provision in respect of prior years	(1,879)	(733)
Tax effect of utilisation of the tax losses not recognised as deferred tax asset in previous years	(65)	(105)
Actual tax expenses	90,731	68,488

Notes:

(i) Pursuant to the tax rules and regulations of the Cayman Islands and the Republic of Seychelles, the Group is not subject to any income tax in the Cayman Islands and the Republic of Seychelles.

(ii) The Company completed the business registration in Hong Kong Specia Administrative Region (the "Hong Kong SAR") in 2024. The applicable profits tax rate of the Company and Group's subsidiaries incorporated in Hong Kong SAR was 16.5% for the year ended 31 December 2025 and 2024. A two-tiered profits tax rates regime was introduced in 2018 whereby the first HKD2 million in assessable profits earned by a company will be taxed at half of the current tax rate (8.25%) while the remaining profits will continue to be taxed at 16.5%.

(iii) Taxable income for the subsidiaries of the Group in the Chinese Mainland are subject to PRC income tax rate of 25% for the year ended 31 December 2025 and 2024, unless otherwise specified below.

Tibet Green Tea Food & Beverage Management Co., Ltd ("Tibet Green Tea F&B") was established in Tibet in Chinese Mainland in 2016 and was entitled to the preferential income tax rate of 15% for the year ended 31 December 2025 (2024:15%) according to the Notice No. 51 issued by the Tibet People's Government on 1 May 2014 and the Notice No. 23 issued by the Ministry of Finance, State Taxation Administration and National Development and Reform Commission on 23 April 2020.

For the year ended 31 December 2025 and 2024, the Group's certain subsidiaries fulfilled the criteria required for preferential income tax rate granted to small and low profit-making enterprised in Chinese Mainland, and were entitled to a preferential income tax rate of 5% (2024: 5%) on taxable income within RMB3,000,000.

7 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Directors' and supervisors' fee RMB'000	Salaries, allowances and other benefits RMB'000	Discretionary bonuses RMB'000	Retirement scheme contributions RMB'000	Sub-Total RMB'000	Equity-settled Share-based payments RMB'000	2025 Total RMB'000
Chairman and executive director							
Mr. Wang Qinsong	–	3,991	–	69	4,060	–	4,060
Executive directors							
Ms. Yu Liying	–	1,010	–	10	1,020	180	1,200
Mr. Wang Jiawei	–	904	–	10	914	97	1,011
Non-executive directors							
Ms. Lu Changmei	–	622	–	23	645	–	645
Mr. Liu Sheng	–	–	–	–	–	–	–
Ms. Xu Ruijie	–	–	–	–	–	–	–
Independent non-executive directors							
Mr. Shao Xiaodong (appointed on 30 April 2025)	201	–	–	–	201	–	201
Mr. Bruno Robert Mercier (appointed on 30 April 2025)	201	–	–	–	201	–	201
Mr. Fan Yongkui (appointed on 30 April 2025)	201	–	–	–	201	–	201
	603	6,527	–	112	7,242	277	7,519

7 DIRECTORS' EMOLUMENTS (Continued)

	Directors' and supervisors' fee RMB'000	Salaries, allowances and other benefits RMB'000	Discretionary bonuses RMB'000	Retirement scheme contributions RMB'000	Sub-Total RMB'000	Equity-settled Share-based payments RMB'000	2024 Total RMB'000
Chairman and executive director							
Mr. Wang Qinsong	–	1,937	–	74	2,011	–	2,011
Executive directors							
Ms. Yu Liying	–	834	–	9	843	266	1,109
Mr. Wang Jiawei	–	816	–	9	825	142	967
Non-executive directors							
Ms. Lu Changmei	–	387	–	20	407	–	407
Mr. Liu Sheng	–	–	–	–	–	–	–
Ms. Xu Ruijie	–	–	–	–	–	–	–
	–	3,974	–	112	4,086	408	4,494

Note:

There were no emoluments during the above periods paid by the Group to the directors or any of the five highest paid individuals set out in Note 8 below as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, no director has waived or agreed to waive any emoluments during the above periods.

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, one (2024: one) is director whose emoluments are disclosed in Note 7. The emoluments in respect of the other four (2024: four) individual are as follows:

	2025 RMB'000	2024 RMB'000
Salaries and other emoluments	4,682	5,413
Contributions to defined contribution retirement plan	52	39
Equity-settled share-based payment expenses	1,546	969
	6,280	6,421

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS (Continued)

The emolument of the four (2024: four) individual with the highest emoluments is within the following bands:

	2025 Number of individuals	2024 Number of individuals
HKD1,000,001 – HKD1,500,000	3	1
HKD1,500,001 – HKD2,000,000	1	2
HKD2,000,001 – HKD2,500,000	–	1

9 OTHER COMPREHENSIVE INCOME

Tax effects relating to each component of other comprehensive income:

	2025			2024		
	Before-tax amount RMB'000	Tax expense RMB'000	Net-of tax amount RMB'000	Before-tax amount RMB'000	Tax expense RMB'000	Net-of tax amount RMB'000
Exchange differences on translation of:						
– financial statements of the Company and the Company's overseas subsidiaries	(19,854)	–	(19,854)	608	–	608

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of RMB486,481,000 (2024: RMB350,167,000) and the weighted average of 605,727,389 shares (2024: 532,763,727) in issue during the year, calculated as follows:

	2025	2024
Profit attributable to equity shareholders of the Company (RMB'000)	486,481	350,167
Issued ordinary and preference shares at 1 January (note (i))	522,250,000	522,250,000
Effect of shares issued upon the completion of initial public offering (Note 25(a))	74,264,668	-
Effect of shares vested under RSU Scheme (note (ii))	10,009,588	10,513,727
Effect of shares repurchased (Note 25(c)(v))	(796,867)	–
Weighted average number of ordinary and preference shares in issue at 31 December	605,727,389	532,763,727
Basic earnings per share (expressed in RMB per share)	0.80	0.66

Notes:

(i) The preference shares issued by the Company have the same right to share in the profit of the Group as ordinary shares before the Listing. Therefore, the Company did not present separate earnings per share information for the preference shares.

Each preference share has been automatically converted into an ordinary share on a one to one ratio upon the Listing.

(ii) The shares vested under RSU scheme include those vested RSUs, which were granted to certain directors and employees of the Group under Scheme A and Scheme B at a price of RMB0.01 per unit. Details of RSU scheme are set out in Note 24.

10 EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB486,481,000 (2024: RMB350,167,000) and the weighted average of 611,242,409 shares (2024: 536,412,892 shares) in issue during the year, calculated as follows:

	2025	2024
Profit attributable to equity shareholders of the Company (RMB'000)	486,481	350,167
Weighted average number of ordinary and preference shares in issue at 31 December	605,727,389	532,763,727
Effect of deemed issue of shares under RSU Scheme	5,515,020	3,649,165
Weighted average number of ordinary and preference shares (diluted) at 31 December	611,242,409	536,412,892
Diluted earnings per share (expressed in RMB per share)	0.80	0.65

11 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSET

(a) Reconciliation of carrying amount of property, plant and equipment

	Kitchen equipment RMB'000	Furniture and fixture RMB'000	Electronic equipment and others RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
Cost:						
At 1 January 2024	223,978	122,400	33,354	939,792	18,464	1,337,988
Additions	9,035	609	1,667	3,054	283,559	297,924
Transfer from construction in progress	42,853	23,354	6,986	201,648	(274,841)	–
Disposals	(13,743)	(6,408)	(1,572)	(49,504)	(64)	(71,291)
Exchange adjustments	14	8	5	140	33	200
At 31 December 2024 and 1 January 2025	262,137	139,963	40,440	1,095,130	27,151	1,564,821
Additions	7,867	537	1,156	1,413	360,061	371,034
Transfer from construction in progress	48,400	30,196	9,989	262,026	(350,611)	–
Disposals	(12,327)	(5,398)	(1,666)	(44,620)	–	(64,011)
Exchange adjustments	3	(28)	(11)	(134)	23	(147)
At 31 December 2025	**306,080**	**165,270**	**49,908**	**1,313,815**	**36,624**	**1,871,697**
Accumulated depreciation:						
At 1 January 2024	117,709	63,602	18,959	484,109	–	684,379
Charge for the year	37,167	20,063	7,571	152,436	–	217,237
Written back on disposals	(13,008)	(6,214)	(1,496)	(42,842)	–	(63,560)
Exchange adjustments	–	–	–	4	–	4
At 31 December 2024 and 1 January 2025	141,868	77,451	25,034	593,707	–	838,060
Charge for the year	40,909	21,018	8,398	167,791	–	238,116
Written back on disposals	(10,679)	(4,624)	(1,538)	(37,415)	–	(54,256)
Exchange adjustments	(11)	(8)	(3)	(76)	–	(98)
At 31 December 2025	**172,087**	**93,837**	**31,891**	**724,007**	**–**	**1,021,822**

11 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSET (Continued)

(a) Reconciliation of carrying amount of property, plant and equipment (Continued)

	Kitchen equipment RMB'000	Furniture and fixture RMB'000	Electronic equipment and others RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
Impairment:						
At 1 January 2024	–	–	–	2,576	2,060	4,636
Written back on disposals	–	–	–	(2,576)	(64)	(2,640)
At 31 December 2024 and 1 January 2025	–	–	–	–	1,996	1,996
Charge for the year	–	–	–	1,174	–	1,174
Reversal for the year	–	–	–	–	(1,297)	(1,297)
At 31 December 2025	–	–	–	1,174	699	1,873
Net book value:						
At 31 December 2025	133,993	71,433	18,017	588,634	35,925	848,002
At 31 December 2024	120,269	62,512	15,406	501,423	25,155	724,765

Impairment assessment

The recoverable amount of each restaurant ("CGU") with an indication of impairment is estimated at the end of each reporting period. As at the end of each reporting period, in view of the unfavourable future prospects of certain restaurants, there was an indication that the CGUs may suffer an impairment loss. Management of the Group has conducted impairment testing. The recoverable amount of each CGU is determined based on fair value less cost of disposal or value-in-use calculations by preparing cash flow projections of the relevant CGU derived from the most recent financial forecast approved by management covering the remaining lease term, which is higher. The cash flows are discounted using a discount rate of 12.6% and 13.9%, respectively as at 31 December 2025 and 2024. The discount rate used is pre-tax and reflects specific risks relating to the relevant CGU.

As at 31 December 2025, the carrying amount of certain CGUs exceeds their recoverable amount and, therefore, an impairment loss of RMB1,174,000 was recognised in the profit or loss in the consolidated statements of profit or loss for the year ended 31 December 2025 (2024: nil) based on the value in use calculation.

As at 31 December 2025, there is an indication that an impairment loss recognised in prior periods for certain CGU (one restaurant under decoration) has no longer existed, and the recoverable amount of that restaurant exceeds the carrying amount, a reversal of impairment loss of RMB1,297,000 was recognised in the profit or loss in the consolidated statements of profit or loss for the year ended 31 December 2025 (2024: nil).

11 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSET (Continued)

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Properties RMB'000	Kitchen equipment RMB'000	Total RMB'000
Cost:			
At 1 January 2024	1,401,575	21,604	1,423,179
Additions	363,039	4,548	367,587
Disposals	(115,049)	(4,267)	(119,316)
Exchange adjustments	546	1	547
At 31 December 2024 and 1 January 2025	1,650,111	21,886	1,671,997
Additions	431,616	3,179	434,795
Disposals	(67,826)	(3,207)	(71,033)
Exchange adjustments	(1,927)	(4)	(1,931)
At 31 December 2025	**2,011,974**	**21,854**	**2,033,828**
Accumulated depreciation:			
At 1 January 2024	592,763	8,361	601,124
Charge for the year	198,309	4,559	202,868
Written back on disposals	(95,080)	(3,911)	(98,991)
Exchange adjustments	42	–	42
At 31 December 2024 and 1 January 2025	696,034	9,009	705,043
Charge for the year	237,593	4,705	242,298
Written back on disposals	(49,957)	(2,829)	(52,786)
Exchange adjustments	(420)	(2)	(422)

11 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSET (Continued)

(b) Right-of-use assets (Continued)

	Properties RMB'000	Kitchen equipment RMB'000	Total RMB'000
At 31 December 2025	883,250	10,883	894,133
Net book value:			
At 31 December 2025	1,128,724	10,971	1,139,695
At 31 December 2024	954,077	12,877	966,954

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities (Note 5(a))	51,185	39,305
Expense relating to leases of low-value assets and short-term leases	56,160	50,837
Variable lease payments not included in the measurement of lease liabilities	36,263	26,451
Lease incentives (Note 21)	(2,048)	(1,927)

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Notes 16(d) and 19, respectively.

Notes:

(i) Property – Right-of-use assets

The Group has obtained the right of use properties as its restaurants through tenancy agreements. The leases typically run for an initial period of lease terms of 4 to 31.4 years. Lease payments are usually increased every 2 years to reflect market rentals.

(ii) Kitchen equipment – Right-of-use assets

The Group leases certain kitchen equipment under leases expiring from 3 to 5 years.

(iii) Rental deposits

The refundable rental deposits themselves are not parts of the lease payments and the measurement are within the scope of IFRS 9. Therefore, the rental deposits should be measured at fair value on initial recognition. The difference between the initial fair value and the nominal value of the deposit is an additional lease payment made by the Group and it is included in the measurement of the right-of-use assets.

12 INTANGIBLE ASSETS

	Software RMB'000	Others RMB'000	Total RMB'000
Cost:			
At 1 January 2024	3,859	377	4,236
Additions	1,555	–	1,555
At 31 December 2024 and 1 January 2025	5,414	377	5,791
Additions	263	–	263
Disposal	(777)	–	(777)
At 31 December 2025	**4,900**	**377**	**5,277**
Accumulated amortisation:			
At 1 January 2024	1,788	310	2,098
Additions	628	10	638
At 31 December 2024 and 1 January 2025	2,416	320	2,736
Additions	747	10	757
Disposal	(220)	–	(220)
At 31 December 2025	**2,943**	**330**	**3,273**
Net book value:			
At 31 December 2025	**1,957**	**47**	**2,004**
At 31 December 2024	2,998	57	3,055

13 INVESTMENT IN SUBSIDIARIES

The Company

	2025 RMB'000	2024 RMB'000
Interests in subsidiaries		
Investments in subsidiaries (note (i))	41	41
Deemed investments arising from share-based compensation (Note 24)	66,749	59,025
Amounts due from subsidiaries (note (ii))	176,443	77,609
	243,233	136,675

Notes:

(i) As at 31 December 2025 and 2024, the Company's investments in subsidiaries was USD6,000, equivalent to RMB41,000.

(ii) As at 31 December 2025 and 2024, the amounts due from subsidiaries were interest-free and had no fixed terms of payment.

13 INVESTMENT IN SUBSIDIARIES (Continued)

The Company (Continued)

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

Company name	Place and date of incorporation/ establishment and operations	Type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest						Principal activities
				Group's effective interest		Held by the company		Held by a subsidiary		
				2025	2024	2025	2024	2025	2024	
Everlasting Thrive Limited	The Republic of Seychelles 23 July 2015	Limited liability company	USD2,000	100%	100%	100%	100%	-	-	Investment holding
Emperor Favour Limited	The Republic of Seychelles 23 July 2015	Limited liability company	USD2,000	100%	100%	100%	100%	-	-	Investment holding
August Fountain Limited	The Republic of Seychelles 23 July 2015	Limited liability company	USD2,000	100%	100%	100%	100%	-	-	Investment holding
Hong Kong Greentea Group Limited	Hong Kong 21 August 2015	Limited liability company	HKD10,000	100%	100%	-	-	100%	100%	Investment holding
Hong Kong Guan Dong Zao Group Limited	Hong Kong 21 August 2015	Limited liability company	HKD10,000	100%	100%	-	-	100%	100%	Investment holding
Hong Kong August Fountain Group Limited	Hong Kong 21 August 2015	Limited liability company	HKD10,000	100%	100%	-	-	100%	100%	Investment holding
Shenzhen Qianhai Hongquan Investment Consultancy Company Limited 深圳前海鴻泉投資諮詢有限公司(note (a))	Chinese Mainland 23 December 2015	Limited liability company	RMB10,000,000	100%	100%	-	-	100%	100%	Investment holding

13 INVESTMENT IN SUBSIDIARIES (Continued)

The Company (Continued)

Company name	Place and date of incorporation/ establishment and operations	Type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest						Principal activities
				Group's effective interest		Held by the company		Held by a subsidiary		
				2025	2024	2025	2024	2025	2024	
Shenzhen Qianhai Green Tea Investment Consultancy Company Limited 深圳前海綠茶投資諮詢有限公司(note (a))	Chinese Mainland 23 December 2015	Wholly foreign-owned enterprise	RMB10,000,000	100%	100%	-	-	100%	100%	Investment holding
Shenzhen Qianhai Guandongzao Investment Consultancy Company Limited 深圳前海關東造投資諮詢有限公司(note (a))	Chinese Mainland 23 December 2015	Wholly foreign-owned enterprise	RMB500,000	100%	100%	-	-	100%	100%	Investment holding
Hangzhou Dinghuan Investment Management Company Limited ("Hangzhou Dinghuan") 杭州鼎寰投資管理有限公司(note (a))	Chinese Mainland 27 March 2017	Wholly foreign-owned enterprise	RMB10,000,000	100%	100%	-	-	100%	100%	Restaurant operations
Tibet Green Tea Food & Beverage Management Company Limited 西藏綠茶餐飲管理有限公司(note (a))	Chinese Mainland 30 March 2016	Wholly foreign-owned enterprise	RMB20,408,200	100%	100%	-	-	100%	100%	Restaurant operations
Tibet Guandongzao Investment Management Company Limited 西藏關東造投資管理有限公司(note (a))	Chinese Mainland 30 March 2016	Wholly foreign-owned enterprise	RMB2,000,000	100%	100%	-	-	100%	100%	Investment holding
Tibet Guandongzao Food & Beverage Company Limited 西藏關東造餐飲有限公司(note (a))	Chinese Mainland 11 May 2016	Wholly foreign-owned enterprise	RMB1,000,000	100%	100%	-	-	100%	100%	Restaurant operations

13 INVESTMENT IN SUBSIDIARIES (Continued)

The Company (Continued)

Company name	Place and date of incorporation/ establishment and operations	Type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest						Principal activities
				Group's effective interest		Held by the company		Held by a subsidiary		
				2025	2024	2025	2024	2025	2024	
Tibet Green Tea Quan Enterprise Management Company Limited 西藏綠茶泉企業管理有限公司(formerly known as Tibet Green Tea Quan Investment Management Company Limited 西藏綠茶泉投資管理有限公司) (note (a))	Chinese Mainland 30 March 2016	Wholly foreign-owned enterprise	RMB5,000,000	100%	100%	-	-	100%	100%	Investment holding
Shenzhen Green Tea Renjia Trading Company Limited 深圳市綠茶人家貿易有限公司(note (a))	Chinese Mainland 24 June 2016	Limited liability company	RMB5,000,000	100%	100%	-	-	100%	100%	Food procurement
Zhejiang Lvqin Supply Chain Management Company Limited 浙江綠勤供應鏈管理有限公司(note (a))	Chinese Mainland 29 December 2020	Limited liability company	RMB10,000,000	100%	100%	-	-	100%	100%	Food wholesale industry
Miaohui (Zhejiang Zhoushan) Trading Company Limited 妙會(浙江舟山)貿易有限責任公司(note (a))	Chinese Mainland 15 December 2022	Limited liability company	-	100%	100%	-	-	100%	100%	Food wholesale industry
Zhejiang Daxin Supply Chain Management Company Limited 浙江大心供應鏈管理有限公司(note (a))	Chinese Mainland 24 May 2023	Limited liability company	-	100%	100%	-	-	100%	100%	Food wholesale industry

13 INVESTMENT IN SUBSIDIARIES (Continued)

The Company (Continued)

Company name	Place and date of incorporation/ establishment and operations	Type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest						Principal activities
				Group's effective interest		Held by the company		Held by a subsidiary		
				2025	2024	2025	2024	2025	2024	
Yiwu Dinghuan Investment Management Consultancy Company Limited 義烏市鼎寰企業管理諮詢有限公司(note (a))	Chinese Mainland 8 January 2021	Limited liability company	RMB1,000,000	100%	100%	-	-	100%	100%	Investment holding
Shenzhen Maoye Dinghuan Food & Beverage Management Company Limited 深圳市茂業鼎寰餐飲管理有限公司(note (a))	Chinese Mainland 13 January 2021	Limited liability company	RMB1,000,000	100%	100%	-	-	100%	100%	Restaurant operations
Beijing Dinghuan Food & Beverage Management Company Limited 北京鼎寰餐飲管理有限公司(note (a))	Chinese Mainland 25 January 2021	Limited liability company	RMB1,000,000	100%	100%	-	-	100%	100%	Restaurant operations
Shanxi Dinghuan Food & Beverage Management Company Limited 山西鼎寰餐飲管理有限公司(note (a))	Chinese Mainland 2 February 2021	Limited liability company	-	100%	100%	-	-	100%	100%	Restaurant operations
Sanya Dinghuan Food & Beverage Company Limited 三亞鼎寰餐飲管理有限公司(note (a))	Chinese Mainland 20 July 2021	Limited liability company	RMB1,000,000	100%	100%	-	-	100%	100%	Restaurant operations
Shenzhen Xinghuan Food & Beverage Management Company Limited 深圳市星寰餐飲管理有限公司(note (a))	Chinese Mainland 23 July 2021	Limited liability company	RMB1,000,000	100%	100%	-	-	100%	100%	Restaurant operations

13 INVESTMENT IN SUBSIDIARIES (Continued)

The Company (Continued)

Company name	Place and date of incorporation/ establishment and operations	Type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest						Principal activities
				Group's effective interest		Held by the company		Held by a subsidiary		
				2025	2024	2025	2024	2025	2024	
Sanya Haihuan Food & Beverage Management Company Limited 三亞海寰餐飲管理有限公司(note (a))	Chinese Mainland 30 July 2021	Limited liability company	RMB1,000,000	100%	100%	-	-	100%	100%	Restaurant operations
Dongguan Songxianghuan Food & Beverage Management Company Limited 東莞市松象寰企業管理有限公司(note (a))	Chinese Mainland 3 March 2022	Limited liability company	RMB500,000	100%	100%	-	-	100%	100%	Restaurant operations
Hangzhou Lvwu Food & Beverage Management Company Limited 杭州綠蕪餐飲管理有限公司(note (a))	Chinese Mainland 22 March 2022	Limited liability company	-	100%	100%	-	-	100%	100%	Restaurant operations
Shaoxing Dinghuan Food & Beverage Management Company Limited 紹興鼎寰餐飲管理有限公司(note (a))	Chinese Mainland 29 June 2023	Limited liability company	RMB500,000	100%	100%	-	-	100%	100%	Restaurant operations
Hangzhou Greentea Catering Management Co., Ltd. 杭州綠茶餐飲管理有限公司(note (a)(b)(c))	Chinese Mainland 21 February 2008	Limited liability company	RMB500,000	100%	100%	-	-	100%	100%	Restaurant operations
Beijing Greentea Catering Management Co., Ltd. 北京綠茶餐飲管理有限公司(note (a)(b)(c))	Chinese Mainland 11 November 2009	Limited liability company	RMB1,000,000	60%	60%	-	-	60%	60%	Restaurant operations

13 INVESTMENT IN SUBSIDIARIES (Continued)

The Company (Continued)

Company name	Place and date of incorporation/ establishment and operations	Type of legal entity	Particulars of issued and paid-up capital	Proportion of ownership interest						Principal activities
				Group's effective interest		Held by the company		Held by a subsidiary		
				2025	2024	2025	2024	2025	2024	
Hangzhou Fengqing Zhuying Food & Beverage Management Company Limited 杭州風清竹影餐飲管理有限公司(note (a))	Chinese Mainland 15 August 2024	Limited liability company	–	100%	100%	–	–	100%	100%	Restaurant operations
Hangzhou Xunhuan Food & Beverage Management Company Limited 杭州潯寰餐飲管理有限公司 (note (a))	Chinese Mainland 13 October 2025	Limited liability company	–	100%	–	–	–	100%	–	Restaurant operations
Shantou Longhuan Food & Beverage Management Company Limited 汕頭市龍寰餐飲管理有限公司 (note (a))	Chinese Mainland 28 March 2024	Limited liability company	–	100%	100%	–	–	100%	100%	Restaurant operations
Taizhou Dinghuan Food & Beverage Management Company Limited 泰州鼎寰餐飲管理有限公司 (note (a))	Chinese Mainland 09 March 2021	Limited liability company	–	100%	100%	–	–	100%	100%	Restaurant operations
Huizhou Ganghuan Food & Beverage Management Company Limited 惠州市港寰餐飲管理有限公司 (note (a))	Chinese Mainland 17 October 2023	Limited liability company	–	100%	100%	–	–	100%	100%	Restaurant operations

13 INVESTMENT IN SUBSIDIARIES (Continued)

The Company (Continued)

Notes:

(a) These entities are PRC limited liability companies. The official names of these entities are in Chinese. The English translation of the names is for identification only.

(b) In 2017, the Group entered into a series of cooperation agreements with certain entities controlled by Wang Qinsong and Lu Changmei, controlling shareholders of the Group, including Hangzhou Greentea Catering Management Co., Ltd. ("Hangzhou Greentea"), Wuhan Jiangnan Greentea Catering Management Co., Ltd. ("Wuhan Greentea", deregistered on 19 March 2025) and Beijing Greentea Catering Management Co., Ltd. ("Beijing Greentea"), pursuant to which, the Group is responsible for providing entrusted management services of running the restaurant business of these entities and is awarded of the management fee approximate to the operation results of the restaurant business of these entities. The cooperation agreements expired on 30 April 2023 and were renewed for another three years till 30 April 2026.

In September 2024, the Group terminated the agreement with Wuhan Greentea since the lease agreement associated with the restaurant expired in September 2024 and the Group ceased the operation of the restaurant accordingly.

In December 2024, the Group terminated the agreements with Hangzhou Greentea and its non-wholly owned subsidiary Beijing Greentea since the Group acquired the 100% equity interests in Hangzhou Greentea on 25 December 2024.

As the Group has the ability to use its power over the restaurant business of the above entities to affect the amount of the Group's returns, the operation results of the relevant restaurant business and related property, plant and equipment and right-of-use assets used for the operation of the restaurant business are consolidated in the financial statements of the Group during the period of entrusted management services until the Group terminated the cooperation agreements.

(c) On 24 December 2024, the Group, entered into an equity transfer agreement with Wang Qinsong to acquire 100% equity interests in Hangzhou Greentea (including its non-wholly owned subsidiary Beijing Greentea) at a total consideration of RMB21,278,000 (Note 16(e)). On 25 December 2024, the transaction was completed and Hangzhou Greentea and Beijing Greentea became the subsidiaries of the Group since then. The transaction was recognised as an acquisition of assets, rather than a business combination, given the reason presented in Note 13(b). Further details of the net assets acquired are set out in Note 16(e).

All companies now comprising the Group have adopted 31 December as their financial year end date.

14 INVENTORIES

	2025 RMB'000	2024 RMB'000
Food and beverages, and other operating items for restaurant operations	61,269	67,227

All of the inventories are expected to be recovered within one year.

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	2025 RMB'000	2024 RMB'000
Carrying amount of inventories sold and consumed	1,508,430	1,287,638

15 TRADE AND OTHER RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade debtors	33,338	22,550
Other receivables and deposits	90,941	76,216
Financial assets measured at amortised cost	124,279	98,766
Value added tax recoverable	158,315	158,350
Prepayments (note)	99,844	75,150
	258,159	233,500
	382,438	332,266

Note: Prepayments mainly represent prepayments for rental, property management expenses and utilities expenses.

15 TRADE AND OTHER RECEIVABLES (Continued)

Ageing analysis:

As of the end of the reporting period, the ageing analysis of trade debtors (which are included in trade and other receivables), based on the revenue recognition date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 month	30,380	21,249
1 to 2 months	1,606	1,037
2 to 3 months	709	247
Over 3 months but within 1 year	643	17
	33,338	22,550

Trade debtors are due within 1 year from the date of revenue recognition. Further details on the Group's credit policy are set out in Note 26(a).

16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2025 RMB'000	2024 RMB'000
Cash on hand	1,698	1,281
Cash at bank	1,217,929	245,871
Less: bank deposits with original maturity over three months	(20,300)	–
	1,199,327	247,152

16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Continued)

(b) Reconciliation of profit before taxation to cash generated from operations:

	Note	2025 RMB'000	2024 RMB'000
Profit before taxation		577,130	418,655
Adjustments for:			
Interest income and investment income	4	(20,156)	(8,932)
Depreciation		480,414	420,105
Amortisation of lease incentives	4	(684)	(703)
Amortisation of intangible assets		757	638
Finance costs	5(a)	54,037	45,309
Net loss/(gain) on disposal of property, plant and equipment, intangible assets and right-of-use assets	5(c)	(306)	(1,046)
Impairment losses of property, plant and equipment and right-of-use assets	5(c)	1,174	–
Reversal of impairment losses of property, plant and equipment and right-of-use assets	5(c)	(1,297)	–
Equity-settled share-based payment expenses	5(b)	7,724	5,447
Changes in working capital:			
Decrease/(increase) in inventories		5,958	(7,336)
Increase in trade and other receivables and rental deposits		(55,286)	(32,353)
Increase/(decrease) in trade and other payables		87,725	(2,441)
(Decrease)/increase in contract liabilities		(1,915)	1,174
Cash generated from operations		1,135,275	838,517

16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Continued)

(c) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statements as cash flows from financing activities.

	Lease liabilities RMB'000 (Note (19))	Bank loans RMB'000	Dividend payable RMB'000 (Note 25(d))	Listing expense payable – capital element (included in trade and other payables) RMB'000	Total RMB'000
At 1 January 2025	1,102,940	–	–	336	1,103,276
Proceeds from new bank loans	–	1,200	–	–	1,200
Repayment of bank loans	–	(1,200)	–	–	(1,200)
Interest of bank loans paid	–	(3)	–	–	(3)
Payment of capital element and interest element of lease liabilities	(265,662)	–	–	–	(265,662)
Dividends paid	–	–	(195,744)	–	(195,744)
Payment of listing expenses	–	–	–	(1,902)	(1,902)
Total changes from financing cash flows	(265,662)	(3)	(195,744)	(1,902)	(463,311)
Exchange adjustments	(1,691)	–	–	–	(1,691)
Other changes:					
Interest expenses	51,185	3	–	–	51,188
Additions	413,020	–	195,744	2,920	611,684
Disposals	(25,573)	–	–	–	(25,573)
Total other changes	438,632	3	195,744	2,920	637,299
At 31 December 2025	1,274,219	–	–	1,354	1,275,573

16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Continued)

(c) Reconciliation of liabilities arising from financing activities: (Continued)

	Lease liabilities RMB'000 (Note(19))	Bank loans RMB'000	Dividend payable RMB'000 (Note25(d))	Listing expense payable – capital element (included in trade and other payables) RMB'000	Total RMB'000
At 1 January 2024	873,552	50,100	350,028	522	1,274,202
Repayment of bank loans	–	(50,100)	–	–	(50,100)
Interest of bank loans paid	–	(37)	–	–	(37)
Payment of capital element and interest element of lease liabilities	(218,198)	–	–	–	(218,198)
Dividends paid	–	–	(350,028)	–	(350,028)
Payment of listing expenses	–	–	–	(2,121)	(2,121)
Total changes from financing cash flows	(218,198)	(50,137)	(350,028)	(2,121)	(620,484)
Exchange adjustments	560	–	–	–	560
Other changes:					
Interest expenses	39,305	37	–	–	39,342
Additions	432,428	–	–	1,935	434,363
Disposals	(24,707)	–	–	–	(24,707)
Total other changes	447,026	37	–	1,935	448,998
At 31 December 2024	1,102,940	–	–	336	1,103,276

16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Continued)

(d) Total cash out flow for leases:

	2025 RMB'000	2024 RMB'000
Within operating cash flows	91,059	76,064
Within financing cash flows	265,662	218,198
	356,721	294,262

(e) Net cash outflow arising from the asset acquisition:

As mentioned in Note 13(b), the Group acquired Hangzhou Greentea and Beijing Greentea in December 2024. The recognised amounts of assets acquired and liabilities at the date of asset acquisition comprise the following:

	2024 RMB'000
Trade and other receivables	4,582
Lease receivables	26,725
Cash and cash equivalents	10,883
Other assets	331
Trade and other payables	(20,843)
Total net assets acquired	21,678
Non-controlling interests arising from acquisition	(400)
Total consideration paid in cash	21,278
Less: cash of assets acquired	(10,883)
	10,395

17 TRADE AND OTHER PAYABLES

	2025 RMB'000	2024 RMB'000
Trade payables	260,120	221,361
Listing expenses payable	8,196	12,362
Other payables and accrued charges	220,025	138,392
Financial liabilities measured at amortised cost	488,341	372,115
Staff cost payable	105,452	85,506
Other taxes payable	8,236	4,718
	602,029	462,339

All trade and other payables are expected to be settled within one year or are repayable on demand.

As of the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the transaction date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	255,763	217,699
Over 1 year but within 2 years	851	190
Over 2 years but within 3 years	3,506	3,472
	260,120	221,361

18 CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000
Advanced payment received	1,007	2,107
Customer loyalty scheme (note)	5,099	5,914
	6,106	8,021

Note: The estimated loyalty points arising from the customer loyalty scheme could be used in the future consumptions in the restaurants. The balance at the end of each year represented the transaction price allocated to unsatisfied performance obligation.

18 CONTRACT LIABILITIES (Continued)

Movements in contract liabilities:

	2025 RMB'000	2024 RMB'000
At the beginning of the year	8,021	6,847
Net increase in contract liabilities during the year	1,584	7,250
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(3,499)	(6,076)
At the end of the year	6,106	8,021

19 LEASE LIABILITIES

At 31 December 2025 the lease liabilities were repayable as follows::

	2025 RMB'000	2024 RMB'000
– Within 1 year	317,486	256,728
– After 1 year but within 2 years	220,931	187,495
– After 2 years but within 5 years	497,439	417,395
– After 5 years	238,363	241,322
	956,733	846,212
	1,274,219	1,102,940

20 PROVISIONS

	2025 RMB'000	2024 RMB'000
Provisions for restoration costs	68,352	51,620

20 PROVISIONS (Continued)

The movements of provisions during the year were as follows:

	2025 RMB'000	2024 RMB'000
Balance at the beginning	51,620	43,116
Additional provisions	14,872	8,271
Interest on provisions	2,849	2,238
Provisions utilised	(903)	(2,023)
Exchange adjustments	(86)	18
Balance at the end	68,352	51,620

Pursuant to the terms of the respective tenancy agreements entered into by the Group, the Group is required to restore certain leased properties to the conditions as stipulated in the tenancy agreements at the expiration of the corresponding lease term as appropriate. The provision for restoration costs was estimated based on certain assumptions and estimates made by the Group's management with reference to historical restoration costs and/or other available market information. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

21 DEFERRED LEASE INCENTIVES

In accordance with the Group's lease agreements, the Group has been granted lease incentive amounts from certain lessors for the reimbursement of leasehold improvement costs of the leased properties. The Group accounted for the benefit of the lease incentive amounts firstly as a deduction of the initial carrying amount of the right-of-use assets, and then the excess as deferred lease incentives which are amortised on a straight-line basis over the term of the leases.

The movement of deferred lease incentives during the years was as follows:

	2025 RMB'000	2024 RMB'000
Balance at the beginning	12,823	12,769
Additions	1,681	1,981
Less accumulated amortisation		
– deducted from variable lease payments	(1,364)	(1,224)
– recognised as other income	(684)	(703)
Balance at the end	12,456	12,823

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

	2025 RMB'000	2024 RMB'000
Balance at the beginning	9,521	53,950
Provision for the PRC Corporate Income Tax (Note 6(a))	84,988	57,744
Transferred from deferred tax liabilities in respect of withholding tax	10,732	2,380
PRC Corporate Income Tax paid for the year	(80,327)	(104,553)
Balance at the ended	24,914	9,521
Representing:		
Current tax payables	31,304	10,916
Income tax prepayments	(6,390)	(1,395)
	24,914	9,521

(b) Deferred tax assets and liabilities recognised

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

	Unused tax losses RMB'000	Unrealised profits RMB'000	Right-of-use assets RMB'000	Lease liabilities RMB'000	Customer loyalty scheme RMB'000	Withholding tax on dividends RMB'000	Total RMB'000
At 1 January 2024	12,860	808	(105,180)	135,818	789	(37,026)	8,069
Withholding tax payable	–	–	–	–	–	2,380	2,380
Credit/(charged) to profit or loss	(2,238)	(336)	5,184	(3,722)	275	(9,907)	(10,744)
At 31 December 2024	10,622	472	(99,996)	132,096	1,064	(44,553)	(295)
Withholding tax payable	–	–	–	–	–	10,732	10,732
Credit/(charged) to profit or loss	618	461	(28,900)	35,912	(147)	(13,687)	(5,743)
At 31 December 2025	11,240	933	(128,896)	168,008	917	(47,508)	4,694

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised (Continued)

(i) Movement of each component of deferred tax assets and liabilities (Continued)

According to PRC corporate income tax laws and its implementation rules, dividends receivable by non-PRC corporate residents from Chinese Mainland enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008.

In 2024, the Company's Hong Kong SAR subsidiary received the certificate of Hong Kong SAR resident status. Pursuant to the Arrangement between Chinese Mainland and the Hong Kong SAR for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income ("Tax Treaties") and the Announcement of the State Taxation Administration in relation to "Beneficial Owner" in Tax Treaties ("Announcement No. 9"), the Hong Kong subsidiary meets the requirement for enjoying the preferential rate and is subject to withholding tax at a rate of 5% for dividends received from PRC subsidiaries since 2024.

As at 31 December 2025, deferred tax liabilities of RMB47,508,000 have been recognised in connection with the withholding tax that would be payable on the distribution of retained profits of the Group's Chinese Mainland subsidiaries in the foreseeable future (31 December 2024: RMB44,553,000).

(ii) Reconciliation to the consolidated statement of financial position

	2025 RMB'000	2024 RMB'000
Net deferred tax assets recognised in the consolidated statements of financial position	52,202	44,258
Net deferred tax liabilities recognised in the consolidated statements of financial position	(47,508)	(44,553)
	4,694	(295)

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 1(r), the Group has not recognised deferred tax assets in respect of certain deductible temporary differences of RMB1,174,000 (2024: nil) and cumulative tax losses of RMB14,083,000 (2024: RMB6,785,000) as it is not probable that future taxable profits against which the losses or deductible temporary differences can be utilised will be available in the relevant tax jurisdiction and entity.

The expiration information of the Group's unused tax losses is set out below:

	2025 RMB'000	2024 RMB'000
2026	155	155
2027	109	116
2028	1,829	2,831
2029	950	950
2030	11,005	–
Deductible losses without expiry date	35	2,733
Total	14,083	6,785

All the tax losses of subsidiaries of the Group in the Chinese Mainland can be carried forward for a maximum period of five years. Pursuant to the Notice No. 8 issued by the Ministry of Finance and the State Administration of Taxation of the PRC on 6 February 2020, the maximum carried forward period of the tax losses affected by COVID-19 in certain difficult industries, such as catering industry, is extended from five years to eight years.

All the tax losses of subsidiaries of the Group in Hong Kong SAR can be carried forward without expiry date.

(d) Deferred tax liabilities not recognised

At 31 December 2025, temporary differences relating to the undistributed profits of Chinese Mainland subsidiaries amounted to RMB471,880,000 (2024: RMB198,140,000). Deferred tax liabilities of RMB23,594,000 (2024: RMB9,907,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Group controls the dividend policy of Chinese Mainland subsidiaries and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

23 OTHER NON-CURRENT ASSETS

	2025 RMB'000	2024 RMB'000
Prepayments for purchase of property, plant, and equipment	23,088	13,213

24 EQUITY-SETTLED SHARE-BASED PAYMENTS

Pursuant to a resolution of the board of directors of the Company passed on 28 February 2020, a RSU scheme ("the RSU Scheme") was adopted for purpose of providing incentives to the qualified employees of the Group. The RSUs will be granted to qualified employees of the Group through an RSU platform and each RSU gives the holder the right to own one ordinary share of the Company. The RSU Scheme shall be valid and effective for a period of 10 years commencing from 28 February 2020. The RSUs granted vested immediately or would vest on specific dates, upon certain service and/or performance conditions are met. The RSUs shall be exercised no earlier than 6 months after the Listing. On 25 August 2025 ("modification date"), the board of directors of the Company approved to modify the terms of the Scheme that the qualified participants holding unvested RSUs with service conditions are required to meet an extension of service period of approximately 3.5 months before vesting. The modification was not beneficial to the employees, and the Group continued to recognise the services received measured at the grant date fair value of the Scheme. The unvested RSUs shall be forfeited if service condition or performance condition does not be met after the grant-date.

The details of the Scheme are as follow:

Scheme A: On 28 February 2020 and 28 December 2020, 7,125,570 and 972,300 RSUs were granted to 3 directors and 61 employees of the Group at a price of RMB0.01 per unit, respectively and vested immediately.

24 EQUITY-SETTLED SHARE-BASED PAYMENTS (Continued)

Scheme B:

	Number of RSUs	Vesting conditions
RSUs granted to directors:		
– on 28 February 2020	1,516,788	The RSUs are scheduled to be vested over four tranches, among which, the first tranche has only service conditions to be met and the remaining tranches have service conditions and certain performance conditions to be met. Subject to the grantee continuing to be an employee of the Group, 25%, 25%, 25% and 25% of RSUs shall be vested on 28 February 2021, 28 February 2026, 28 February 2027 and 28 February 2028, respectively
RSUs granted to employees:		
– on 28 February 2020	8,030,272	The RSUs are scheduled to be vested over four tranches, among which, the first tranche has only service conditions to be met and the remaining tranches have service conditions and certain performance conditions to be met. Subject to the grantee continuing to be an employee of the Group, 25%, 25%, 25% and 25% of RSUs shall be vested on 28 February 2021, 28 February 2026, 28 February 2027 and 28 February 2028, respectively
– on 28 December 2020	2,769,666	
– on 31 May 2022	2,283,516	The RSUs are scheduled to be vested over four tranches, which have service conditions and certain performance conditions to be met. Subject to the grantee continuing to be an employee of the Group, 25%, 25%, 25% and 25% of RSUs shall be vested on 28 February 2026, 28 February 2027, 28 February 2028 and 28 February 2029, respectively.
– on 26 September 2025	3,400,272	
Total RSUs granted	18,000,514	

If the performance conditions are not fulfilled, the corresponding tranche of RSUs granted can be renewed for one year. If the performance conditions are still not fulfilled in the subsequent year, the corresponding tranche of RSUs granted cannot be vested.

24 EQUITY-SETTLED SHARE-BASED PAYMENTS (Continued)

Scheme C:

	Number of RSUs	Vesting conditions
RSUs granted to directors:		
– on 28 February 2020	933,408	The RSUs are scheduled to be vested over four tranches with service conditions only. Subject to the grantee continuing to be an employee of the Group, 25%, 25%, 25% and 25% of RSUs shall be vested on 28 February 2021, 28 February 2026, 28 February 2027 and 28 February 2028, respectively.
Options granted to employees:		
– on 28 February 2020	6,800,544	The RSUs are scheduled to be vested over four tranches with service conditions only. Subject to the grantee continuing to be an employee of the Group, 25%, 25%, 25% and 25% of RSUs shall be vested on 28 February 2021, 28 February 2026, 28 February 2027 and 28 February 2028, respectively.
– on 28 December 2020	3,261,372	
– on 31 May 2022	1,316,772	The RSUs are scheduled to be vested over four tranches, which have service conditions and certain performance conditions to be met. Subject to the grantee continuing to be an employee of the Group, 25%, 25%, 25% and 25% of RSUs shall be vested on 28 February 2026, 28 February 2027, 28 February 2028 and 28 February 2029, respectively.
Total RSUs granted	12,312,096	

24 EQUITY-SETTLED SHARE-BASED PAYMENTS (Continued)

The numbers and weighted average exercise prices of RSUs are as follows:

	2025		2024	
	Weighted average exercise prices RMB	Number of RSUs ('000)	Weighted average exercise prices RMB	Number of RSUs ('000)
Outstanding at the beginning of the year	1.03	31,922,924	1.03	32,227,115
Forfeited during the year	2.24	(4,584,515)	1.06	(304,191)
Exercised during the year	0.01	(2,636,322)	–	–
Granted during the year	Nil	3,400,272	–	–
Outstanding at the end of the year	0.80	28,102,359	1.03	31,922,924
Exercisable at the end of the year	0.47	10,599,487	0.42	13,004,744

Fair value of RSUs

The fair value of services received in return for RSUs granted is measured by reference to the fair value of RSUs granted. The estimate of the fair value of the RSUs granted is measured based on a Binomial model. The input variables under the applied model are as follows:

Fair value of RSUs and assumptions

Grant Date	26 September 2025
Fair value at measurement date	5.16
Share price	5.71
Exercise price	–
Expected volatility (expressed as weighted average volatility used in the modelling under binomial model)	45%
Option life (expressed as weighted average life used in the modelling under binomial model)	4.4 years
Expected dividends	5.29%
Risk-free interest rate	1.60%

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the RSUs), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share-based payment expenses of RMB7,724,000 and RMB5,447,000 are recognised as staff costs in the consolidated statements of profit or loss for the years ended 31 December 2025 and 2024, respectively.

25 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

Ordinary Shares	2025			2024		
	Number of shares	Amount USD	Share capital RMB	Number of shares	Amount USD	Share capital RMB
Issued and fully paid at 1 January	398,950,000	7,979	54,778	398,950,000	7,979	54,778
Shares Issued upon completion of initial public offering (note(i))	117,854,800	2,357	16,962	–	–	–
Conversion of preference shares into ordinary shares (note(ii))	156,650,000	3,133	21,606	–	–	–
Issued and fully paid at 31 December	673,454,800	13,469	93,346	398,950,000	7,979	54,778

Preference Shares	2025			2024		
	Number of shares	Amount USD	Share capital RMB	Number of shares	Amount USD	Share capital RMB
Issued and Fully paid at 1 January	156,650,000	3,133	21,606	156,650,000	3,133	21,606
Conversion of preference shares into ordinary shares (note(ii))	(156,650,000)	(3,133)	(21,606)	–	–	–
Issued and fully paid at 31 December	–	–	–	156,650,000	3,133	21,606

Notes:

(i) On 16 May 2025, the Company issued 117,854,800 ordinary shares at an offer price of HKD7.19 per share through the Listing. Consequently, the share capital increased by RMB17,000, and the corresponding share premium increased by RMB738,757,000 (after deducting all capitalised listing expenses).

(ii) Each preference share has been automatically converted into an ordinary share on a one to one ratio upon the Listing.

25 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(b) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

	Share Capital RMB'000	Share premium RMB'000	Share-based payments reserve RMB'000	Exchange reserve RMB'000	Shares held for RSU Scheme / Treasury shares RMB'000	Retained profits RMB'000	Total RMB'000
Balance at 1 January 2024	76	–	53,578	198	(4)	37,772	91,620
Changes in equity for 2024:							
Loss for the year	–	–	–	–	–	(7,550)	(7,550)
Other comprehensive income	–	–	–	410	–	–	410
Equity settled share-base settled transactions	–	–	5,447	–	–	–	5,447
Balance at 31 December 2024 and 1 January 2025	76	–	59,025	608	(4)	30,222	89,927
Changes in equity for 2025:							
Loss for the year	–	–	–	–	–	(14,819)	(14,819)
Other comprehensive income	–	–	–	(17,041)	–	–	(17,041)
Issuance of new shares	17	738,757	–	–	–	–	738,774
Repurchase of ordinary shares	–	–	–	–	(36,083)	–	(36,083)
Dividends declared	–	(195,744)	–	–	–	–	(195,744)
Equity settled share-base settled transactions	–	–	7,724	–	–	–	7,724
Balance at 31 December 2025	93	543,013	66,749	(16,433)	(36,087)	15,403	572,738

25 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) Nature and purposes of reserves

(i) Share premium

Share premium represents the difference between the total amount of the par value of shares issued and the amount of the net proceeds from the equity shareholders.

Under the Companies Law of Cayman Islands, the share premium account of the Company is distributable to the equity shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debt as they fall due in the ordinary course of business.

(ii) Share-based payments reserve

The share-based payments reserve represents the portion of the grant date fair value of RSUs granted to the directors and employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 1(q)(ii).

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial information of operations with functional currency other than RMB.

(iv) Statutory reserve

Statutory reserves are established in accordance with the PRC Company Law and the Articles of Association of the companies comprising the Group which are incorporated in Chinese Mainland.

Appropriations to the reserves were required to allocate 10% of their profits after tax until the reserves reach 50% of their respective registered capital.

Statutory reserve fund can be used to cover previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

(v) Shares held for RSU Scheme / Treasury shares

The Company appointed The Core Trust Company Limited and Futu Trustee Limited (the "RSU Trustee") as the trustees to assist with the administration and vesting of RSUs granted pursuant to the RSU Scheme through the RSU Nominees, wholly-owned subsidiaries of the RSU Trustees. Further details of the RSU Scheme are set out in Note 24.

The RSU Nominees' activities are conducted on behalf of the Company to settle their obligation under the RSU Scheme and the Company also has the right to deal with the outstanding RSUs if the Company terminates the RSU Scheme. The directors of the Company are of the view that the RSU Nominees are controlled by the Company. Accordingly, the ordinary shares of the Company held by the RSU Nominees for RSU scheme are deducted from shareholders' equity on consolidation until the shares are vested unconditionally to the grantees.

25 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) Nature and purposes of reserves (Continued)

(v) Shares held for RSU schemes (Continued)

During the year ended 31 December 2025, the RSU Nominees for RSU scheme repurchased 4,902,400 ordinary shares of the Company amounting to HKD29,801,000 (equivalent to RMB27,065,000) used for RSU scheme as mentioned in Note 24. In addition, the Company repurchased 1,590,400 ordinary shares amounting to HKD9,986,000 (equivalent to RMB9,018,000) as treasury shares. The shares were repurchased at prices ranging from HKD5.98 to HKD6.75 per share, with a weighted average price of HKD6.13 per share.

(d) Dividends

	Note	2025 RMB'000	2024 RMB'000
Special dividend declared of HK$0.33 per ordinary share (2024:Nil)		202,096	–
Less: Dividend for treasury shares held for the RSU Scheme		(6,352)	–
Special dividend paid	(1)	195,744	–
Final dividend proposed after the reporting date of HK$0.52 per ordinary share (2024: Nil)	(2)	306,721	–

1) In accordance with the resolution of the board of directors of the Company dated 21 July 2025, a special dividend of HKD 222,239,000 (equivalent to RMB202,096,000) (HKD0.33 per ordinary share) was declared to the equity shareholders of the Company by the Company out of share premium of HKD 222,239,000 (equivalent to RMB202,096,000). The dividends of HKD215,271,000 (equivalent to RMB195,744,000) were paid to the equity shareholders of the Company on 13 August 2025 as adjusted to exclude the dividend for the shares held for RSU Scheme.

2) The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

25 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group's overall strategy remains unchanged throughout the reporting period. The Group monitors its capital structure with reference to its debt position. The Group's strategy is to maintain the equity and debt in a balanced position and ensure there are adequate working capital to service its debt obligations. The Group's debt to asset ratio, being the Group's total liabilities over its total assets, as at 31 December 2025 and 2024 was 54% and 69%.

26 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables and rental deposits. The Group's exposure to credit risk arising from cash and cash equivalents and financial assets measured at FVPL are limited because the counterparties are banks and financial institutions with high-credit-quality, for which the Group considers to have low credit risk.

The Group's trade receivables are mainly in connection with bills settled through payment platforms such as Unionpay, Alipay or WeChat Pay with high credit rating and no past due history. Management of the Group considers these assets are short-term in nature and the probability of default is negligible on the basis of high-credit-rating issuers during the reporting period, and accordingly, no provision for impairment of trade receivables is considered necessary by management for the reporting period.

In determining the ECL for rental deposits and other receivables, management of the Group has taken into account the historical default experience and forward-looking information, as appropriate. Management of the Group has assessed that other receivables have not had a significant increase in credit risk since initial recognition and risk of default is insignificant, and therefore, no provision for impairment of other receivables is considered necessary by management for the reporting period.

The Group does not provide any guarantees which would expose the Group to credit risk.

26 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(b) Liquidity risk

In management of liquidity risk, the Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash, readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contracted rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

	31 December 2025					
	Contractual undiscounted cash outflow					
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount RMB'000
Trade and other payables	488,341	–	–	–	488,341	488,341
Lease liabilities	356,713	256,529	558,873	297,334	1,469,449	1,274,219
	845,054	256,529	558,873	297,334	1,957,790	1,762,560

	31 December 2024					
	Contractual undiscounted cash outflow					
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total RMB'000	Carrying amount RMB'000
Trade and other payables	372,115	–	–	–	372,115	372,115
Lease liabilities	300,652	221,341	477,516	300,491	1,300,000	1,102,940
	672,767	221,341	477,516	300,491	1,672,115	1,475,055

26 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(c) Interest rate risk

(i) Interest rate profile

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk arises primarily from cash and cash equivalents, bank deposits with original maturity over three months and lease liabilities. The Group's interest-bearing financial instruments at variable rates at the end of the reporting period are cash and cash equivalents, and the change of market interest rate does not expose the Group to significant interest rate risk. Overall, the Group's exposure to interest rate risk is not significant.

(d) Currency risk

The Group is not exposed to significant foreign currency risk since financial assets and liabilities denominated in currencies other than functional currencies of the respective entities comprising the Group are not significant.

(e) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

26 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(e) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

		Fair value measurements as at 31 December 2025 categorised into		
	Fair value at 31 December 2025 RMB'000	Quoted prices in active market for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurement				
Financial assets measured at FVPL:				
– wealth management products	5,011	–	–	5,011

		Fair value measurements as at 31 December 2024 categorised into		
	Fair value at 31 December 2024 RMB'000	Quoted prices in active market for identical assets (Level 1) RMB'000	Significant other observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000
Recurring fair value measurement				
Financial assets measured at FVPL:				
– wealth management products	25,022	–	–	25,022

During the years ended 31 December 2024 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

26 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (Continued)

(e) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements

	Valuation techniques	Significant unobservable inputs	Range
Wealth management products	Discounted cash flow (Note)	Discount rate	1.2% – 2.4% (2024:1.3%-3%)

Note: The fair value of wealth management products are calculated by discounting the expected future cash flows. The fair value measurement is negatively correlated to discount rate. The discount rate is determined according to market expected return rate. As at 31 December 2025 and 2024, it is estimated that with all other variables held constant, an increase/decrease in fair value of wealth management products by 5% would have increased/decreased the Group's profit for the year by RMB188,000 and RMB1,038,000.

(ii) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at amortised cost are not materially different from their fair values as at 31 December 2025 and 2024.

27 COMMITMENTS

Capital commitments outstanding at 31 December 2025 not provided for in the financial statements were as follows:

	2025 RMB'000	2024 RMB'000
Contracted for	57,254	34,150

28 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the Group entered into the following material related party transactions.

(a) Name and relationship with related parties

Name of related party	Nature of relationship
Wang Qinsong and Lu Changmei 王勤松、路長梅夫婦	Controlling shareholders
Hangzhou Greentea and Beijing Greentea	Entities controlled by Wang Qinsong and Lu Changmei

28 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 7 and certain of highest paid employees as disclosed in Note 8, is as follows:

	2025 RMB'000	2024 RMB'000
Short-term employee benefits	9,003	7,190
Contributions to defined contribution retirement plan	125	134
Equity-settled share-based payment expenses	440	964
	9,568	8,288

Total remuneration is included in "staff costs" (see Note 5(b)).

(c) Related parties transactions

During the year, the Group entered into the following material related party transactions:

	2025 RMB'000	2024 RMB'000
Asset acquisition in terms of Hangzhou Greentea and Beijing Greentea		
Wang Qinsong	–	21,278

29 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	Note	2025 RMB'000	2024 RMB'000
Non-current assets			
Interests in subsidiaries	13	243,233	136,675
Current assets			
Cash and cash equivalents		402,568	22,180
Other receivables		471	14,082
		403,039	36,262
Current liabilities			
Amounts due to subsidiaries		56,803	71,715
Other payables		16,731	11,295
		73,534	83,010
Net current assets/(liabilities)		329,505	(46,748)
NET ASSETS		572,738	89,927
CAPITAL AND RESERVES	25(b)		
Share capital		93	76
Reserves		572,645	89,851
TOTAL EQUITY		572,738	89,927

30 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

(a) After the end of the reporting period, the directors of the Company proposed a final dividend. Further details are disclosed in Note 25(d).

(b) Subsequent to the end of the reporting period, the RSU Nominees for RSU scheme repurchased 1,131,200 ordinary shares of the Company amounting to HKD7,871,000 (equivalent to RMB 7,038,000) used for RSU scheme as mentioned in Note 24. In addition, the Company repurchased 3,230,800 ordinary shares amounting to HKD22,458,000 (equivalent to RMB 20,084,000) as treasury shares. The shares were repurchased at prices ranging from HKD6.51 to HKD7.25 per share, with a weighted average price of HKD6.95 per share.

31 COMPARATIVE FIGURES

Certain comparable figures have been reclassified to conform with current year's presentation.

32 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2025, the Directors consider the immediate parent of the Group to be Time Sonic Investments Limited and ultimate controlling party of the Group to be Wang Qinsong and Lu Changmei.

33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ACCOUNTING YEAR BEGINNING ON OR AFTER 31 DECEMBER 2025

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual improvements to HKFRSs – Volume 11	1 January 2026
IFRS 18, *Presentation and disclosure in financial statements*	1 January 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	1 January 2027
Amendments to IFRS 10 and IAS 28, *Sale or contribution of assets between an investor and its associate or joint venture*	To be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements, except for the following:

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IFRS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 1 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and based on the initial assessment result it concluded that adoption of IFRS 18 would not significantly affect the financial position and performance of the Group.

"Absolute Smart Ventures"	Absolute Smart Ventures Limited, a limited liability company incorporated in the BVI on 26 November 2018, which is wholly owned by East Superstar
"AGM"	the annual general meeting of the Company to be held by the end of June 2026
"Articles" or "Articles of Association"	the articles of association of the Company (as amended from time to time)
"Audit Committee"	the audit committee of the Board
"Auditor"	KPMG, the external auditor of the Company
"Board" or "Board of Directors"	the board of Directors of the Company
"CG Code"	the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules
"Chinese Mainland" or "PRC"	the People's Republic of China excluding, for the purpose of this annual report, Hong Kong SAR, Macau Special Administrative Region of the PRC and Taiwan
"Company"	Green Tea Group Limited (綠茶集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 4 June 2015, the Shares of which are listed on the Main Board of the Stock Exchange
"Contemporary Global Investments"	Contemporary Global Investments Limited, a limited liability company incorporated in the Republic of Seychelles on 22 June 2015, which is wholly owned by Ms. Lu, one of the Company's Controlling Shareholders
"Controlling Shareholder(s)"	has the meaning ascribed to it in the Listing Rules and unless the context requires otherwise, refers to the group of controlling shareholders of the Company, namely Mr. Wang, Yielding Sky, Ms. Lu, Contemporary Global Investments, Time Sonic, Absolute Smart Ventures, East Superstar and Vistra Trust
"Director(s)"	the director(s) of the Company

DEFINITION

"East Superstar"	East Superstar Limited, a BVI business company incorporated in the BVI on 26 November 2018, which is wholly owned by Vistra Trust, the trustee of the Green Tea Family Trust
"ESG"	Environmental, Social and Governance
"Environmental, Social and Governance Committee"	the environmental, social and governance committee of the Board
"Green Tea Family Trust"	the discretionary trust established by Mr. Wang and Ms. Lu as the settlors, with Vistra Trust as the trustee
"Group", "our Group", "we", "our" or "us"	the Company and its subsidiaries
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong SAR
"Hong Kong" or "Hong Kong SAR"	the Hong Kong Special Administrative Region of the PRC
"IT"	information technology
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange on 16 May 2025
"Listing Date"	the date, namely 16 May 2025, on which the Shares were listed on the Stock Exchange and from which dealings in the Shares are permitted to commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange

"Model Code"	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Wang"	Mr. Wang Qinsong (王勤松), chairman of the Board, executive Director, chief executive officer of the Company, the settlor of the Green Tea Family Trust and one of the Company's founders and Controlling Shareholders
"Ms. Lu"	Ms. Lu Changmei (路長梅), non-executive Director, the settlor of the Green Tea Family Trust and one of the Company's founders and Controlling Shareholders
"new tier one cities"	for the purpose of this annual report, Changsha, Chengdu, Chongqing, Dongguan, Foshan, Hangzhou, Hefei, Nanjing, Qingdao, Suzhou, Tianjin, Wuhan, Xi'an, Zhengzhou and Ningbo
"Partners Group"	Partners Group Holding AG, a global private markets investment manager listed on the SIX Swiss Exchange (symbol: PGHN)
"Prospectus"	the prospectus of the Company published on 8 May 2025
"RSU"	a restricted share unit awarded to a participant under the RSU Scheme
"RSU Scheme"	the restricted share unit scheme of the Company approved and adopted by the Board on 28 February 2020, which was further amended and approved on 20 May 2022 and 30 April 2025 respectively, the principal terms of which are set out in "Statutory and General Information – D. Share Incentive Scheme" in Appendix IV to the Prospectus
"Reporting Period"	the financial year ended 31 December 2025
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
"Shareholder(s)"	holder(s) of Shares
"Share(s)"	ordinary shares in the share capital of the Company with per value of US$0.00002 each

DEFINITION

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tibet Green Tea F&B"	Tibet Green Tea Food & Beverage Management Company Limited (西藏綠茶餐飲管理有限公司), a limited liability company established in the PRC on 30 March 2016 and an indirect wholly-owned subsidiary of the Company
"tier one cities"	for the purpose of this annual report, Beijing, Shanghai, Guangzhou and Shenzhen
"tier two cities"	for the purpose of this annual report, Baoding, Changchun, Changzhou, Dalian, Fuzhou, Guiyang, Harbin, Huizhou, Jiaxing, Jinan, Jinhua, Kunming, Nanchang, Nanning, Nantong, Quanzhou, Shaoxing, Shijiazhuang, Taizhou (Zhejiang), Taiyuan, Wenzhou, Xiamen, Xuzhou, Yantai, Wuxi, Shenyang, Weifang, Linyi, Luoyang and Zhuhai
"tier three and lower tier cities"	for the purpose of this annual report, all the cities and regions of Mainland China excluding tier one cities, new tier one cities and tier two cities
"Time Sonic"	Time Sonic Investments Limited, a company incorporated in the Seychelles with limited liability on 19 June 2015, indirectly wholly-owned by Absolute Smart Ventures, Mr. Wang and Ms. Lu as to 99.9%, 0.049% and 0.051%, respectively, and is one of the Company's Controlling Shareholders
"Treasury Share(s)"	has the meaning ascribed to it in the Listing Rules
"USD"	United States dollars, the lawful currency of the United States of America
"Vistra Trust"	Vistra Trust (Hong Kong) Limited, an independent third party professional trust company established in Hong Kong SAR
"Yielding Sky"	Yielding Sky Limited, a limited liability company incorporated in the Republic of Seychelles on 12 June 2015, which is wholly owned by Mr. Wang, one of the Company's Controlling Shareholders
"%"	per cent