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Yues International Holdings Group Limited

樂氏國際控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1529)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

For the Year, operating results of the Group were as follows:

- The Group recorded revenue of approximately RMB343.2 million (2024: approximately RMB256.2 million), representing an increase of approximately RMB87.0 million or approximately 34.0% as compared with the Previous Year.
- Loss for the Year was approximately RMB24.2 million (Previous Year: approximately RMB30.1 million) which is mainly attributable to the increase in revenue generated from the provision of transportation service of approximately RMB96.2 million by the Group, the decrease of other income, gains and losses, net of approximately RMB10.3 million, the decrease of employee benefit expenses of approximately RMB11.9 million, the increase in subcontracting expenses of approximately RMB87.3 million, the decrease in lease payment relating to short-term leases of approximately RMB1.6million, decrease of depreciation and impairment of right-of-use assets of approximately RMB3.4 million, and the recognition of impairment loss on trade receivables and loan and interest receivables of approximately RMB2.5 million and RMB11.7 million for the Year respectively.
- The basic loss per share for the Year was approximately RMB4.19 cents (Previous Year: approximately RMB17.87 cents).
- The Directors do not recommend the payment of a final dividend for the Year (Previous Year: nil).

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Director(s)**”) of Yues International Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2025 (the “**Year**”), together with the comparative figures for the year ended 31 December 2024 (the “**Previous Year**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Note</i>	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
Revenue	3	343,180	256,214
Cost of inventories sold		(4,007)	–
Other income, gains and losses, net		(1,165)	9,100
Employee benefit expenses		(60,010)	(71,922)
Subcontracting expenses		(244,293)	(156,964)
Lease payment relating to short-term leases		(4,322)	(5,876)
Depreciation of property, plant and equipment		(751)	(1,205)
Depreciation of right-of-use assets		(5,994)	(7,429)
Impairment of right-of-use assets		–	(1,947)
Amortisation of intangible assets		(374)	(165)
Impairment loss on trade receivables		(2,487)	(2,055)
Impairment loss on loan and interest receivables		(11,705)	(7,574)
Other expenses	5	(31,620)	(36,348)
Operating loss		(23,548)	(26,171)
Finance costs	6	(597)	(3,971)
Loss before income tax		(24,145)	(30,142)
Income tax (expense)/credit	7	(84)	86
Loss for the year		(24,229)	(30,056)
Attributable to:			
Owners of the Company		(22,931)	(24,710)
Non-controlling interests		(1,298)	(5,346)
		(24,229)	(30,056)
		<i>RMB cents</i>	<i>RMB cents</i> (Restated)
Loss per share			
Basic and diluted	10	(4.1934)	(17.8673)

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year	(24,229)	(30,056)
Other comprehensive income/(expense)		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations, net of nil tax	1,234	(1,851)
Reclassification adjustment on exchange reserve released upon disposal of subsidiaries	–	2,187
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation from functional currency to presentation currency	<u>212</u>	<u>–</u>
Other comprehensive income for the year	<u>1,446</u>	<u>336</u>
Total comprehensive expense for the year	<u>(22,783)</u>	<u>(29,720)</u>
Attributable to:		
Owners of the Company	(21,485)	(24,374)
Non-controlling interests	<u>(1,298)</u>	<u>(5,346)</u>
	<u>(22,783)</u>	<u>(29,720)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Note</i>	2025 RMB'000	2024 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		3,740	2,821
Right-of-use assets		15,028	23,038
Goodwill and intangible assets		3,648	2,158
Deferred income tax assets		–	975
Rental deposits	<i>11</i>	2,021	2,671
Loan receivables	<i>11</i>	–	17,892
Deposit in relation to purchase of property, plant and equipment		–	36,167
Total non-current assets		24,437	85,722
Current assets			
Inventories		13,993	–
Trade and other receivables	<i>11</i>	62,839	80,481
Loan receivables	<i>11</i>	6,338	743
Amount due from a non-controlling shareholder		30,000	30,048
Amount due from a director		89	110
Financial asset at fair value through profit or loss		–	–
Time deposit with original maturity over three months		5,000	10,000
Cash and cash equivalents		90,727	49,723
Total current assets		208,986	171,105
Total assets		233,423	256,827
EQUITY			
Share capital	<i>13</i>	57,344	11,469
Reserves		110,973	118,474
Equity attributable to owners of the Company		168,317	129,943
Non-controlling interests		31,779	3,475
Total equity		200,096	133,418

	<i>Note</i>	2025 RMB'000	2024 <i>RMB'000</i>
LIABILITIES			
Non-current liabilities			
Lease liabilities		592	4,154
Other payables	<i>12</i>	–	8,178
Deferred income tax liabilities		657	364
		<hr/>	<hr/>
Total non-current liabilities		1,249	12,696
		<hr/>	<hr/>
Current liabilities			
Trade and other payables	<i>12</i>	27,109	48,294
Contract liabilities		1,983	474
Bank and other borrowings		–	50,784
Lease liabilities		2,986	11,132
Current income tax liabilities		–	29
		<hr/>	<hr/>
Total current liabilities		32,078	110,713
		<hr/>	<hr/>
Total liabilities		33,327	123,409
		<hr/>	<hr/>
Total equity and liabilities		233,423	256,827
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1 GENERAL INFORMATION

Yues International Holdings Group Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability and its issued shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered address of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands.

The principal place of business of the Company in Hong Kong has been changed from Office C, 23rd Floor, Centre Mark II, 305-313 Queen’s Road Central, Hong Kong to Room 2806 on the 28th floor of China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong with effect from 14 January 2026(Note 14(a)). The principal place of business of the Company in the People’s Republic of China (the “**PRC**”) is Units 1301 and 1302, 13/F., Citic Plaza, No.233, Tianhe Road North, Guangzhou, the PRC.

The Company is an investment holding company and together with its subsidiaries (together referred to as the “**Group**”) are principally engaged in the provision of transportation, warehousing, in-plant logistics, customisation service and sales of the Traditional Chinese Medicine (TCM), goat milk powder and other products.

The principal accounting policies and methods of computation used by the Group in the preparation of the consolidated financial statements for the year ended 31 December 2025 are consistent with those adopted in the consolidated financial statements for the year ended 31 December 2024, except for the adoption of the amendments to HKFRS Accounting Standards as explained in Note 2 below.

2 BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which includes all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and interpretations issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for contingent consideration payable for business combination, which are measured at fair values.

The preparation of consolidated financial statements in accordance with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or the areas where assumptions and estimates are significant to the consolidated financial statements.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. Whilst many of the requirements will remain consistent, the new standard introduces new requirements to present specified categories and defined subtotals in the consolidated statement of profit or loss and other comprehensive income; provide disclosures on management-defined performance measures in the notes to the consolidated financial statements and improve aggregation and disaggregation of information to be disclosed in the primary financial statements and the notes. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and disclosures in the future financial statements. The Group is currently assessing the impact that HKFRS 18 will have on the presentation of and disclosures in Group's consolidated financial statements. The initial expected material impacts on the Group's consolidated financial statements are as follows:

- There will be changes in the structure and presentation of the consolidated statement of profit or loss based on new defined subtotals; and
- New disclosures will be added for the Group's management-defined performance measures.

3 REVENUE

Disaggregation of revenue from contracts with external customers

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of HKFRS 15:		
Recognised over time		
— Transportation service	269,853	173,683
— Warehousing service	12,829	23,976
— In-plant logistics service	54,876	56,836
Recognised at a point in time		
— Customisation service	1,380	1,719
— Sales of the TCM, goat milk powder and other products	4,242	—
	<u>343,180</u>	<u>256,214</u>

All revenue contracts have an expected duration of one year or less. As permitted under HKFRS 15, the transaction price allocated to those unsatisfied performance obligations under these contracts is not disclosed.

4 SEGMENT INFORMATION

The Group's operating segments, which also represent the Group's reportable segments, are determined based on information reported to the chief operating decision-maker of the Group, who has been identified as the executive directors of the Company. Chief operating decision-maker reviews the Group's internal reports in order to assess performance, allocate resources and determine the operating segments.

The Group is organised into business units based on their products and services and has five reportable operating segments as follows:

- (i) Transportation service;
- (ii) Warehousing service;
- (iii) In-plant logistics service;
- (iv) Customisation service; and
- (v) Sales of the TCM, goat milk powder and other products.

During the year ended 31 December 2025, the Group added "Sales of the TCM, goat milk powder and other products" as a new reportable operating segment. This addition mainly resulted from the Group's acquisition of a subsidiary (Note 8(c)) during the year. The nature of the products, operating model and management structure of this business are significantly different from the Group's existing services, and it is presented as a separate segment.

Reportable segment results represent the profit or loss resulted by each segment and exclude interest income from bank deposits, and loan receivables measured at amortised cost, fair value change of financial assets at FVPL and contingent consideration payable for business combination, and unallocated corporate income and expenses.

The following is an analysis of the Group's revenue from contracts with customers and results by segment:

Year ended 31 December 2025

	Transportation service <i>RMB'000</i>	Warehousing service <i>RMB'000</i>	In-plant logistics service <i>RMB'000</i>	Customisation service <i>RMB'000</i>	Sales of the TCM, goat milk powder and other products <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue:						
Sales to external customers	269,853	12,829	54,876	1,380	4,242	343,180
Segment results	16,402	(8,866)	5,467	434	235	13,672
Interest income from bank deposits						362
Interest income from loan receivables						440
Unallocated corporate income						482
Unallocated corporate expenses						(39,101)
Loss before income tax						(24,145)

	Transportation service <i>RMB'000</i>	Warehousing service <i>RMB'000</i>	In-plant logistics service <i>RMB'000</i>	Customisation service <i>RMB'000</i>	Sales of the TCM, goat milk powder and other products <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Other segment information:							
Amortisation of intangible assets	-	-	-	-	374	-	374
Depreciation of property, plant and equipment	315	77	10	-	37	312	751
Depreciation of right-of-use assets	1,932	-	-	-	104	3,958	5,994
Loss on disposal of property, plant and equipment	43	13	-	-	-	-	56
Impairment loss on trade receivables	2,487	-	-	-	-	-	2,487
Impairment loss on loan and interest receivables	-	-	-	-	-	11,705	11,705

Year ended 31 December 2024

	Transportation service RMB'000	Warehousing service RMB'000	In-plant logistics service RMB'000	Customisation service RMB'000	Total RMB'000
Segment revenue:					
Sales to external customers	173,683	23,976	56,836	1,719	256,214
Segment results	<u>5,584</u>	<u>(15,130)</u>	<u>5,278</u>	<u>(1,346)</u>	<u>(5,614)</u>
Interest income from bank deposits					761
Interest income from loan receivables					2,867
Unrealised loss on fair value change of financial assets at FVPL					(4,580)
Fair value change on contingent consideration payable for business combination					8,115
Unallocated corporate income					3,637
Unallocated corporate expenses					<u>(35,328)</u>
Loss before income tax					<u><u>(30,142)</u></u>

	Transportation service RMB'000	Warehousing service RMB'000	In-plant logistics service RMB'000	Customisation service RMB'000	Unallocated RMB'000	Total RMB'000
Other segment information:						
Amortisation of intangible assets	165	-	-	-	-	165
Depreciation of property, plant and equipment	76	167	17	-	945	1,205
Depreciation of right-of-use assets	805	3,693	-	-	2,931	7,429
Loss on disposal of property, plant and equipment	3	10	-	-	-	13
Impairment of right-of-use assets	-	1,947	-	-	-	1,947
Impairment loss on trade receivables	2,055	-	-	-	-	2,055
Impairment loss on loan and interest receivables	-	-	-	-	7,574	<u>7,574</u>

Segment assets and liabilities

No segment assets and segment liabilities and other segment information are presented as such amounts are not reviewed by the Group's chief operating decision-makers for the purpose of resource allocation and performance assessment or otherwise regularly provided to the Group's chief operating decision-makers.

Geographical information

The Group principally operates in the PRC.

During the year ended 31 December 2025, 100% (2024: 98%) of the Group's revenue from external customers, based on the operation location of respective customers, is derived from the PRC.

The Group's non-current assets other than goodwill, deferred income tax assets and financial instruments by geographical locations, which are determined by the geographical locations in which the asset is located in the case of property, plant and equipment, right-of-use assets, intangible assets and deposit in relation to purchase of property, plant and equipment are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Non-current assets		
The PRC	21,315	63,175
Hong Kong	78	306
	21,393	63,481

Information about major customers

Revenue from major customers, each of whom amounted to 10% or more of the Group's revenue, is set out below:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Customer A (<i>Note i</i>)	78,345	57,322
Customer B (<i>Note ii</i>)	48,605	49,800
Customer C (<i>Note iii</i>)	44,952	–

Notes:

- (i) Revenue from transportation service segment.
- (ii) Revenue from transportation service, warehousing service, in-plant logistics service and customisation service segments.
- (iii) Revenue from transportation service segment, and the relevant customer did not contribute revenue of the Group for the year ended 31 December 2024.

5 OTHER EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Auditor's remuneration	853	968
Entertainment expenses	1,381	2,747
Fleet operating expenses	3,490	4,906
Insurance expenses	608	752
Legal and professional fees	4,231	6,016
Other taxes and surcharges	554	525
Outsourced labour costs	12,051	10,959
Repair and maintenance expenses	833	810
Telephone and communication fees	347	368
Travelling expenses	629	1,383
Utilities expenses	679	981
Other operating expenses	5,964	5,933
	<u>31,620</u>	<u>36,348</u>

6 FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest expenses on lease liabilities	337	968
Interest expenses on bank and other borrowings	260	3,003
	<u>597</u>	<u>3,971</u>

7 INCOME TAX EXPENSE/(CREDIT)

(a) PRC Enterprise Income Tax

The PRC Enterprise Income Tax (“EIT”) is calculated at 25% (2024: 25%) of the estimated assessable profits for the current year.

Certain subsidiaries of the Company are entitled to preferential tax concession rate at 15% as it has obtained the High and New Tech Enterprises licence.

Certain subsidiaries of the Company are qualified as a small and thin-profit enterprise. Provision for the EIT has been provided at a tax rate of 5% on the annual taxable income up to RMB3,000,000 (inclusive) arising in the PRC during the year (2024: Same).

(b) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at 16.5% (2024: 16.5%) on the estimated assessable profit. No provision for Hong Kong Profits Tax has been made for the subsidiaries incorporated in Hong Kong as there are no assessable profits for both current and prior years.

(c) Income tax from other tax jurisdictions

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Taxation recognised in the consolidated statement of profit or loss represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
The PRC Enterprise Income Tax		
Current year	<u>178</u>	<u>39</u>
Overseas Income tax		
Current year	<u>–</u>	<u>529</u>
Deferred income tax		
Origination and reversal of temporary differences	<u>(94)</u>	<u>(654)</u>
Income tax expense/(credit)	<u><u>84</u></u>	<u><u>(86)</u></u>

8 DISPOSAL OF SUBSIDIARIES, PARTIAL DISPOSAL OF SUBSIDIARIES AND ACQUISITION OF A SUBSIDIARY UNDER BUSINESS COMBINATIONS

(a) Disposal of subsidiaries during the year ended 31 December 2025

On 20 December 2024, Guangdong Yues international Logistics Co., Ltd.* (廣東樂氏國際物流有限公司) (the “**Guangdong Yues International**”), Mr. Wang Haixi (王海曦), Ms. Guo Chonghui (郭崇慧) and Zhongshan Haihui Technology Logistics (Group) Co., Ltd.* (中山海慧科企物流(集團)有限公司) (the “**Target Company**”) entered into the sale and purchase agreement pursuant to which Mr. Wang Haixi has conditionally agreed to purchase, and Guangdong Yues International has conditionally agreed to sell, the Sale Interest, representing 60% equity interest in the Target Company and its subsidiaries, at a consideration of RMB1.

On 20 December 2024, Guangdong Yues International, an independent third party (the “**Purchaser**”) and the Target Company entered into a loan transfer agreement, pursuant to which the Purchaser shall acquire from Guangdong Yues International the shareholder’s loan at a consideration of RMB7,000,000.

On 20 December 2024, Guangdong Yues International, Mr. Wang Haixi, and the Target Company entered into a termination agreement, pursuant to which all the parties to the termination agreement have agreed to terminate the acquisition agreement and the put option at nil consideration.

Details of the above transactions can be referred to announcement and circular issued by the Company dated 20 December 2024 and 9 January 2025 respectively.

The disposal was approved at an extraordinary general meeting scheduled on 27 January 2025. And the consideration has been received during the year.

* *For identification purposes only*

The net assets of the Target Company and its subsidiaries at the date of disposal were as follows:

	<i>RMB'000</i>
Intangible assets	1,455
Property, plant and equipment	620
Right-of-use assets	2,707
Deposit in purchase of property, plant and equipment	36,167
Deferred income tax assets	975
Trade and other receivables	41,536
Cash and cash equivalents	103
Trade and other payables	(31,933)
Lease liabilities	(2,727)
Bank and other borrowings	(47,777)
Current income tax liabilities	(16)
Deferred income tax liabilities	(364)
	<u>746</u>
Net assets disposed of	746
Non-controlling interests at the disposal date	(298)
Goodwill	425
Assignment of shareholder's loan and interests receivables	8,202
Loss on disposal of subsidiaries	(2,075)
	<u>7,000</u>
	<u>7,000</u>
Satisfied by:	
Cash consideration	<u>7,000</u>
Net cash outflow arising on disposal:	
Cash consideration	7,000
Cash and cash equivalents disposed of	(103)
	<u>6,897</u>

(b) Partial disposal of subsidiaries during the year ended 31 December 2025

On 2 December 2025, the Group entered into a sale and purchase agreement with an independent third party. Pursuant to which the Group agreed to disposed of its approximately 30% equity interest in Goal Rise Logistics Investments Limited and its subsidiaries (the “**Target Group**”) to an independent third party at a cash consideration of RMB30,000,000. After the disposal, the Group continues to hold approximately 70% equity interest in the Target Group and retains control.

As the Group did not lose control over the Target Group, the transaction is accounted for as an equity transaction, with the difference between the consideration received and the carrying amount of the net assets attributable to the disposed interest recognised directly in equity, and no gain or loss was recognised in profit or loss.

The net assets of the Target Group at the disposal date amounted to approximately RMB99,668,000, of which the carrying amount of the net assets attributable to the disposed 30% interest was approximately RMB29,900,000. The difference between the consideration received and this amount, amounting to approximately RMB100,000, was recognised in other reserve. Accordingly, non-controlling interests increased by approximately RMB29,900,000.

As at 31 December 2025, the non-controlling interests in the Target Group amounted to RMB680,000, which is not material to the Group.

Consideration receivables as at 31 December 2025 of RMB30,000,000 was unsecured and interest-free. The consideration shall be payable by the non-controlling shareholder to the Company on or before 30 November 2026 based on the agreement. Up to the date of the approval of the issuance of these consolidated financial statements, RMB16,000,000 was settled.

(c) Acquisition of a subsidiary under business combination during the year ended 31 December 2025

On 30 June 2025, the Company, through an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement to acquire 100% equity interest in Bozhou Lelaohao Medical Co., Ltd.* (亳州樂老號醫藥有限公司) (the “**Bozhou Lelaohao Medical**”) at a cash consideration of RMB900,000. The Target Company is principally engaged in the sales of the TCM products. The transaction was completed on 8 July 2025. The acquisition has been accounted for as acquisition of business using the acquisition method.

The primary reason for the above acquisition was to represent an important step in the Group’s strategic development in the TCM sector, enabling the Group to extend its logistics capabilities into pharmaceutical logistics and connect the upstream Chinese medicine manufacturing with downstream retail pharmacies and hospitals.

The consideration was settled fully during the year ended 31 December 2025.

* *For identification purposes only*

The fair values of the identifiable assets and liabilities of Bozhou Lelaohao Medical as at the date of acquisition were as follows:

	<i>RMB'000</i>
Property, plant and equipment	159
Intangible assets	3,001
Right-of-use assets	112
Trade and other receivables	1,066
Inventories	11,663
Cash and cash equivalents	342
Trade and other payables	(15,434)
Contract liabilities	(1)
Deferred income tax liabilities	(751)
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Net identifiable assets acquired	157
Goodwill arising on business combination	743
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Total consideration	900
	<hr/> <hr/>
Satisfied by:	
Cash consideration	900
	<hr/> <hr/>
Net cash arising on acquisition:	
Cash consideration	(900)
Less: Cash and cash equivalents acquired	342
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	(558)
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Note:

Goodwill arose from the above acquisition by the Group is mainly attributable to the benefit of expected revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

The acquisition-related costs are insignificant and are included in other expenses.

Impact of acquisition on the results of the Group

The acquired subsidiary contributed approximately RMB1,009,000 to the Group's revenue and resulted loss of approximately RMB495,000 for the period between the date of acquisition and the end of the year ended 31 December 2025.

Had the above acquisition been complete as at 1 January 2025, the total amount of revenue of the Group for the year would have been approximately RMB343,329,000 and the amount of the loss for the year would have been approximately RMB23,540,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

(d) Acquisition of a subsidiary under business combination during the year ended 31 December 2024

On 30 July 2024, the Company, through Guangdong Yues International Logistics Co., Ltd. (formerly known as Guangdong Yues International Intelligent Logistics Co., Ltd.), a wholly-owned subsidiary of the Company (the “**Guangdong Yues International**”) entered into a capital contribution agreement with Keshiketeng Banner Meixuan Logistics Co., Ltd. (“**Keshiketeng Banner Meixuan**”), whereby Guangdong Yues International subscribed newly increased registered share capital of Keshiketeng Banner Meixuan representing approximately 51.2217% equity interest in Keshiketeng Banner Meixuan at a cash consideration of RMB3,920,000. Keshiketeng Banner Meixuan is principally engaged in provision transportation and warehousing services. The transaction was completed on 7 August 2024. The acquisition has been accounted for as acquisition of business using the acquisition method.

The primary reason for the above acquisition was for the expansion of the Group’s business and to increase returns to its shareholders.

The fair values of the identifiable assets and liabilities of Keshiketeng Banner Meixuan as at the date of acquisition were as follows:

	<i>RMB’000</i>
Property, plant and equipment	13
Right-of-use assets	6,114
Trade and other receivables	2,713
Cash and cash equivalents	3,920
Lease liabilities	(5,500)
Trade and other payables	(149)
	<hr/>
Net identifiable assets acquired	7,111
Non-controlling interests [#]	(3,469)
	<hr/>
Net identifiable assets attributable to owners of the Company	3,642
	<hr/>
Goodwill arising on business combination	278
	<hr/>
Total consideration	3,920
	<hr/> <hr/>
Satisfied by:	
Cash consideration	3,920
	<hr/> <hr/>
Net cash arising on acquisition:	
Cash consideration	(3,920)
Less: Cash and cash equivalents acquired	3,920
	<hr/> <hr/>
	–

- # Non-controlling interests are measured at the non-controlling interests' proportionate share of fair value of the identifiable net assets of the acquired subsidiary.

Note:

Goodwill arose from the above acquisition by the Group is mainly attributable to the benefit of expected revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

The acquisition-related costs are insignificant and are included in other expenses.

Impact of acquisition on the results of the Group

The acquired subsidiary contributed approximately RMB3,545,000 to the Group's revenue and resulted loss of approximately RMB617,000 for the period between the date of acquisition and the end of the year ended 31 December 2024.

Had the above acquisition been complete as at 1 January 2024, the total amount of revenue of the Group for the year would have been approximately RMB258,704,000 and the amount of the loss for the year would have been approximately RMB27,110,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the year, nor is it intended to be a projection of future results.

(e) Disposal of subsidiaries during the year ended 31 December 2024

On 26 August 2024, the Group disposed of its 100% equity interest in Goal Rise Logistics (Overseas) Investments Limited and its subsidiaries to an independent third party at a cash consideration of RMB3,500,000.

The net assets of Goal Rise Logistics (Overseas) Investments Limited and its subsidiaries at the date of disposal were as follows:

	<i>RMB'000</i>
Trade and other receivables	682
Cash and cash equivalents	4,717
Trade and other payables	(1,923)
Current income tax liabilities	(476)
Net assets disposed of	3,000
Loss on disposal of subsidiaries	(1,687)
Reclassification adjustment on exchange reserve released upon disposal	<u>2,187</u>
	<u><u>3,500</u></u>
Satisfied by:	
Cash consideration	<u><u>3,500</u></u>
Net cash outflow arising on disposal:	
Cash consideration	3,500
Cash and cash equivalents disposed of	<u>(4,717)</u>
	<u><u>(1,217)</u></u>

9 DIVIDENDS

The Directors did not recommend the payment of any dividend for the year ended 31 December 2025 (2024: No).

10 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year attributable to the owners of the Company	<u>22,931</u>	<u>24,710</u>
	2025	2024 (Restated)
Weighted average number of ordinary shares in issue (number of shares in thousands) (<i>Note</i>)	<u>546,836</u>	<u>138,297</u>

Note: The weighted average number of shares for the year ended 31 December 2024 has been restated to reflect the effects of the share consolidation which became effective on 8 November 2024 and the rights issue completed on 16 May 2025, in order to ensure comparability of the presented figures. Details of the share consolidation and rights issue are set out in Note 13.

(b) Diluted loss per share

Diluted loss per share is the same amount as the basic loss per share for the year ended 31 December 2025 as the Company has no dilutive potential ordinary shares (2024: same).

11 TRADE AND OTHER RECEIVABLES, DEPOSITS, PREPAYMENTS AND LOAN RECEIVABLES

	2025	2024
	RMB'000	RMB'000
Trade receivables arising from contracts with customers (<i>Note (a)</i>)	51,458	69,887
Allowance for expected credit losses on trade receivables	(2,487)	(2,055)
Prepayments	9,320	8,439
Other receivables (<i>Note</i>)	3,655	3,279
Deposits in relation to purchase of property, plant and equipment, disposed during the year (<i>Note 8(a)</i>)	–	36,167
Rental deposits (<i>Note (b)</i>)	2,914	3,602
Loan and interest receivables (<i>Note (c)</i>)	6,338	18,635
	71,198	137,954
Less: Non-current portion		
— Deposits in relation to purchase of property, plant and equipment	–	(36,167)
— Loan and interest receivables	–	(17,892)
— Rental deposits	(2,021)	(2,671)
Current portion	69,177	81,224

Note:

As at 31 December 2025, other receivables primarily included tax receivables of approximately RMB2,972,000. These tax receivables mainly represent deductible input VAT arising from the Group's ordinary course of business operations, which are expected to be recovered through future tax filings or refund applications.

(a) Trade receivables

As at 1 January 2024, the Group's trade receivables, net of ECL, amounted to approximately RMB39,913,000.

The Group normally grants credit terms to its customers ranging from 0 to 150 days. The ageing analysis of the trade receivables based on invoice date, net of ECL, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 30 days	41,477	63,292
31 to 90 days	6,006	3,141
91 to 180 days	15	206
Over 180 days	1,473	1,193
	<u>48,971</u>	<u>67,832</u>

(b) Rental deposits

Included in the rental deposits of the Group is an undiscounted amount of RMB143,000 (2024: RMB143,000) as at 31 December 2025 paid to key management personnel (2024: key management personnel) of the Company and their close family members, as the Group leased an office premises owned by them.

(c) Loans and interests receivables

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loan receivables, unsecured		
— repayable within one year	24,601	7,000
— repayable over one year but less than five years	—	18,088
	<u>24,601</u>	<u>25,088</u>
Interests receivables	813	1,124
	<u>25,414</u>	<u>26,212</u>
Less: loss allowance	(19,076)	(7,577)
	<u>6,338</u>	<u>18,635</u>
Less: Non-current portion	—	(17,892)
	<u>6,338</u>	<u>743</u>

The carrying amount of loans and interest receivables is denominated in the following currencies:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
RMB	6,338	5,935
HK\$	—	12,700
	<u>6,338</u>	<u>18,635</u>

Loans and interests receivables represent four loan arrangements with certain independent third parties bearing interest at approximately 6% to 12% (2024: from 6% to 12%) per annum.

12 TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables (<i>Note (a)</i>)	21,160	38,695
Accrued employee benefit expenses	3,873	5,252
Advance from a business partner (<i>Note (b)</i>)	—	8,178
Other accrued expenses and other tax payables	1,187	1,829
Other payables	889	2,518
	<u>27,109</u>	<u>56,472</u>
Less: Non-current portion		
— Advance from a business partner (<i>Note (b)</i>)	—	(8,178)
Current portion	<u>27,109</u>	<u>48,294</u>

(a) Trade payables

The credit period granted by the Group's suppliers mainly ranges from 30 to 90 days (2024: 30 to 90 days).

The ageing analysis of the trade payables based on invoice date were as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
1 to 30 days	18,458	28,757
31 to 60 days	1,409	4,012
61 to 90 days	325	1,616
Over 90 days	968	4,310
	<u>21,160</u>	<u>38,695</u>

(b) Advance from a business partner

Advance received from a business partner relates to a business project in warehousing service segment which would be refundable to counterparty upon the expiry of project retention period.

13 SHARE CAPITAL

	Number of shares (thousand)		Share capital	
	2025	2024	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Authorised:				
At 1 January	1,000,000	10,000,000	100,000	100,000
Share consolidation (<i>Note ii</i>)	–	(9,000,000)	–	–
At 31 December	<u>1,000,000</u>	<u>1,000,000</u>	<u>100,000</u>	<u>100,000</u>

	Number of shares (thousand)		Share capital	
	2025	2024	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	133,416	1,141,280	13,341	11,412
Issue of shares through share placing (<i>Note i</i>)	–	192,880	–	1,929
Issue of shares on rights issue (<i>Note iii</i>)	533,664	–	53,367	–
Share consolidation (<i>Note ii</i>)	–	(1,200,744)	–	–
At 31 December	<u>667,080</u>	<u>133,416</u>	<u>66,708</u>	<u>13,341</u>
			2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Share capital presented in consolidated statement of financial position			<u>57,344</u>	<u>11,469</u>

All shares issued during the years ended 31 December 2025 and 2024 rank pari passu in all respects with the existing shares of the Company.

Notes:

- (i) On 30 April 2024, the Company issued an aggregate of 192,880,000 shares with a price of HK\$0.097 each. The gross proceed from the share placing was approximately HK\$18,709,000 (equivalent to approximately RMB16,474,000).
- (ii) Pursuant to an ordinary resolution passed by the shareholders of the Company at an extraordinary general meeting held on 6 November 2024, every ten issued and unissued shares of HK\$0.01 each in the share capital of the Company were consolidated into one share of HK\$0.1 each with effect from 8 November 2024.
- (iii) On 14 February 2025, the Company proposed to raise up to approximately HK\$69,376,000 before expenses by way of the rights issue of a maximum of 533,664,000 rights shares at the subscription price of HK\$0.13 per rights share on the basis of four rights shares for every one existing share held on the record date. The proposed rights issue was approved by the shareholders in an extraordinary general meeting on 24 March 2025. Details of the rights issue are set out in announcement and circular issued by the Company dated 14 February 2025 and 7 March 2025 respectively.

On 16 May 2025, the Company issued 533,664,000 rights shares pursuant to the rights issue on the basis of four right shares for every one existing share held on the record date as detailed in the prospectus dated 8 April 2025. The net proceeds from the rights issue amounted to approximately RMB59,759,000 after deducting transaction costs.

14 EVENTS AFTER THE REPORTING PERIOD

(a) Change of address of principal place of business in Hong Kong

On 14 January 2026, the Company announced the change of its principal place of business in Hong Kong from Office C, 23rd Floor, Centre Mark II, 305-313 Queen's Road Central, Hong Kong to Room 2806, 28/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong with effect from 14 January 2026 as disclosed in Note 1.

(b) Construction agreement in relation to the Jiangxi Le Lao Hao TCM Logistics Industrial Park Project

On 23 January 2026, Jiangxi Le Lao Hao Traditional Chinese Medicine Industry Technology Development Co., Ltd., an indirect wholly-owned subsidiary of the Company, entered into a construction agreement with Fuzhou Chuanghong Construction Engineering Co., Ltd., an independent third party, for the provision of construction service for the Jiangxi Le Lao Hao TCM Logistics Industrial Park Project at a contract sum of approximately RMB24.65 million (equivalent to approximately HK\$27.29 million, exclusive of tax and other fees).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established logistics service provider in the PRC which provides a wide range of logistics services to meet the needs of the customers' supply chains including (i) transportation; (ii) warehousing; (iii) in-plant logistics; and (iv) customisation services (consisting mainly of labelling services and bundling services).

The Group offers transportation services which primarily involve the delivery of the customers' production materials, components and finished goods to their downstream clients, manufacturing plants and/or designated locations. As at the end of 2025, the Group operates four warehouses in the Guangdong Province and Anhui Province with a total gross floor area of approximately 18,000 square metres, offering warehousing services to customers. The Group's in-plant logistics services cover the management of the movement of (i) production materials and components and work-in-progress to the production lines within the customers' manufacturing plants; and (ii) finished goods out to their factory gate. The Group's comprehensive service portfolio provides a distinct competitive edge over other logistics providers in the PRC that offer only a limited range of services.

In 2025, the logistics and warehousing sector in the PRC continued its trajectory of structural optimisation and high-quality development, underpinned by a series of policy initiatives and technological breakthroughs. In 2025, various guidance and policies have been issued by government authorities in the PRC to encompass infrastructure capability enhancement, equipment innovation, data interoperability, service efficiency improvement, and foundational sector strengthening, all designed to support the deepening of a unified national market. While the industry maintained steady expansion, it also grappled with persistent cost pressures and intensifying competition. Enterprises across the sector concentrated on striking a balance between operational efficiency and cost discipline, exploring novel avenues for growth within a rapidly transforming environment.

During the Year, the Group delivered robust revenue expansion of approximately 34.0% compared to the Prior Year, reaching approximately RMB343.2 million. This growth was attributable to the overall recovery of domestic logistics demand in Mainland China and the strategic reallocation of resources in the Group's logistics transportation business in Shanghai and Hangzhou. One of the Group's core business segments — transportation services — achieved significant year-on-year growth in operating result.

While revenue growth was commendable, the Group also confronted industry-wide headwinds, particularly rising subcontracting expenses. Affected by fluctuations in industry platform rates and the increased reliance on outsourced fleets — a strategic decision to mitigate fuel cost volatility — subcontracting expenses increased by approximately 55.6% to approximately RMB244.3 million, with their proportion to total revenue rising accordingly. Conversely, the Group maintained rigorous financial discipline through multiple cost optimisation initiatives. Employee benefit expenses decreased by approximately 16.6% to approximately RMB60.0 million, primarily attributable to the introduction of intelligent technologies and the strategic use of outsourced staff. Furthermore, the Group implemented streamlined organisational structures and flexible workforce arrangements to enhance operational efficiency. Such cost-conscious measures were instrumental in mitigating external pressures and navigating persistent market volatility.

In terms of strategic infrastructure development, the Group made significant progress with its Traditional Chinese Medicine (“TCM”) Logistics Industrial Park project in Fuzhou City, Jiangxi Province. During the Year, the Group, through an indirect wholly-owned subsidiary, selected a suitable contractor and signed the construction contract, with the construction period forecasted to be the end of 2027. Upon completion, the industrial park is anticipated to encompass TCM warehousing, distribution, healthcare, and wellness initiatives. This strategic move aligns with the broader industry trend towards specialised healthcare logistics, particularly as the TCM sector continues to expand under the support from the PRC government. By diversifying its business portfolio, the Group believes this initiative will support long-term growth and enhance profitability and returns for shareholders.

In conclusion, despite lingering uncertainties in domestic demand recovery, the Group has demonstrated operational agility through disciplined cost controls and strategic investments in growth drivers during 2025. The Group remains vigilant to market fluctuations while pursuing value-accretive opportunities to sustain long-term shareholder returns.

OUTLOOK

Looking forward to 2026, from the perspective of market demand, the transportation and warehousing industry in the PRC will continue its transformation and upgrading trajectory, though growth momentum may exhibit structural differentiation. Affected by the gradual recovery of domestic consumption and ongoing restructuring of global industrial chains, demand for traditional standard warehousing services may continue to face pressure, while demand for high-standard warehousing and integrated logistics solutions is expected to usher in new growth. The convergence of AI with logistics operations is gaining traction, with industry forecasts suggesting that by 2027, approximately 5% to 6% of freight volume could shift from road transport to multimodal transportation, potentially reducing the ratio of social logistics costs to GDP by 0.25% to 0.30%. Industry competition will increasingly pivot towards operational efficiency enhancement, digital capability development, and the creation of integrated service ecosystems.

To respond to market uncertainties, the Group will, on one hand, adhere to a strategic direction of steady adaptability, deepening its adoption of shared logistics models to address evolving customer demands. Drawing inspiration from successful “unified warehousing and shared distribution” initiatives implemented elsewhere, the Group plans to further integrate externally leased warehousing resources through regional information platforms, enabling dynamic capacity allocation and consolidated distribution. This approach is expected to enhance business capacity without significantly increasing leased area, thereby reducing unit warehousing costs while steadily expanding the customer base through resource aggregation effects.

On the other hand, the Group will actively promote in-depth cooperation within the TCM industry, focusing on the timely completion and operational launch of the TCM Logistics Industrial Park in Fuzhou. Upon commencement of operations, the Group intends to collaborate with third-party inspection institutions and strategic partners to explore value-added services such as quality traceability, inventory pledge financing, and specialised logistics transportation for TCM products. This initiative aims to establish a closed-loop business model integrating warehousing, transportation, and data services, positioning the industrial park as a flagship project within the Group’s healthcare logistics portfolio. The TCM sector’s robust growth trajectory, with logistics expenses alone projected to reach approximately RMB11.07 billion by 2026, provides a favourable market backdrop for this strategic expansion.

To achieve business diversification, the Group will continue advancing its goat milk product operations in the Inner Mongolia Autonomous Region under an asset-light model. The implementation of new national standards for milk powder in early 2025, which mandate that products labelled as goat milk powder must derive at least 70% of their milk solids from goat milk, has enhanced product authenticity and quality assurance in the sector. With growing health awareness among middle-aged and elderly consumers driving market expansion for functional nutritional products, the Group plans to focus on developing goat milk powder formulations tailored to this demographic. The Group will actively explore strategic partnerships with local breeding cooperatives and processing enterprises to ensure stringent quality control at the source, while leveraging integrated online and offline channel strategies to precisely target intended consumer segments. The development of this business will follow a prudent, step-by-step approach to ensure positive synergies with the Group's core operations.

While encountering a new round of industry consolidation, the Group will adhere to its development strategy of pursuing progress while maintaining stability. While strengthening its position in the transportation and warehousing business, the Group will also actively explore market opportunities to expand its existing business network and attain cross-industry synergies. Through the formulation of strategic adjustments, the Group expects not only to effectively withstand market fluctuations but also to create value growth across cycles for its shareholders.

FINANCIAL REVIEW

Revenue

The Group is principally engaged in provision of transportation, warehousing, in-plant logistics and customisation service, and sales of the TCM, goat milk powder and other products. The overall revenue of the Group increased by approximately RMB87.0 million or approximately 34.0% from approximately RMB256.2 million for the Previous Year to approximately RMB343.2 million for the Year.

Transportation service

Transportation service primarily involved (i) the delivery of the customers' production materials or components from their suppliers to their manufacturing plants; (ii) the arrangement for transportation of the customers' finished goods to their designated locations or downstream customers; (iii) sea transportation services; and (iv) international freight forwarding agency services.

Revenue from the transportation service recorded an increase of approximately 55.4% from approximately RMB173.7 million for the Previous Year to approximately RMB269.9 million for the Year. This is mainly attributable to the additional revenue brought by two of the Group's newly incorporated subsidiaries in Hangzhou in late 2024 to provide one-stop solution on supply chain management including transportation and logistics services.

Warehousing service

The warehousing service of the Group included provision of inventory storage and management services. As at 31 December 2025, the Group had four warehouses in the PRC with total gross floor area of approximately 18,000 square metres. Revenue from the warehousing service decreased by approximately 46.7% from approximately RMB24.0 million for the Previous Year to approximately RMB12.8 million for the Year mainly due to the end of lease of a warehouse in Guangdong Province and the disposal of Haihui Group in January 2025.

In-plant logistics service

The in-plant logistics service primarily included management of the movement of (i) production materials and components and work-in progress to the production lines within the customers' manufacturing plants; and (ii) finished goods out to factory gate of the customers.

Revenue generated from the in-plant logistics service decreased slightly by approximately 3.3% from approximately RMB56.8 million for the Previous Year to approximately RMB54.9 million for the Year.

Customisation service

The customisation service mainly comprised of labelling services and bundling services which is subject to the demand from its customers on an as-needed basis. Revenue generated from the customisation service amounted to approximately RMB1.7 million and approximately RMB1.4 million for the Previous Year and the Year, respectively.

Sales of the TCM, goat milk powder and other products

Starting from first half of 2025, the Group has commenced the merchandising of TCM, goat milk powder and other products in Bozhou and Inner Mongolia Autonomous Region. The development of TCM, goat milk powder and other product business is a strategic move for the Group to the health sector for business diversification, having considered that health awareness is the market trend. Goat milk is gradually gaining more favor among consumers due to its low allergenicity and high nutritional value; and the middle-aged and elderly groups have become the driving force for the growth of the goat milk powder market. Revenue generated from the sales of TCM, goat milk powder and other products amounted to approximately RMB4.2 million for the Year.

Other income, gains and losses, net

Other income, gains and losses, net mainly consisted of interest income from loan receivables, interest income from bank deposits, government grant, loss on disposal of subsidiaries and net foreign exchange losses. The net gains decreased from approximately RMB9.1 million for the Previous Year to a net losses of approximately RMB1.2 million for the Year mainly due to (i) fair value change on contingent consideration payable on acquisition of Haihui Group of approximately RMB8.1 million recognised in the Previous Year; (ii) loss on fair value change of financial assets at FVPL of approximately RMB4.6 million recognised in the Previous Year; (iii) net exchange losses arising from translation of foreign currency denominated monetary items of approximately RMB0.4 million for the Year compared to net exchange gain of approximately RMB1.5 million for the Previous Year; (iv) loss on disposal of subsidiaries of approximately RMB2.1 million recognised for the Year; and (iv) decrease in interest income from loans receivable from approximately RMB2.9 million for the Previous Year to approximately RMB0.4 million for the Year.

Employee benefit expenses

Employee benefit expenses primarily consisted of (i) wages and salaries; (ii) social security fund and insurance contribution; and (iii) other allowances and benefits. The employee benefit expenses decreased by approximately RMB11.9 million, or 16.6% from approximately RMB71.9 million for the Previous Year to approximately RMB60.0 million for the Year.

Sub-contracting expenses

Sub-contracting expenses primarily represented the amount paid to subcontractors for the provision of certain transportation services. Sub-contracting expenses were incurred for the orders for domestic transportation service and international freight forwarding agency services by our customers, whereby the Group, through outsourcing to independent subcontractors, assisted the customers to obtain cargo space from shipping companies or shipping agents that meet their requirements. The sub-contracting expenses increased significantly by approximately RMB87.3 million from approximately RMB157.0 million for the Previous Year to approximately RMB244.3 million for the Year mainly contributed by the corresponding increase in revenue for the Year.

Lease payment relating to short-term leases

Short-term lease payment mainly comprised lease payments for rental expense for office premises, warehouses, staff quarters and forklifts, which do not meet the definition of lease liability as lessee under HKFRS 16. Short-term lease payment has decreased by approximately RMB1.6 million, or 26.4%, to approximately RMB4.3 million for the Year from approximately RMB5.9 million for the Previous Year mainly due to the disposal of Haihui Group and termination of lease of a warehouse in Guangdong Province in 2025.

Depreciation of right-of-use assets

The Group has certain leases pursuant to HKFRS 16 in respect of (i) premises comprising warehouses, office premises and staff quarters; and (ii) plant and machinery such as forklifts. The depreciation of right-of-use assets has decreased from approximately RMB7.4 million for the Previous Year to approximately RMB6.0 million for the Year as the respective expense relating to the warehouses of the Haihui Group have not been included in result of the Group for the Year after the disposal of Haihui Group.

Finance costs

Finance costs mainly represented interest expenses on lease liabilities and bank and other borrowings. Finance costs have decreased significantly from approximately RMB4.0 million for the Previous Year to approximately RMB0.6 million for the Year mainly attributed to the decrease of bank loan balance and corresponding interest expense of the Group after the disposal of Haihui Group.

Other expenses

Other expenses mainly include (i) fleet vehicles operating expenses which mainly included fuel costs and maintenance expenses of our fleet vehicles; (ii) outsourced labour costs; (iii) office and telephone expenses which mainly included general office expenses and long distance calling fees; (iv) insurance expenses for the warehouses and transportations; (v) entertainment and travelling expenses for business soliciting; and (vi) others which mainly included maintenance expenses for the warehouses, professional fees and other miscellaneous expenses.

Other expenses decreased by approximately RMB4.7 million from approximately RMB36.3 million for the Previous Year to approximately RMB31.6 million for the Year, mainly due to increase in outsourced labour costs led by the rise of general wage level of manpower in the PRC, offset by less entertainment, fleet operating expenses and legal and professional fees being incurred during the Year.

Loss for the year

As a result of the aforesaid, the Group recorded a loss of approximately RMB24.2 million for the Year (Previous Year: loss of approximately RMB30.1 million).

LIQUIDITY AND FINANCIAL RESOURCES

The Group's operation and investments were financed principally by internal resources. As at 31 December 2025, the Group had net current assets of approximately RMB176.9 million (2024: approximately RMB60.4 million) and cash and cash equivalents of approximately RMB90.7 million (2024: approximately RMB49.7 million). The Directors confirm that the Group will have sufficient financial resources to meet its obligations as and when they fall due in the foreseeable future.

GEARING RATIO

The Group monitors its capital on the basis of the gearing ratio, which is expressed as a percentage of net debt divided by equity attributable to owners of the Company. Net debt is calculated as lease liabilities less time deposit and cash and cash equivalents.

Since the amount of time deposit and cash and cash equivalents exceeded that of lease liabilities, the Group is at net cash position as at 31 December 2025. Thus, the gearing ratio was not applicable as at 31 December 2025. The gearing ratio of the Group was approximately 4.9% as at 31 December 2024.

CAPITAL STRUCTURE

The capital structure of the Group comprises issued share capital and reserves. The Directors review the Group's capital structure regularly. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, issuance of new shares and share buy-backs as well as the issue of new debt or the redemption of existing debt.

For the year ended 31 December 2025, there was no change to the authorised share capital of the Company which is HK\$100,000,000 dividable into 1,000,000,000 shares in the par value of HK\$0.1 each.

On 14 February 2025, the Company announced a rights issue ("**Rights Issue**") to raise approximately HK\$69.4 million before expenses by way of the issue of a maximum of 533,664,000 right shares ("**Rights Shares**") at a subscription price of HK\$0.13 per Rights Share on the basis of four (4) rights shares for every one (1) existing share held on the record date as detailed in the prospectus dated 8 April 2025.

The Rights Issue was completed on 16 May 2025 in which the total number of 533,664,000 Rights Shares available for subscription under the Rights Issue have been fully subscribed for. As a result, the Company raised net proceeds of approximately HK\$67.6 million and 533,664,000 Rights Shares were issued on 16 May 2025. Upon completion of the Rights Issue and as at 31 December 2025, the Company had issued a total of 667,080,000 shares in the par value of HK\$0.1 each, and all shares were fully paid and rank pari passu with each other in all respects.

USE OF PROCEEDS

(i) Use of proceeds from placing of new shares

On 7 July 2023, the Company has allotted and issued an aggregate of 176,880,000 shares with a price of HK\$0.196 each, pursuant to a placing agreement dated 12 June 2023 (the “**2023 Placing**”). The net proceed from the placing was approximately HK\$34.2 million.

An analysis of the utilisation of the net proceeds from the 2023 Placing up to 31 December 2025 is set out below:

	Planned use of net proceeds <i>HK\$'million</i>	Unutilised net proceeds as at 31 December 2024 <i>HK\$'million</i>	Revised allocation of the Unutilised Net Proceeds <i>HK\$'million</i>	Actual use of net proceeds during the Year <i>HK\$'million</i>	Unutilised net proceeds as at 31 December 2025 <i>HK\$'million</i>
Development of Intelligent Logistics Services Business (Note 2)	34.2	30.0	–	–	–
Development of the Chinese Medicine Business (Note 2)	–	–	20.0	20.0	–
General Working Capital (Note 1 and 2)	–	–	10.0	4.8	5.2

Notes:

- (1) It is expected that the remaining balance of the unutilized net proceeds allocated for “General Working Capital” will be utilized in or before the year ending 31 December 2026.
- (2) On 25 July 2025, the Board has decided to change the use of the unutilised net proceeds of the 2023 Placing from “Development of Intelligent Logistics Services Business” to “Development of the Chinese Medicine Business” and general working capital. For further details (including reasons of the change), please refer to the announcement of the Company dated 25 July 2025 and 8 August 2025.

On 30 April 2024, the Company has allotted and issued an aggregate of 192,880,000 ordinary shares with a price of HK\$0.097 each, pursuant to a placing agreement dated 19 April 2024 (the “**2024 Placing**”). The net proceeds from the 2024 Placing amounted to approximately HK\$18.5 million.

An analysis of the utilisation of the net proceeds from the 2024 Placing up to 31 December 2025 is set out below:

	Planned use of net proceeds HK\$'million	Unutilised net proceeds as at 31 December 2024 HK\$'million	Actual use of net proceeds during the Year HK\$'million	Unutilised net proceeds as at 31 December 2025 HK\$'million
Investment in infrastructure of the logistic business (<i>Note</i>)	18.5	7.7	–	7.7

Note:

- (1) It is expected that the remaining balance of the unutilized net proceeds allocated for the “Investment in infrastructure of the logistic business” will be utilized in or before the year ending 31 December 2026.

(ii) Use of proceeds from Rights Issue

To raise additional funds in a cost effective manner without imposing ongoing interest burden, while enabling qualifying shareholders to participate in the Group’s future development and enjoy flexibility to realise cash value through trading their rights entitlements, on 14 February 2025, the Company proposed to raise up to approximately HK\$69.4 million before expenses by way of the Rights Issue of a maximum of 533,664,000 Rights Shares at the Subscription Price of HK\$0.13 per Rights Share on the basis of four (4) Rights Shares for every one (1) existing Share held on the Record Date. The net proceeds from the Rights Issue after deducting the expenses were estimated to be approximately HK\$67.6 million. The Rights Shares rank pari passu in all respects with the Shares then in issue.

The net price per Rights Share is approximately HK\$0.127. The closing price of the Shares on 14 February 2025, being the date on which the terms of the Rights Issue were fixed, was HK\$0.118.

The Company would make arrangements described in Rule 7.21(1)(b) of the Listing Rules to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to Placees for the benefit of the No Action Shareholders.

On 24 March 2025, the Rights Issue were duly passed as ordinary resolutions of the Company at the extraordinary general meeting.

On 2 May, 2025, the Company announced that a total of 23 valid acceptances and applications had been received for a total of 499,123,960 Rights Shares, representing approximately 93.53% of the total number of Rights Shares offered under the Rights Issue.

Based on the results of valid acceptances and applications, the total number of Unsubscribed Rights Shares subject to the Compensatory Arrangements was 34,540,040 Rights Shares. The Company had, pursuant to Rule 7.21(1)(b) of the Listing Rules, made the Compensatory Arrangements by entering into the Placing Agreement with the Placing Agent pursuant to which the Company conditionally appointed the Placing Agent and the Placing Agent conditionally agreed to act as the placing agent for the Company to procure, on a best effort basis, placees to subscribe for the Unsubscribed Rights Shares in accordance with the terms of the Placing Agreement.

On 15 May 2025, the Company announced that 34,540,040 Unsubscribed Rights Shares were successfully placed to not less than six placees pursuant to the terms of the Placing Agreement at the price of HK\$0.13 per Share, which is equal to the Subscription Price. Based on the acceptance results of the Rights Issue and the placing results of the Compensatory Arrangements, the Rights Shares to be allotted and issued amounted to 533,664,000 Rights Shares, representing 100% of the total number of Rights Shares offered for subscription under the Rights Issue. The aggregate nominal value of the Rights Shares of HK\$0.1 each is HK\$53,366,400. Accordingly, the gross proceeds raised from the Rights Issue (including the Compensatory Arrangements) were approximately HK\$69.4 million and the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HK\$67.6 million.

Please refer to the announcements of the Company dated 14 February 2025, 24 March 2025, 2 May 2025 and 15 May 2025, the circular of the Company dated 7 March 2025 and the prospectus of the Company dated 8 April 2025 for further details.

An analysis of the utilisation of the net proceeds from the Rights Issue up to 31 December 2025 is set out below:

	Planned use of net proceeds HK\$'million	Actual use of net proceeds during the Year HK\$'million	Unutilised net proceeds as at 31 December 2025 HK\$'million
General working capital (<i>Note 1</i>)	27.6	8.2	19.4
Development of goat milk product business in Inner Mongolia Autonomous Region (<i>Note 2</i>)	20.0	4.7	15.3
Building of warehouse(s) and/or other logistic related facilities in the traditional Chinese medicine (TCM) logistics industry park in Jiangxi, PRC (<i>Note 3</i>)	20.0	1.9	18.1

Notes:

- (1) It is expected that the remaining balance of the unutilized net proceeds allocated for the “General working capital” will be utilized in or before the year ending 31 December 2026.
- (2) It is expected that the remaining balance of the unutilized net proceeds allocated for the “Development of goat milk product business in Inner Mongolia Autonomous Region” will be utilized in or before the year ending 31 December 2026.
- (3) It is expected that the remaining balance of the unutilized net proceeds allocated for the “Building of warehouse(s) and/or other logistic related facilities in the traditional Chinese medicine (TCM) logistics industry park in Jiangxi, PRC” will be utilized in or before the year ending 31 December 2026.

Save as disclosed in this announcement, the utilisation of proceeds was in accordance with the planned applications. The unutilised portion of the proceeds will be applied in a manner consistent with the above planned applications.

FOREIGN CURRENCY EXPOSURE

The Group's business activities are principally in the PRC and are primarily denominated in RMB. Certain subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. The Group did not resort to any currency hedging facility during the Year. However, the Directors will continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

CHARGE ON THE GROUP'S ASSETS

The Group did not have any charge on its assets as at 31 December 2025 (2024: nil).

CONTINGENT LIABILITIES

Save as disclosed in this announcement, the Group did not have any significant contingent liabilities as at 31 December 2025 (2024: nil).

CAPITAL COMMITMENTS

As at 31 December 2025, the Group did not have any material capital commitment (2024: nil).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR ADDITIONS OF CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any other significant investments, material acquisitions, and disposals of subsidiaries and affiliated companies during the Year, nor there were any future plans for material investments or additions of capital assets for the year ended 31 December 2025.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group employed 524 (2024: 640) full time employees. The Group determines the employee's remuneration based on factors such as qualification, duty, contributions, work experience, the prevailing market conditions and the Group's remuneration policy. Employees' benefits include contributions to retirement scheme and share options under the Company's share option scheme. To enhance the expertise of our employees, the Group also provides them on-the-job training and sponsors them to attend external training courses and seminars.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Board are not aware of any other significant event which had material effect on the Group subsequent to 31 December 2025 and up to the date of this announcement.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Except for share option scheme, during the year ended 31 December 2025, the Company or any of its subsidiaries was not a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares) during the year ended 31 December 2025. As at 31 December 2025, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance in order to uphold the transparency of the Group and safeguard interests of the shareholders of the Company. To accomplish this, the Company has adopted the principles and the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules. To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the year ended 31 December 2025 and up to the date of this announcement.

COMPETING INTERESTS

For the year ended 31 December 2025, the Directors are not aware of any business or interest of the Directors, the substantial shareholders of the Company or any of their respective associates that competes or is likely to compete, either directly or indirectly, with the business of the Group and any other conflicts of interests which any such person has or may have with the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' transactions in the securities of the Company. Specific enquiry has been made of all the Directors and all Directors confirmed that they had fully complied with the required standard of dealings and the code of conduct adopted by the Company and there was no event of non-compliance throughout the year ended 31 December 2025 and up to the date of this announcement.

FINAL DIVIDEND

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

SHARE OPTION SCHEME

Prior to the listing of the shares on GEM of the Stock Exchange (which subsequently transferred to the main board of the Stock Exchange), the Company conditionally adopted a share option scheme (the "**Previous Share Option Scheme**") on 26 September 2017 which became effective and unconditional upon the listing. The Company has terminated the Previous Share Option Scheme and has adopted a new share option scheme (the "**New Share Option Scheme**") under the Shareholders' approval by way of poll at the extraordinary general meeting held on 23 November 2023. The New Share Option Scheme is effective upon obtaining the listing approval from the Stock Exchange on 29 November 2023.

Under the New Share Option Scheme, the Board may, at its absolute discretion, invite any employee (full-time or part-time) of the Company or any member of the Group, including any executive, non-executive and independent non-executive directors, advisors, consultants of the Company or any of its subsidiaries, to subscribe for shares of the Company representing up to a maximum of 10% of the shares in issue on the date of the listing.

As at 1 January 2025, no share option was outstanding under the New Share Option Scheme.

No share option was granted since the adoption of the New Share Option Scheme. The number of Share Options available for grant under the scheme mandate as at 1 January 2025 and 31 December 2025 is 11,412,800 and 11,412,800 (after reflecting the effect of share consolidation) respectively. The total number of share available for grant under the service provider sublimit is 3,423,840 as at 1 January 2025.

For the year ended 31 December 2025, no share options were granted, exercised, cancelled or lapsed under the New Share Option Scheme. As at 1 January 2025 and 31 December 2025, no share options were outstanding under the New Share Option Scheme.

SCOPE OF WORK OF INDEPENDENT AUDITOR

The figures in respect of the Group's consolidated statement of financial position, As at 31 December 2025, and the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Group's auditor, Moore CPA Limited ("**Moore**"), to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2025. The work performed by Moore in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no opinion or assurance conclusion has been expressed by Moore on this announcement.

AUDIT COMMITTEE

The primary duties of the audit committee of the Company (the "**Audit Committee**") are mainly to make recommendations to the Board on the appointment and removal of external auditors; review the financial statements and material advice in respect of financial reporting; and oversee internal control and risk management procedures of the Group. The Audit Committee comprises the three independent non-executive Directors, namely, Mr. Lau Wai Piu Patrick, Dr. Wang Yi and Mr. Zhang Yao. Mr. Lau Wai Piu Patrick is the chairman of the Audit Committee. The Audit Committee has reviewed the Group's audited consolidated financial statements for the year ended 31 December 2025 and is of the view that such financial statements have been prepared in compliance with the applicable accounting standards, and that adequate disclosures have been made.

CHANGE OF DIRECTORS

Mr. Du Yingyou has resigned as an executive Director with effect from 17 March 2025.

Mr. Chan Koon Yung has resigned as an independent non-executive Director and also ceased to be a member of each of the audit committee, remuneration committee and nomination committee of the Company, with effect from 22 May 2025.

Ms. Liu Ping, an executive Director, and Dr. Wang Yi, an independent non-executive Director, have been appointed as members of the nomination committee of the Company with effect from 19 June 2025.

Mr. Li Jiahao has resigned as an executive Director with effect from 28 October 2025 and has ceased to be a member of remuneration committee of the Company.

Mr. Yueh Chueh-Hsin has been appointed as an executive Director with effect from 8 December 2025.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting (“AGM”) of the Company will be held on Tuesday, 16 June 2026. A notice convening the AGM, together with a circular therefor, will be dispatched to the shareholders of the Company, and will be available on websites of the Stock Exchange and the Company in the manner as required by the Listing Rules in due course.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 11 June 2026 to Tuesday, 16 June 2026, both days inclusive during which no transfer of shares will be registered. The record date for determining the eligibility of the Shareholders to attend and vote at the AGM will be Tuesday, 16 June 2026. In order to qualify for attending and voting at the forthcoming AGM or any adjournment thereof, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Wednesday, 10 June 2026.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and that of the Company (www.goalrise-china.com). The annual report of the Group for the year ended 31 December 2025 containing all the information required by the Listing Rules will be dispatched to shareholders and published on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Yues International Holdings Group Limited
Le Kang
Chairman

Hong Kong, 30 March 2026

As at the date of this announcement, the Board consists of four executive Directors, Mr. Le Kang, Mr. Li Zhigang, Ms. Liu Ping and Mr. Yueh Chueh-Hsin, and three independent non-executive Directors, Mr. Lau Wai Piu Patrick, Dr. Wang Yi and Mr. Zhang Yao.