

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



華潤飲料(控股)有限公司

China Resources Beverage (Holdings) Company Limited

(Registered by way of continuation in the Cayman Islands with limited liability)

(Stock code: 2460)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

FINANCIAL HIGHLIGHTS

	2024	2023
Revenue (RMB'000)	13,521,246	13,514,728
Profit for the year attributable to owners of the Company (RMB'000)	1,636,694	1,329,341
Basic earnings per share (RMB)	0.79	0.66
Proposed final dividend per share (RMB)	0.307	–
Proposed special dividend per share (RMB)	0.176	–

The Board is pleased to announce the consolidated results of the Group for the year ended December 31, 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	<i>NOTES</i>	Year ended 31 December	
		2024	2023
		<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3	13,521,246	13,514,728
Cost of sales		(7,123,982)	(7,479,514)
Gross profit		6,397,264	6,035,214
Other income	4	289,000	367,246
Other gains and losses	5	(13,975)	(14,622)
Impairment losses under expected credit loss model, net of reversal		(1,178)	(3,817)
Distribution and selling expenses		(4,058,384)	(4,086,510)
Administrative expenses		(295,651)	(300,562)
Research and development costs		(53,354)	(61,510)
Finance costs	6	(2,441)	(42,516)
Listing expenses		(37,587)	(14,490)
Profit before taxation		2,223,694	1,878,433
Income tax expense	7	(562,855)	(547,063)
Profit for the year	8	1,660,839	1,331,370
Profit attributable to:			
– Owners of the Company		1,636,694	1,329,341
– Non-controlling interests		24,145	2,029
		1,660,839	1,331,370

	Year ended 31 December	
<i>NOTES</i>	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Other comprehensive income:		
Item that will not be reclassified subsequently to profit or loss:		
Exchange differences on translation from functional currency to presentation currency	210,338	95,270
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	(163,246)	(95,318)
Total comprehensive income for the year	<u>1,707,931</u>	<u>1,331,322</u>
Total comprehensive income attributable to:		
– Owners of the Company	1,683,786	1,329,293
– Non-controlling interests	24,145	2,029
	<u>1,707,931</u>	<u>1,331,322</u>
Earnings per share, in RMB:		
Basic	<i>10</i> <u>0.79</u>	<u>0.66</u>
Diluted	<i>10</i> <u>0.79</u>	<u>N/A</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2024

		As at 31 December	
	<i>NOTES</i>	2024	2023
		RMB'000	RMB'000
Non-current Assets			
Property, plant and equipment		5,923,500	4,809,703
Right-of-use assets		578,651	518,035
Deferred tax assets		91,834	243,463
Deposits for acquisition of property, plant and equipment and leasehold land		136,158	292,566
Fixed bank deposits		–	1,577,055
Other non-current assets		3,522	2,955
		6,733,665	7,443,777
Current Assets			
Inventories		504,209	377,380
Trade and other receivables	<i>11</i>	667,877	682,869
Income tax recoverable		118,491	102,705
Amount due from immediate holding company		22,697	22,192
Amount due from intermediate holding company		–	742
Fixed bank deposits		4,946,590	2,297,391
Cash and cash equivalents		5,700,765	2,074,698
		11,960,629	5,557,977
Current Liabilities			
Trade and other payables	<i>12</i>	3,718,714	5,022,065
Contract liabilities		193,338	139,355
Bank borrowing – due within one year		6,035	–
Amounts due to shareholders		2,370,394	1,931
Amount due to intermediate holding company		–	1,158
Income tax payable		19,444	7,670
Lease liabilities – due within one year		14,107	16,178
		6,322,032	5,188,357

	As at 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Net Current Assets	5,638,597	369,620
Total Assets Less Current Liabilities	<u>12,372,262</u>	<u>7,813,397</u>
Capital and Reserves		
Share capital	8	7
Reserves	11,300,368	6,903,051
Equity attributable to owners of the Company	11,300,376	6,903,058
Non-controlling interests	560,898	469,715
Total Equity	<u>11,861,274</u>	<u>7,372,773</u>
Non-current Liabilities		
Amounts due to shareholders – non-current	131,579	–
Deferred tax liabilities	201,226	310,072
Bank borrowing – due after one year	11,148	–
Lease liabilities – due after one year	25,388	19,811
Deferred income	141,647	110,741
	510,988	440,624
	<u>12,372,262</u>	<u>7,813,397</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The Group has consistently applied all the new and amendments to HKFRSs and interpretations issued by the HKICPA which are effective for the accounting periods beginning on January 1, 2024.

New and amendments to HKFRSs in issue but not yet effective

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Finance Arrangements
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to HKFRS Accounting Standards	Annual Improvement to HKFRS Accounting Standards -Volume 11
Amendments to HKAS 21	Lack of Exchangeability
HKFRS 18	Presentation and Disclosure in Financial Statements

Except for the amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 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 not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and consolidated statement of cash flows and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable from sale of packaged drinking water and beverages net of return and allowance for both years.

Disaggregation of revenue

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Types of goods		
Sales of packaged drinking water	12,124,048	12,446,560
Sales of beverages	1,397,198	1,068,168
Total	13,521,246	13,514,728
Timing of revenue recognition		
At a point in time	13,521,246	13,514,728

Geographical markets

Over 99% of the Group's revenue and operating profits are derived from customers based in Mainland China, and over 99% of the Group's non-current assets other than financial assets and deferred tax assets were located in Mainland China.

Segment information

For the purpose of resources allocation and performance assessment, the chief operating decision maker ("CODM") reviews the overall results and financial position of the Group as a whole prepared based on same accounting policies. Therefore, the management considers that the Group only has one operating segment.

Segment assets and liabilities

No assets and liabilities are included in the measures of the Group's segment reporting that are used by the CODM. Accordingly, no segment assets and liabilities are presented.

4. OTHER INCOME

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Interest income		
– bank deposits	167,520	178,740
– loans to related parties	–	14,839
Investment income from financial assets at FVTPL	18,721	63,551
Government grants	60,650	61,264
Sales of recycled packaging materials	37,077	30,556
Others	5,032	18,296
	<u>289,000</u>	<u>367,246</u>

5. OTHER GAINS AND LOSSES

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Loss on disposal of property, plant and equipment, net	(13,567)	(13,840)
Gain on bargain purchase of a subsidiary	5,442	–
Net foreign exchange gain	537	917
Others	(6,387)	(1,699)
	<u>(13,975)</u>	<u>(14,622)</u>

6. FINANCE COSTS

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Interest on bank borrowings	(933)	(41,053)
Interest on loan from non-controlling shareholder of a subsidiary	(441)	–
Interest on lease liabilities	(1,067)	(1,463)
	<u>(2,441)</u>	<u>(42,516)</u>

7. INCOME TAX EXPENSE

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current tax:		
– PRC Enterprise Income Tax (“EIT”)	(395,289)	(409,117)
– Withholding tax on distributed earnings	(135,265)	–
	<u>(530,554)</u>	<u>(409,117)</u>
Under provision in the prior years	(139)	(2,156)
	<u>(530,693)</u>	<u>(411,273)</u>
Deferred tax	(32,162)	(135,790)
	<u>(562,855)</u>	<u>(547,063)</u>

During both years, no provision for Hong Kong Profits Tax has been made as the Group does not have assessable profit which arises in, or derived from, Hong Kong.

Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% except that certain subsidiaries are eligible for preferential taxation of paying EIT at a rate of 20% during both years.

8. PROFIT FOR THE YEAR

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Profit for the year has been arrived at after charging:		
Cost of inventories recognition as an expense	7,027,630	7,394,539
Auditors' remuneration	3,590	2,668
Directors' remuneration	6,468	7,654
Other staffs' salaries and other benefits	1,861,012	1,825,147
Other staff's retirement benefit contributions	268,086	245,144
Total staff costs	<u>2,135,566</u>	<u>2,077,945</u>
Depreciation of property, plant and equipment	545,175	440,107
Depreciation of right-of-use assets	<u>30,117</u>	<u>23,737</u>

9. DIVIDENDS

In April 2024, the Company declared a dividend of RMB2.5 billion to the existing shareholders prior to the listing (“**Dividend Declaration**”) based on the consolidated retained profits as of 31 December 2023, which became effective upon the completion of the listing of the Company in October 2024. Save for the Dividend Declaration, no other dividend was paid or declared by the Company or the group entities comprising the Group during both years.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2024 of RMB0.307 per ordinary share and a special dividend of RMB0.176 per ordinary share, in an aggregate amount of RMB1,158,329,000, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

10. EARNINGS PER SHARE

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

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
<u>Earnings</u>		
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to equity owners of the Company)	<u>1,636,694</u>	<u>1,329,341</u>
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,073,130,091	2,000,000,000
Effect of dilutive potential ordinary share over-allotment option of the initial public offering	<u>80,618</u>	N/A
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>2,073,210,709</u>	<u>N/A</u>

11. TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade receivables		
– third parties	280,027	254,116
– fellow subsidiaries	11,991	13,210
	<u>292,018</u>	<u>267,326</u>
Less: Allowance for credit losses	(36,765)	(36,622)
	<u>255,253</u>	<u>230,704</u>
Other receivables	30,022	96,667
Note receivables	30,000	–
Deferred issue costs	–	2,270
Advances to suppliers	13,229	36,776
Value-added Tax recoverable	339,373	316,452
	<u>667,877</u>	<u>682,869</u>

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the dates of delivery of goods at the end of the reporting period:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
0 – 90 days	243,869	202,402
91 – 180 days	8,853	26,954
181 – 365 days	1,678	798
Over 365 days	853	550
	<u>255,253</u>	<u>230,704</u>

The note receivables are all aged within 90 days at the end of the reporting period.

The Group's policy is to allow a credit period of 60 to 90 days to its trade customers. A longer credit period may be granted to large or long-established customers with good repayment history.

Before accepting any new customers with credit limit, the Group assesses their historical background and credibility which are available in the market. The credit limit will be determined with reference to the result of research and will be reviewed once a year.

12. TRADE AND OTHER PAYABLES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade payables (note)		
– third parties	529,961	744,350
– fellow subsidiaries	95,334	72,564
	<u>625,295</u>	<u>816,914</u>
Sales volume rebates and promotion expense payables	965,540	1,693,251
Payroll payables	404,895	459,233
Deposit payables	385,728	346,529
Advertising payables	165,836	154,858
Transportation payables	246,961	251,992
Accrued listing expenses	7,549	7,496
Accrued issue costs	–	1,221
Other payables and accruals		
– third parties	658,930	820,063
– fellow subsidiaries	257,980	470,508
	<u>916,910</u>	<u>1,290,571</u>
	<u>3,718,714</u>	<u>5,022,065</u>

Note:

The credit period granted by suppliers to the Group ranges from 15 days to 60 days during both years. The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
0 – 90 days	621,974	815,329
91 – 180 days	2,705	195
181 – 365 days	570	189
Over 365 days	46	1,201
	<u>625,295</u>	<u>816,914</u>

The trade payables are unsecured and non-interest bearing.

MANAGEMENT DISCUSSION AND ANALYSIS

MACRO AND INDUSTRY ENVIRONMENT

In 2024, the global economic landscape continued to be complex and volatile. In light of the numerous uncertainties in the international environment, a range of consumption policies have been introduced domestically. As a result of these policy interventions, the domestic consumer market remained generally stable with the total social retail sales value for the year amounting to RMB48.8 trillion, representing a year-on-year increase of 3.5% compared to the previous year. However, the performance across various sub-sectors has varied, the retail sale of beverage showed a vibration trend.

BUSINESS REVIEW

Committed to becoming the go-to brand to address the basic and diversified beverage needs of Chinese consumers, the Group has been developing and offering a variety of quality ready-to-drink soft beverages under its diverse brand portfolio, primarily including “C’estbon” (怡寶), “Bonjour Forêt” (本優), “Zhi Ben Qing Run” (至本清潤), “Mi Shui Series” (蜜水系列) and “Holiday Series” (假日系列). The Group has crafted a diverse portfolio of market-leading products primarily in two categories: packaged drinking water products and beverage products, which are widely recognized among Chinese consumers.

The Group recorded a total revenue of RMB13,521.2 million in 2024, representing an increase of 0.05% compared to 2023, of which, revenue from packaged drinking water products accounted for 89.7% of the total revenue, while revenue from beverage products accounted for 10.3% of the total revenue. The following table sets forth a breakdown of the Group’s revenue by product category and their respective percentage contribution to total revenue for the periods indicated:

Product category	For the year ended December 31,			
	2024	2023		
	Amount	Percentage contribution to total revenue	Amount	Percentage contribution to total revenue
	(RMB in millions)	(%)	(RMB in millions)	(%)
Packaged drinking water products	12,124.0	89.7%	12,446.6	92.1%
Small-sized bottled water products ⁽¹⁾	7,028.4	52.0%	7,715.7	57.1%
Medium- to large-sized bottled water products ⁽²⁾	4,606.7	34.1%	4,242.9	31.4%
Barreled water products ⁽³⁾	488.9	3.6%	488.0	3.6%
Beverage products	1,397.2	10.3%	1,068.1	7.9%
Total	13,521.2	100.0%	13,514.7	100.0%

Notes:

- (1) Small-sized bottled water products refer to packaged drinking water products with an individual container volume of no more than 1L.
- (2) Medium- to large-sized bottled water products refer to packaged drinking water products with an individual container volume between 1L and 15L.
- (3) Barreled water products refer to packaged drinking water products with an individual container volume of 18.9L.

Packaged Drinking Water Products

The Group manufactures and sells its packaged drinking water products under its core brand “C’estbon”. As of December 31, 2024, the Group’s packaged drinking water products comprised its bottled water products under its brands “C’estbon”, “L’eau” (怡寶露), “Bonjour Forêt” and “FEEL” and its barreled water products under “C’estbon” and “Jialinshan” (加林山).

Looking back at our packaged drinking water business in 2024, the Group adhered to its concept of “becoming an epitome of water” and reinforced the concept that “quality water does not differentiate water types” to drive the development of multiple brands with multiple water types. With “C’estbon” and “Bonjour Forêt” as the key brands, we progressively launched “C’estbon” 5L natural water and “Bonjour Forêt” natural water products to gradually refine our multi-category product layout of packaged drinking water. The sales volume of “Bonjour Forêt” achieved rapid year-on-year growth, actively responding to market competition. Our high-end product “L’eau” natural mineral water introduced its gold edition for the year, the “Bamboo, Mountain, Wind and Moon” (竹山風月) series of products, which has enhanced the gift attributes and high-value texture of “L’eau”, constantly built the brand reputation, and elevated the overall brand image of C’estbon. In the face of external environment such as slower consumption growth, intense market competition in the beverage industry, changes in consumption habits and scenarios, as well as extreme weather, the Company increased resource contribution in channels and terminal markets, actively expanded catering and specialty channels, exploring e-commerce channel, household channel and other emerging channels, thereby stabilizing its market position.

According to the data provided by CIC, the retail sales amount of the PRC packaged drinking water products in 2024 increased by 2.5% on a year-on-year basis, and the retail sales amount of the Group’s packaged drinking water products increased by 4.5% on a year-on-year basis. Revenue from packaged drinking water products for the year amounted to RMB12,124.0 million, representing a decrease of 2.6% from 2023, and accounting for 89.7% of the total revenue in 2024.

Beverage Products

In recent years, while maintaining steady growth of packaged drinking water business, the Group has continuously promoted the development of its beverage business, actively establishing a second curve for growing. Revenue in 2024 amounted to RMB1,397.2 million, representing an increase of 30.8% from 2023, and accounting for 10.3% of the total revenue in 2024.

The Group currently has four brands for its tea beverage products covering herbal beverages under “Zhi Ben Qing Run”, sugar-free tea beverages under “Zuo Wei Cha Shi” (佐味茶事), and milk tea beverages under the “Tea of Wish” (願事之茗) and “Gogo-no-Kocha milk tea” (午後奶茶). In 2024, the Group’s herbal beverage series under “Zhi Ben Qing Run” achieved significant market expansion. The Group launched the 1L and 1.5L “Zhi Ben Qing Run” products to meet consumers’ drinking demand for medium- to large-sized sharing packages, and by launching a new flavor of “Zhi Ben Qing Run sour plum drink” (至本清潤酸梅湯), the Group also highlighted the classic flavor in northern China, providing consumers with a wider range of flavor options. Through the size enrichment and the launch of new flavors, “Zhi Ben Qing Run” successfully met the diversified drinking scenarios and needs of consumers, while strengthening the brand’s competitiveness in the market, achieving an outstanding sales growth of 122% compared to the previous year, and “Zhi Ben Qing Run chrysanthemum tea” (至本清潤菊花茶) has secured the leading position in the chrysanthemum tea market segment, ranking the first. The brand of “Zhi Ben Qing Run” has adopted the publicity form of brand ambassadors, and continuously expanded brand exposure through media placements such as buses, airport display screens and TVC TV advertisements, enhancing brand recognition. In the fourth quarter, the Group successfully launched a new brand, the “Tea of Wish” milk tea series, which comprises two new products, “Original Milk Tea” and “Osmanthus Oolong Milk Tea”. After the launch, the Group focused on the brand tone of “lucky and satisfied”, and combined with winter, New Year’s Day and other hotspots to carry out brand topics spreading, thus promoting brand awareness and enhancing brand recognition.

The Group currently has three brands for its juice beverage products, namely “Mi Shui Series” (蜜水系列), “Holiday Series” (假日系列) and “Sekai-no-Kitchen” (源自世界的廚房). Among them, “Mi Shui Series” (蜜水系列) and “Holiday Series” (假日系列) are the Group’s key brands for juice beverages. In May 2024, “Lemon Mi Shui” (蜜水檸檬) launched a soda with the same flavor, “Passion Fruit Mi Shui” (蜜水百香) also launched a new 350ml pack, providing consumers with more flavor choices in various drinking scenarios.

The Group’s portfolio of other beverage products primarily includes sports drink “Mulene” (魔力), coffee beverage “FIRE” (火咖), etc. The Group actively carried out product packaging and flavor upgrading to enhance product competitiveness. In order to implement the ongoing strategic development, the Group developed a healthy sports beverage market, intensified efforts in layout, and deepened sports marketing initiatives, comprehensively upgraded the brand image and product flavors of Mulene, strengthened the sense of power and sports image, and addressed the replenishment needs of consumers in sports scenes in 2024. The Group launched the C’estbon Mulene sports beverage with lemon and grapefruit flavors for event sponsorship in November 2024, and officially launched products in the sport-cap pack and large pack of 1L in January 2025. In 2024, the Group developed its own brand for coffee products and launched a new flame-baked brand in February 2025, offering two popular flavors of Latte and Mocha.

Sales Network

The Group has built an extensive sales network, including traditional channels, modern channels, catering channels, specialty channels, e-commerce channels and other channels. It maintains direct sales relationships with customers, such as national and regional supermarkets, chain convenience stores and e-commerce platforms, to effectively reach a broad base of consumers. In terms of strengthening the advantageous position of traditional channels, the Group continued to enhance the influence of our products in retail terminals. At the same time, following the principle of “seeking common ground while reserving differences, taking advantage of the situation, adapting to local conditions and keeping abreast of the times” (求同存異、因勢利導、因地制宜、與時俱進), the Group carried out channel optimization to enhance channel competitiveness. In addition, the Group actively expanded emerging channels, accelerated the development of online business, explored catering channels through projects such as “Catering Street” (餐飲街), and implemented pilot programs for household channels to promote the joint development of multiple channels to adapt to market changes and consumer demands.

Adhering to the sales channel strategy of “delicate cultivation for triumphing at the end market” (精耕細作，決勝終端), in 2024, the Group performed a series of sales measures, including the “spring ploughing activity” (春耕行動), the “collective efforts to cover the market” (集體鋪市), “carton recycle” (紙箱回收) and the “hundreds of cities, thousands of stores demonstration street” (百城千店示範街) construction, thus constantly establishing new terminal retail outlets and exploring new sales channels. Besides, the Group strengthened the construction of images for outlets of influence and as model, consolidating terminal foundation to improve channel competitiveness. In 2024, the number of terminal retail outlets under coverage increased by 15% on a year-on-year basis. The penetration of commercial refrigerator showcases in the market increased by over 20% as compared with the previous year.

The Group adheres to the regional development strategy of “enhancing the existing market share, conquering the variable market and exploring the incremental market” (保存量，攻變量，尋增量) to further consolidate its leading position in advantageous markets, improve the imbalance in market strength between northern and southern China, increase market share in provinces along the Yangtze River and promote rapid growth in the northwest market. In the packaged drinking water business in 2024, we have continued to improve our business execution capabilities in our base markets, leveraged the market brand effect, and further expanded our leading edge; we have deeply developed the lower-tier markets along the Yangtze River, comprehensively improved the product distribution abilities, assisted the expansion of modern channel business, achieved steady business growth, and continued to increase regional importance; we have concentrated resources in the northwest market to strengthen our presence in the provincial capital cities, which has also benefited the economic and demographic centers outside the provincial capitals, achieving rapid revenue growth.

Brand Building

Faced with the practical challenges of vast territory, numerous brands and limited resources, the Group has adopted the strategic approach of “focusing on resources and concentrating on efforts” (聚焦資源、集中發力) and adhered to the concept of long-termism. The Group has used large-scale outdoor advertising as the main form of publicity. The strategy of advertising on buses has had a significant impact on the industry, achieving long-term and comprehensive coverage of daily consumers. The Group has cooperated with CCTV Sports Channel in major events to carry out brand joint promotion to enhance brand voice. At the same time, we have focused on mainstream Internet platforms such as WeChat and Weibo, and implemented precise targeted marketing for target groups based on the characteristics of the platform audience, effectively improving the conversion rate of high-attention groups. In the field of sports marketing, the Group has established long-term and in-depth cooperation with domestic top sports IPs such as TEAM CHINA, the Chinese Super League (CSL), marathons, and general public sports projects, and continued to expand brand influence. The performance of the C'estbon brand in 2024 was particularly outstanding, with the brand's first mention rate without prompts reaching 21% and the total recognition rate reaching 88%, ranking among the top three in the packaged water industry.

In the field of packaged drinking water, the Group focuses on building the core brand image of “C'estbon”. The C'estbon brand has been with us all the way, committed to becoming a loyal partner for health for all and contributing to the development of China's sports industry. As the official partner of the TEAM CHINA, C'estbon not only provides safe and pure drinking water services to more than 70 national sports teams, supporting Chinese athletes to achieve outstanding results in international competitions, but also penetrates into consumers' daily lives and establishes a deep emotional bond with consumers. In February 2024, the C'estbon brand sponsored the CSL, the top domestic football event, to help the development of football. This year, the C'estbon brand continued to deepen its presence in the field of sports marketing, focusing on marathon events, campus runs, Ultra Gobi and other activities, making full use of different promotional scenes to maximize the display of products and brand images, and further consolidating its leading position in the field of sports marketing.

In terms of beverage brand building, the Group has adopted diversified marketing strategies that align with consumer preferences to meet the development needs of brand differentiation. By introducing the Olympic champions as brand ambassadors, Zhi Ben Qing Run brand not only significantly increased the brand recognition, but also enhanced the sense of trust of consumers. In addition, through the Group's cross-industry cooperation with cultural IPs such as the dance poetry drama, A Tapestry of a Legendary Land (《只此青綠》), as well as the online marketing campaign with the influencer IP, Milk Dragon (奶龍), the Group not only promoted oriental aesthetics and traditional culture, but also successfully captured the attention of young consumer groups. Meanwhile, with the placements in variety shows such as Round Table (《圓桌派》), the Group not only deepened the brand's market impression, but also significantly enhanced the exposure of the brand's products and consumer preference. In the area of sports marketing, the Group fully leveraged the sports resources of C'estbon brand, and strengthened the promotion of beverage brands such as Lemon Mi Shui by sponsoring competitions such as the China Family Sailing Regatta, and successfully penetrated into the younger age consumer group.

Production

In 2024, the Group actively expanded its production footprint with the comprehensive capacity increased by 21% from 2023. It followed the “1+N” strategy in the overall capacity allocation and built four new factories according to the principles of selecting quality water sources and logistic hubs. Among them, two of our self-owned factories, namely Wanlv Lake Factory in Guangdong and Wuyi Mountain Factory in Fujian, as well as the two partner factories in Xinjiang and Shaanxi, were successfully commissioned as planned, further supporting the Company’s business strategy. 22 new production lines were added in 2024, of which 14 new high-speed water lines and 3 new aseptic lines for beverages were added to our self-owned factories, and 5 new water lines were added to our partner factories, with 9 old lines obsoleted, thus enhancing our production independence and stability and effectively reducing the overall production cost. It is expected that by the end of the “14th Five-Year” Plan, the proportion of the self-owned production capacity for packaged drinking water nationwide will increase to over 60%. In order to meet the growing sales demand in the beverage market, the Company will further optimize its overall production capacity layout. The Group has basically completed the construction of in-house preform production, and implemented a national unified operation scheme for preform allocation, achieving the cost reduction on the overall value chain. As of the end of 2024, the Group’s in-house preform supply rate had been greatly improved, reducing the reliance on external resources, thus effectively improving market competitiveness.

Quality Control

The Group places great emphasis on the quality of its products, and performs various quality inspection and testing procedures, including visual inspection, physical and chemical inspection, microbiological testing and weight checks, etc., in the whole process, to ensure that its products meet the relevant quality standards and comply with applicable laws and regulations. The Group complies with the “China Resources C’estbon Full Value Chain Food Safety and Quality Management System” (華潤怡寶全價值鏈食品安全與質量管理體系), and has constantly and meticulously refined the system over its operation to cover every aspect of its supply chain, production process and finished product management. The Group’s quality control measures are also applied to its Cooperative Manufacturing Partners.

Research and Development

In 2024, in terms of research and development (R&D), leveraging the professional advantages of sensory labs, tea and coffee research labs, the Group had achieved a breakthrough in the research of thermotolerant microorganisms. Meanwhile, the Group added advanced packaging material testing equipment to improve R&D efficiency, thereby enhancing the ability to launch new products rapidly. In terms of new products, in 2024, the Group launched Zhi Ben Qing Run Sour Plum Drink, Mi Shui Lemon Soda, “Original Milk Tea” and “Osmanthus Oolong Milk Tea” under the Tea of Wish series, Mulene Sports Drink with upgraded flavors and bottle shapes, etc., to enrich the Group’s product portfolio.

Digitalization Construction

In 2024, with a number of factories successively putting into operation and the full deployment of intelligent production lines, we have continued to drive digitalization across key supply chain operations, and achieved full-process digital management and control over production management, quality inspection and raw material tracing, etc., by leveraging digital and intelligent technologies. We can achieve production dynamic monitoring in real-time through smart terminals, and precisely control the whole production process to ensure product quality and safety, effectively improved efficiency and reduced costs. In the field of new technology applications, we have embraced emerging technologies such as Artificial Intelligence (AI) with an open and proactive approach, integrating them into our business processes while exploring innovative application scenarios to successfully apply AI technology in numerous business models for production, sales, procurement management, etc., promoting the improvement of the operational management effectiveness and decision-making efficiency.

Future Outlook

Entering 2025, with the continued recovery of the national economy, rising incomes for both urban and rural residents, and the ongoing implementation and refinement of policies to stimulate consumption, new consumption formats and models are gradually growing and maturing. The expansion of the consumer market is expected to be further strengthened. The Group will continue to meet the people's growing expectation for a better life, further leverage the brand advantage of being the "Official Partner of TEAM CHINA", and consistently invest in product innovation, brand building, and channel development. We will increase investment in fundamental research, accelerate talent development, strengthen system platform integration, and promote high-quality business growth. Our goal is to better serve our customers and consumers, create value for our Shareholders, and strive to build a world-class, comprehensive beverage enterprise that delights our partners and ensures the satisfaction of consumers.

FINANCIAL REVIEW

Revenue

During the Reporting Period, the Group generated revenue from two categories of products: packaged drinking water products and beverage products.

In 2024, the Group recorded a revenue of RMB13,521.2 million, representing an increase of 0.05% as compared with RMB13,514.7 million in 2023. Due to frequent rainfall during the peak season in the third quarter of 2024, sales were temporarily affected. The Company responded to external challenges through various measures such as launching new products, extending the depth and breadth of our channels, strengthening brand building, and improving the supply chain. Sales volume grew steadily throughout the year, with its market position solid.

Cost of Sales

The Group's cost of sales primarily includes: (i) the cost of raw materials and packaging materials; (ii) Cooperative Manufacturing Partners' services fees; and (iii) manufacturing expenses.

In 2024, the Group's cost of sales amounted to RMB7,124.0 million, representing a decrease of 4.8% as compared to RMB7,479.5 million in 2023, primarily due to (i) the increased proportion of products produced in our self-owned factories; (ii) the extension along the value chain and the adjustment to fee rates of Cooperative Manufacturing Partners; and (iii) market price reduction of raw materials (such as PET and cardboard) and optimization of packaging.

Gross Profit and Gross Margin

In 2023 and 2024, the Group's gross profit was RMB6,035.2 million and RMB6,397.3 million, respectively. In 2023 and 2024, the Group's gross margin was 44.7% and 47.3%, respectively. The gross margin increased by 2.6 percentage points year on year, primarily due to (i) the increased proportion of products produced in our self-owned factories; (ii) the extension along the value chain and the adjustment to fee rates of Cooperative Manufacturing Partners; and (iii) market price reduction of raw materials (such as PET and cardboard) and optimization of packaging.

Other Income

In 2024, the Group's other income amounted to RMB289.0 million, accounting for 2.1% of total revenue, representing a decrease of 21.3% as compared to RMB367.2 million in 2023, primarily due to the decrease in interest income as a result of lower bank market interest rates.

Other Gains and Losses

In 2024, the Group's other gains and losses amounted to a loss of RMB14.0 million, representing a decrease of 4.4% as compared to a loss of RMB14.6 million in 2023.

Impairment Losses Under Expected Credit Loss Model, Net of Reversal

The Group's impairment losses under expected credit loss model, net of reversal, decreased from RMB3.8 million as of 2023 by 69.1% to RMB1.2 million in 2024, primarily due to the further improvement of the closed-loop management mechanism for debtors and the enhanced level of risk management and control of debtors.

Distribution and Selling Expenses

The Group's distribution and selling expenses primarily consist of: (i) staff costs, mainly representing salaries, bonuses, pension costs and other social insurance costs, etc., relating to the Group's sales and marketing staff; (ii) marketing and promotion expenses, mainly representing expenses for marketing activities serving the Group's customers, retail points of sale and end consumers, such as advertising, sports events and variety show sponsorship, shelf display and promotion materials; (iii) logistics services expenses, mainly fees incurred for the transportation of the Group's products; (iv) depreciation and amortization, primarily in relation to commercial refrigerator showcases; and (v) other expenses, such as travel expenses.

In 2024, the Group's distribution and selling expenses amounted to RMB4,058.4 million, representing a decrease of 0.7% as compared to RMB4,086.5 million in 2023, which remained relatively stable.

Administrative Expenses

The Group's administrative expenses primarily consist of: (i) staff costs; (ii) consulting expenses; (iii) depreciation and amortization, which was primarily in relation to equipment and office buildings; and (iv) others, including factory start-up costs.

In 2024, the Group's administrative expenses amounted to RMB295.7 million, representing a decrease of 1.6% as compared to RMB300.6 million in 2023, which remained relatively stable.

Research and Development Costs

The Group's R&D costs mainly include: (i) staff costs of R&D personnel; (ii) services fees in relation to consulting services; and (iii) testing and inspection fees.

The Group's R&D costs decreased from RMB61.5 million in 2023 to RMB53.4 million in 2024.

Finance Costs

The Group's finance costs primarily consist of interest on bank borrowings and non-controlling shareholder loans, and interest on lease liabilities.

The Group's finance costs decreased from RMB42.5 million in 2023 to RMB2.4 million in 2024, primarily due to the decrease in bank borrowings in 2024.

Income Tax

The Group's income tax increased from RMB547.1 million in 2023 to RMB562.9 million in 2024, primarily due to the increase in profit before taxation.

Profit for the Year

As a result of the foregoing, the Group's profit for the year increased from RMB1,331.4 million in 2023 by 24.7% to RMB1,660.8 million in 2024, and the Group's net profit margin increased from 9.9% in 2023 to 12.3% in 2024.

Inventories

The Group's inventories primarily consist of: (i) raw materials and consumables, primarily including packaging materials and ingredients; and (ii) finished goods, primarily including packaged drinking water and beverage products. Raw materials and consumables represented the majority of the Group's inventories.

The Group's inventories increased by 33.6% from RMB377.4 million as of December 31, 2023 to RMB504.2 million as of December 31, 2024, primarily due to production stocking. The inventory turnover days decreased from 23.6 days as of December 31, 2023 to 22.6 days as of December 31, 2024.

Trade and Other Receivables

The Group's trade and other receivables mainly comprise trade receivables, value-added tax recoverable, advances to suppliers, and other receivables.

The Group's trade and other receivables decreased from RMB682.9 million as of December 31, 2023 to RMB667.9 million as of December 31, 2024. The trade receivables turnover days increased from 7.3 days as of December 31, 2023 to 7.5 days as of December 31, 2024, which remained stable.

Trade and Other Payables

The Group's trade and other payables primarily represent trade payables, sales rebate and promotion expense payables, payroll payables, deposit payables, advertising payables and transportation payables.

The Group's trade and other payables decreased from RMB5,022.1 million as of December 31, 2023 to RMB3,718.7 million as of December 31, 2024. The trade payables turnover days increased from 33.7 days as of December 31, 2023 to 36.9 days as of December 31, 2024.

Bank Borrowing

As of December 31, 2024, the Group's balance of current and non-current bank borrowing was RMB17.2 million. Such bank borrowing was denominated in Renminbi, and is arranged at a variable rate linked to the lending rate stipulated by the PBOC with an effective interest rate of 2.71% per annum as of December 31, 2024. Such bank borrowing was made primarily for daily operations.

Liquidity and Capital Resources

As of December 31, 2024, the Group's total bank deposits and cash amounted to RMB10,647.4 million, with the majority held in HKD and RMB. The Group maintains a reasonable and sufficient cash level through centralized cash management.

Gearing Ratio

As of December 31, 2024, the Group's gearing ratio (equals the total interest-bearing debt (including lease liabilities and interest-bearing proportion of the amounts due to non-controlling shareholder of a subsidiary) divided by total equity and multiplied by 100% as of the same date) was 0.5%, generally level with the Group's gearing ratio of 0.5% as of December 31, 2023.

Significant Investments, Material Acquisitions, and Disposals

As of December 31, 2024, the Group had no significant investments that are required to be disclosed pursuant to Paragraph 32(4A) of Appendix D2 to the Listing Rules as well as material acquisitions and disposals of subsidiaries, associates and joint ventures.

Future Material Investments or Capital Asset Plans

As of the date of this announcement, except for those disclosed in the “Future Plans and Use of Proceeds” of the Prospectus, the Group currently has no plans to acquire other material investments or capital assets.

Contingent Liabilities

As of December 31, 2024, the Group had no significant contingent liabilities.

Capital Expenditures

For the year ended December 31, 2024, the Group’s capital expenditures amounted to approximately RMB2,136.0 million (for the year ended December 31, 2023: RMB2,312.2 million), primarily allocated to the acquisition of property, plant, and equipment, purchase of right-of-use assets, acquisition of subsidiaries and other non-current assets.

Pledge of Assets

As of December 31, 2024, the Group pledged the buildings and land use rights with carrying amount of RMB119.6 million as security for bank borrowings.

Foreign Exchange Risk

The majority of the Group’s revenue and expenditures are denominated in Renminbi. The Group’s subsidiaries operate in Mainland China and Hong Kong, with their functional currencies being the local currencies (i.e., RMB and HKD), respectively. The Group engages in certain transactions denominated in foreign currencies, thereby exposing it to exchange rate fluctuation risks. Currently, the Group does not have a foreign currency hedging policy in place. However, the management actively monitors foreign exchange risks and will consider hedging significant foreign currency exposures when necessary.

Human Resources and Remuneration Policy

As of December 31, 2024, the Group had 11,194 full-time employees, the majority of whom are based in Mainland China. The following table sets forth the number of our employees by function:

Function	As of December 31, 2024	
	Number of employees	Percentage of total employees (%)
Sales and Marketing	8,617	77
Administration	308	3
R&D	92	1
Production	2,177	19
Total	11,194	100

The Group recruited our employees through on-campus recruitment, job fairs, recruitment agencies, internal recruitment platform of China Resources and internal and external referrals. Committed to providing fair and equal opportunities in all its employment practices, we have adopted policies and procedures to ensure a fair and impartial recruitment, selection and employment. Meanwhile, we offer our employees competitive salaries, comprehensive insurance packages and merit-based incentive schemes which are generally based on the performance of the individual employees and the overall performance of our business. In terms of employee compensation and benefits, the Group complies with the requirements of laws and regulations on salary and welfare, and has optimized the Management Regulations for Remuneration and Benefits (薪酬福利管理辦法), which sets out the Group's compensation philosophy, principles of income distribution, as well as the composition, calculation, and disbursement of employees' compensation and benefits.

The Group provides new hire training to new joiners on our corporate culture, business and industry, improving their understanding of our Group and their abilities to perform their duties. The Group also regularly provides tailor-made in-house training sessions to our employees or arranges for our employees to attend training sessions provided by third parties, thus improving their technical skills. In addition, we provide management skills training opportunities to certain employees and outstanding young backbones to facilitate their transition into a management role.

Subsequent Significant Events

Save as disclosed in this announcement, since the end of the Reporting Period, there are no significant events that require adjustment or disclosure in accordance with the Hong Kong Financial Reporting Standards.

GLOBAL OFFERING AND USE OF NET PROCEEDS

The Company was successfully listed on the Stock Exchange on October 23, 2024, and the over-allotment option stated in the Prospectus was partially exercised on November 12, 2024, with total net listing proceeds of RMB5,213.5 million after deduction of underwriting fees and related expenses.

As of December 31, 2024, RMB449.1 million of the net proceeds from the Listing had been utilized, and the remaining was held as a time deposit in a licensed bank in Hong Kong.

There have been no material changes to the intended use of the net proceeds as disclosed in the Prospectus, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus for further information. The following table shows the use of the net proceeds raised from the Global Offering of the Company as of December 31, 2024. The expected timetable for the unspent balance of the proceeds is based on the Company’s estimates taking into account, among other things, the current and future market development conditions as well as the Company’s business needs, and is therefore subject to change.

Purposes as described in the Prospectus	Planned proportion	Net proceeds (RMB in millions)	Proceeds	Unutilized	Timetable for the full use of net unutilized proceeds
			utilized for the year ended December 31, 2024 (RMB in millions)	balance as of December 31, 2024 (RMB in millions)	
(1) Strategic expansion and optimization of production capacity	30%	1,564.1	128.8	1,435.3	on or before September 30, 2029
(2) Accelerating the expansion of sales channels and enhancing channel efficiency	23%	1,199.1	85.6	1,113.5	on or before September 30, 2029
(3) Conducting sales and marketing activities	23%	1,199.1	203.6	995.5	on or before September 30, 2027
(4) Enhancing our product R&D capabilities	3%	156.4	8.5	147.9	on or before September 30, 2029
(5) Digitalization upgrades	3%	156.4	22.6	133.8	on or before September 30, 2029
(6) For potential investment, merger and acquisition opportunities	8%	417.1	–	417.1	no current plan in 2025
(7) As working capital and for general corporate uses	10%	521.3	–	521.3	
Total	100%	5,213.5	449.1	4,764.4	

FINAL DIVIDEND AND SPECIAL DIVIDEND

The Board proposes to pay, on July 24, 2025, a final dividend for the year ended December 31, 2024 of RMB0.307 per share (the “**Final Dividend**”) and a special dividend of RMB0.176 per share (the “**Special Dividend**”) to Shareholders whose names appear on the Company’s register of members on June 16, 2025. The Final Dividend and the Special Dividend are subject to the approval of the Shareholders at the forthcoming annual general meeting (the “**AGM**”). If approved at the AGM, the Final Dividend and Special Dividend will be paid in HKD cash. Shareholders are entitled to elect to receive all or part of the Final Dividend and the Special Dividend in RMB cash. The amounts of the Final Dividend and the Special Dividend in HKD will be calculated based on the average RMB to HKD central parity rate published by the People’s Bank of China over the five business days ending on and including the date of the forthcoming AGM. If approved at the AGM, the Final Dividend and Special Dividend are expected to be paid on Thursday, July 24, 2025 to Shareholders whose names appear on the Company’s register of members on June 16, 2025.

Unless the Shareholders elect to receive the Final Dividend and Special Dividend in RMB cash by completing the dividend currency election form, the Final Dividend and Special Dividend will be paid in HKD cash respectively. The dividend currency election form is expected to be dispatched to the Shareholders on Friday, June 20, 2025. If the Shareholders elect to receive all or part of the Final Dividend and the Special Dividend in RMB, they must complete the dividend currency election form. The completed form must be delivered to the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Tuesday, July 8, 2025.

AGM

The Company will inform the Shareholders of the date of the Company’s forthcoming AGM and the relevant arrangements for the closure of register of members at a later date.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the Final Dividend and the Special Dividend, the register of members of the Company will be closed from Monday, June 16, 2025 to Tuesday, June 17, 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to the Final Dividend and the Special Dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Friday, June 13, 2025.

CORPORATE GOVERNANCE PRACTICES

The Company is well aware of the importance of incorporating excellent corporate governance elements into the Group's management structure and internal control process to achieve effective accountability.

The Company has applied the principles outlined in the Corporate Governance Code and adopted the code provisions described therein. The Company firmly believes that the composition of executive Directors and independent non-executive Directors of the Board should be balanced to ensure the Board maintains strong independence and can effectively make independent judgments.

The Company has complied with all applicable code provisions set forth in the Corporate Governance Code from the Listing Date until December 31, 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set forth in Appendix C3 to the Listing Rules as its code for securities transactions to regulate all securities transactions by the Directors and other matters covered by the Model Code.

The Company has made specific inquiries to all of its Directors, and they have confirmed that they have complied with the Model Code from the Listing Date until December 31, 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

From the Listing Date to December 31, 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares (as defined under the Listing Rules)). As of December 31, 2024, neither the Company nor its subsidiaries held any treasury shares.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The Audit Committee consists of two non-executive Directors, being Mr. LIN Guolong and Ms. CAO Yue, and four independent non-executive Directors, being Dr. YAO Yang, Dr. CHOW Wing Kin Anthony, Mr. LI Yinquan and Ms. CHENG Po Chuen. The chairman of the Audit Committee is Dr. YAO Yang. Mr. LI Yinquan holds the appropriate accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Company, and to nominate and monitor external auditors and other duties required under the Corporate Governance Code.

The Audit Committee, together with the Board and the Company's auditors, has reviewed the accounting principles and policies adopted by the Group and the consolidated financial statements of the Group for the year ended December 31, 2024. The Audit Committee is of the opinion that the preparation of the relevant financial statements complies with applicable accounting standards and requirements, and adequate disclosures have been made.

SCOPE OF WORK OF THE COMPANY’S AUDITOR

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended December 31, 2024 as set out in the preliminary announcement have been agreed by the Group’s auditor, Deloitte Touche Tohmatsu (“**Deloitte**”), Certified Public Accountants, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Deloitte in this respect did not constitute an assurance engagement and consequently, no opinion or assurance conclusion has been expressed by Deloitte on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.crbeverage.com). The 2024 annual report of the Company containing all the information required by the Listing Rules will be dispatched to the Shareholders who require a printed copy and made available on the above websites in due course.

DEFINITIONS

“Board” or “Board of Directors”	the board of Directors of our Company
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“China” or the “PRC”	the People’s Republic of China, but for the purposes of this announcement and for geographical reference only and except where the context requires, excludes the Hong Kong, Macau Special Administrative Region, and Taiwan
“CIC”	China Insights Industry Consultancy Limited, the industry consultant of our Company
“Company” or “our Company”	China Resources Beverage (Holdings) Company Limited (華潤飲料(控股)有限公司), a limited liability company incorporated by way of continuation in the Cayman Islands, with its Shares listed on the Stock Exchange (Stock Code: 2460)
“Cooperative Manufacturing Partners”	manufacturing factories, including OEMs, that establish collaborative partnerships to effectively address market demands
“Director(s)”	director(s) of our Company
“Global Offering”	the Hong Kong Public Offering and the International Offering (as defined in the Prospectus)
“Group”, “our Group”, “we” or “us”	our Company and its subsidiaries
“HKD”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	October 23, 2024, on which our Shares are listed and from which dealings therein are permitted to take place on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
“Prospectus”	the prospectus of the Company dated October 15, 2024
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Reporting Period”	the financial year ended December 31, 2024
“Share(s)”	ordinary shares in the capital of our Company with a nominal value of US\$0.0000005 each
“Shareholders(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent

By order of the Board
China Resources Beverage (Holdings) Company Limited
Mr. ZHANG Weitong
Chairman of the Board and Executive Director

Hong Kong, March 21, 2025

As at the date of this announcement, the board of directors of the Company comprises (i) Mr. ZHANG Weitong, Mr. LI Shuqing and Ms. WU Xia as executive directors; (ii) Mr. LIN Guolong, Mr. SUN Yongqiang, Mr. XIAO Ning, Ms. CAO Yue and Dr. ZHAO Dian as non-executive directors; and (iii) Dr. CHOW Wing Kin Anthony, Mr. LI Yinquan, Dr. YAO Yang and Ms. CHENG Po Chuen as independent non-executive directors.