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嘉士利集團有限公司  
Jiashili Group Limited



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

**(Stock code: 1285)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025**

### **FINANCIAL HIGHLIGHTS**

- The unaudited consolidated revenue of the Group for the six months ended June 30, 2025 amounted to approximately RMB750.1 million, decrease by 8.2% as compared with the same period last year.
- For the six months ended June 30, 2025, the unaudited profit for the period of the Company amounted to approximately RMB9.2 million (six months ended June 30, 2024: amounted to approximately RMB15.9 million), a drop by 42.0% as compared with the same period last year.
- For the six months ended June 30, 2025, the unaudited profit attributable to owners of the Company amounted to approximately RMB11.8 million, drop by 45.2% as compared with the same period last year.
- The earnings before interest, tax, depreciation and amortisation (EBITDA)\* for the six months ended June 30, 2025 amounted to approximately RMB79.2 million (six months ended June 30, 2024: approximately RMB97.4 million), representing a decline of 18.7% as compared with the same period last year.
- The Board has resolved to declare payment of an interim dividend of HK\$5.00 cents for the six months ended June 30, 2025 (six months ended June 30, 2024: Nil).

The board (the “**Board**”) of directors (the “**Directors**”) of Jiashili Group Limited (the “**Company**” or “**Jiashili**”) is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”, “**we**” or “**our**”) for the six months ended June 30, 2025 (the “**Reporting Period**”) together with the comparative figures for the corresponding period in 2024.

\* include profit/loss before tax but excluding finance costs and total depreciation and amortisation

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**  
*FOR THE SIX MONTHS ENDED JUNE 30, 2025*

	NOTES	Six months ended June 30, 2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (restated) (note 11)
Revenue	3 & 4	750,100	817,001
Cost of sales		(544,458)	(602,188)
Gross profit		205,642	214,813
Other income	5	24,808	26,526
Selling and distribution expenses		(111,065)	(99,234)
Administrative expenses		(53,276)	(53,980)
Other expenses	6	(39,134)	(39,107)
Impairment losses recognised under expected credit loss ("ECL") model, net	17	854	(6,351)
Other gains and losses	7	699	2,285
Share of results of associates		(543)	(519)
Finance costs		(11,319)	(18,293)
Profit before tax		16,666	26,140
Income tax expense	8	(7,448)	(10,260)
Profit for the period	9	9,218	15,880
<b>Other comprehensive expense</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(412)	(1,007)
Total comprehensive income for the period		8,806	14,873
Profit (loss) for the period attributable to:			
Owners of the Company		11,816	21,564
Non-controlling interests		(2,598)	(5,684)
		9,218	15,880
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		11,404	20,557
Non-controlling interests		(2,598)	(5,684)
		8,806	14,873
Earnings per share	13		
— Basic (RMB cents)		2.85	5.20

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT JUNE 30, 2025**

	<i>NOTES</i>	<b>June 30, 2025 RMB'000 (unaudited)</b>	<b>December 31, 2024 RMB'000 (audited)</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	14	679,342	697,709
Right-of-use assets	14	227,461	247,277
Investment properties	14	19,936	20,465
Intangible assets	14	79,834	86,573
Goodwill		56,118	56,118
Interests in associates		19,582	20,145
Financial assets at fair value through profit or loss ("FVTPL")	15	156,132	154,806
Loan receivables		94,892	93,972
Amount due from an associate		7,000	7,000
Deferred tax assets		4,266	4,340
Other receivables and deposits	16	1,416	1,007
Deposit paid for acquisition of unlisted equity investments		19,400	—
Deposits paid for acquisition of property, plant and equipment		434	544
		<b>1,365,813</b>	<b>1,389,956</b>
<b>CURRENT ASSETS</b>			
Inventories		181,662	220,483
Trade, bills and other receivables	16	193,452	170,168
Loan receivables		18,525	22,900
Amounts due from associates		43,272	39,455
Amounts due from non-controlling shareholders of subsidiaries		15,395	11,358
Amount due from a related party		36	36
Loan to an associate		1,402	—
Loans to non-controlling shareholders of subsidiaries		2,300	2,300
Income tax recoverable		7,949	6,751
Pledged/restricted bank deposits		1,619	3,718
Cash and cash equivalents		279,423	379,129
		<b>745,035</b>	<b>856,298</b>
Assets classified as held for sale	11	25,803	21,750
		<b>770,838</b>	<b>878,048</b>

	<i>NOTES</i>	<b>June 30, 2025</b> <i>RMB'000</i> (unaudited)	December 31, 2024 <i>RMB'000</i> (audited)
<b>CURRENT LIABILITIES</b>			
Trade, bills and other payables	18	199,617	343,839
Contract liabilities		46,198	101,728
Income tax payables		12,969	19,874
Bank borrowings	19	610,308	578,938
Other borrowing		—	1,059
Amount due to a non-controlling shareholder of a subsidiary		88	16
Amounts due to related parties		85	117
Amounts due to associates		966	1,053
Deferred income		1,686	1,994
Lease liabilities		5,146	4,476
		<u>877,063</u>	<u>1,053,094</u>
Liabilities associated with assets classified as held for sale	11	14,931	463
		<u>891,994</u>	<u>1,053,557</u>
<b>NET CURRENT LIABILITIES</b>		<u>(121,156)</u>	<u>(175,509)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,244,657</u>	<u>1,214,447</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		1,300	4,530
Deferred income		29,046	42,796
Bank borrowings		186,895	106,134
Other borrowing		—	581
Lease liabilities		44,047	46,484
		<u>261,288</u>	<u>200,525</u>
<b>NET ASSETS</b>		<u><u>983,369</u></u>	<u><u>1,013,922</u></u>
<b>CAPITAL AND RESERVES</b>			
Share capital		3,285	3,285
Reserves		953,847	980,332
		<u>957,132</u>	<u>983,617</u>
Equity attributable to owners of the Company		957,132	983,617
Non-controlling interests		26,237	30,305
<b>TOTAL EQUITY</b>		<u><u>983,369</u></u>	<u><u>1,013,922</u></u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

## 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (“**IAS 34**”) *Interim Financial Reporting* issued by the International Accounting Standards Board (“**IASB**”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

In preparing the condensed consolidation financial statements, the directors of the Company have given careful consideration to the future liquidity of the Company in light of the fact that the Group’s current liabilities exceeded its current assets by approximately RMB121,156,000 as at June 30, 2025.

In view of the above circumstances, the directors of the Company have given careful consideration to the future liquidity and financial position of the Group and its available sources of financing in assessing whether the Company have sufficient financial resources to continue as going concern. Certain plans and measures have been taken to mitigate the liquidity position and improve the financial position which include, but not limited to, the followings:

The directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future after considering below:

- As at June 30, 2025, the Group has undrawn bank facilities of approximately RMB98,000,000 available to the Group;
- The Group estimates to generate adequate cash inflow from operating activities in expected timeline; and
- The Group expects the short-term revolving bank borrowings of RMB392,536,000 would be refinanced upon maturity based on previous experience.

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

## 2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to International Financial Reporting Standards (“**IFRSs**”) Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2025 are the same as those presented in the Group’s annual financial statements for the year ended December 31, 2024.

### ***Application of Amendments to an International Financial Reporting Standards (“IFRS”) Accounting Standards***

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standards issued by the IASB, for the first time, which are mandatory effective for the annual period beginning on January 1, 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standards in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 3. REVENUE FROM CONTRACTS WITH CUSTOMERS

An analysis of the Group’s revenue from major products and service are set out in note 4 as such analysis form part of the segment information reported to the management of the Group. The Group’s food products revenue and hotel service revenue are recognised at a point in time and over time, respectively.

	<b>Six months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
		<b>(restated)</b>
<b>Sales channels</b>		
Distributors	687,611	771,139
Supermarkets	1,298	1,475
Retail customers	61,191	44,387
Total	<u>750,100</u>	<u>817,001</u>
<b>Timing of revenue recognition</b>		
A point in time	739,924	807,942
Over time ( <i>note a</i> )	10,176	9,059
Total	<u>750,100</u>	<u>817,001</u>
<b>Geographical markets</b>		
The PRC (country of domicile)	749,090	815,840
Others ( <i>note b</i> )	1,010	1,161
Total	<u>750,100</u>	<u>817,001</u>

*Notes:*

- (a) The Group provides hotel services to retail customers in Kaiping City, Guangdong Province, the PRC. Hotel revenue from room rental is recognised over time during the period of stay for the hotel guests. Revenue from other ancillary services is generally recognised at the point in time when the services are rendered.
- (b) Others represent export sales to locations other than the PRC.

#### **4. OPERATING SEGMENTS**

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

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

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

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

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

### Segment revenue and results

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

Six months ended June 30, 2025

	Biscuit products <i>RMB'000</i> (unaudited)	Pasta products <i>RMB'000</i> (unaudited)	Flour products <i>RMB'000</i> (unaudited)	Others <i>RMB'000</i> (unaudited)	Total <i>RMB'000</i> (unaudited)
Segment revenue					
External sales	553,052	86,985	77,629	32,434	750,100
Inter-segment sales	2,430	28	53,304	3,864	59,626
	<u>555,482</u>	<u>87,013</u>	<u>130,933</u>	<u>36,298</u>	<u>809,726</u>
Segment results	<u>174,619</u>	<u>18,783</u>	<u>11,946</u>	<u>294</u>	<u>205,642</u>
Other income					24,808
Selling and distribution expenses					(111,065)
Administrative expenses					(53,276)
Other expenses					(39,134)
Impairment losses recognised under ECL model, net					854
Other gains and losses					699
Share of results of associates					(543)
Finance costs					<u>(11,319)</u>
Profit before tax					<u><u>16,666</u></u>



Six months ended June 30, 2024

	Biscuit products <i>RMB'000</i> (unaudited)	Pasta products <i>RMB'000</i> (unaudited)	Flour products <i>RMB'000</i> (unaudited)	Others <i>RMB'000</i> (unaudited)	Total <i>RMB'000</i> (unaudited)
Segment revenue					
External sales	621,581	68,089	92,178	35,153	817,001
Inter-segment sales	<u>2,037</u>	<u>43</u>	<u>53,296</u>	<u>417</u>	<u>55,793</u>
	<u>623,618</u>	<u>68,132</u>	<u>145,474</u>	<u>35,570</u>	<u>872,794</u>
Segment results	<u>188,872</u>	<u>14,858</u>	<u>8,079</u>	<u>3,004</u>	<u>214,813</u>
Other income					26,526
Selling and distribution expenses					(99,234)
Administrative expenses					(53,980)
Other expenses					(39,107)
Impairment losses recognised under ECL model, net					(6,351)
Other gains and losses					2,285
Share of results of associates					(519)
Finance costs					<u>(18,293)</u>
Profit before tax					<u><u>26,140</u></u>

**Segment assets and liabilities**

The consolidated assets and consolidated liabilities of the Group are regularly reviewed by CODM as a whole. Therefore, the measure of total segment assets and total segment liabilities by operating and reportable segments is not presented.

## Revenue from major products

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

	<b>Six months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
		<b>(restated)</b>
<b>Revenue by products</b>		
Biscuit		
— Sweet single piece biscuits	<b>211,557</b>	245,758
— Salty single piece biscuits	<b>15,260</b>	22,702
— Sandwich biscuits	<b>197,895</b>	191,769
— Wafers	<b>54,863</b>	69,501
— Coarse grain biscuits	<b>16,037</b>	26,219
— Other biscuits	<b>57,440</b>	65,632
	<b>553,052</b>	621,581
Pasta	<b>86,985</b>	68,089
Flour	<b>77,629</b>	92,178
Others ( <i>note</i> )	<b>22,258</b>	26,094
	<b>739,924</b>	807,942
<b>Revenue by services</b>		
Hotel services	<b>10,176</b>	9,059
Total	<b>750,100</b>	817,001

*Note:* Others represent miscellaneous products other than biscuits, pasta, flour, such as bread, mooncake, candies and soymilk.

## 5. OTHER INCOME

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited) (restated)
Government grants ( <i>note</i> )	4,411	6,528
Interest income on:		
— bank deposits	870	1,621
— loan receivables	3,930	4,890
— loans to non-controlling shareholders of subsidiaries	115	203
— loan to an associate	2	—
— advance to third parties	—	233
Sales of scrap and packaging materials	11,040	10,581
Rental income	3,280	2,294
Other non-operating income	1,160	176
	<u>24,808</u>	<u>26,526</u>

*Note:* Government grants represents incentive subsidies received from local government for improvement of working capital and compensation for research and development expenses incurred as well as government subsidies for the compensation of capital expenditures on the plant and machinery and right-of-use assets which are deferred and released to profit or loss over the estimated useful lives of the respective assets since they are ready to use.

## 6. OTHER EXPENSES

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited) (restated)
Research expenses	23,860	25,939
Donation expenses	4,460	4,578
Cost of scrap and packaging materials sold	8,118	5,953
Building lease expenses	1,497	1,472
Other non-operating expenses	1,199	1,165
	<u>39,134</u>	<u>39,107</u>

## 7. OTHER GAINS AND LOSSES

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Net foreign exchange losses	(3)	(16)
Losses on disposal of property, plant and equipment	(624)	(1,542)
Fair value gain on financial assets at FVTPL	1,326	3,843
	<u>699</u>	<u>2,285</u>

## 8. INCOME TAX EXPENSE

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
PRC Enterprise Income Tax (“EIT”)		
— Current tax	10,604	14,159
Deferred tax	(3,156)	(3,899)
	<u>7,448</u>	<u>10,260</u>

## 9. PROFIT FOR THE PERIOD

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited) (restated)
Profit for the period has been arrived at after charging:		
Directors' and chief executive's remuneration	2,062	2,706
Other employee benefits expenses:		
— Salaries and allowances	108,891	117,557
— Contributions to retirement benefits scheme	12,227	12,249
Total employee benefits expenses	123,180	132,512
Depreciation of property, plant and equipment	38,182	39,550
Depreciation of right-of-use assets	5,729	5,888
Depreciation of investment properties	529	955
Amortisation of intangible assets (included in cost of sales)	6,739	6,584
Total depreciation and amortisation	51,179	52,977
Expenses relating to short-term leases	454	1,403
Cost of inventories recognised as expenses with no impairment of inventories recognised	539,208	596,785

## 10. RESTATEMENT OF DISCONTINUED OPERATION HELD FOR SALE

In February 2024, according to the civil mediation document issued by the court in the PRC, the Group entered into an agreement with several third parties to dispose of its 100% equity interest in Guangdong Quancheng Great Healthy Beverage Co. Limited\* 廣東全成大健康飲品有限公司 (“**Quancheng**”) for a consideration of approximately RMB44,000,000. Quancheng is engaged in manufacturing and selling of soymilk in the PRC (“**Soymilk Operation**”). As at June 30, 2024, these third parties fulfilled partial consideration according to the payment schedule agreed in the civil mediation document. The assets and liabilities attributable to Quancheng, which were expected to be sold within twelve months, were classified as a discontinued operation held for sale and were presented separately in the condensed consolidated statement of financial position at June 30, 2024.

These third parties subsequently were in default on the payment of the remaining consideration. The disposal of Quancheng was not expected to complete within twelve months. Accordingly, Quancheng has not been classified as a discontinued operation held for sale in the Group's annual financial statements for the year ended December 31, 2024.

As at June 30, 2025, the comparative figures in the condensed consolidated statement of profit or loss and other comprehensive income have been restated to re-present the Soymilk Operation as a continuing operation during the six months ended June 30, 2025.

## 11. ASSETS AND LIABILITIES HELD FOR SALE

In November 2024, the Group entered into an equity transfer agreement with a third party, and pursuant to the equity transfer agreement, the Group agreed to dispose of its 100% equity interest in Jiangsu Jiashili Food Co. Limited\* 江蘇嘉士利食品有限公司 (“**Jiangsu Jiashili**”) for a total cash consideration of RMB48,300,000. Jiangsu Jiashili is engaged in leasing of factory building in the PRC.

In May 2025, the Group made a decision to transfer one of the land parcels located in Huaibei City, Anhui Province, the PRC, and simultaneously return the government grants previously received related to the land parcel.

The assets and liabilities attributable to Jiangsu Jiashili and the land parcel, which are expected to be sold within twelve months, have been classified as assets and liabilities held for sale and are presented separately in the condensed consolidated statement of financial position.

The net proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss has been recognised.

The major classes of assets and liabilities of the disposal group classified as held for sale are as follows:

	<b>June 30, 2025</b>	December 31, 2024
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Property, plant and equipment	—	82
Right-of-use assets	<b>15,962</b>	1,875
Investment properties	<b>8,885</b>	8,885
Trade, bills and other receivables	<b>2</b>	4
Income tax recoverable	<b>290</b>	290
Cash and cash equivalents	<b>664</b>	10,614
	<hr/>	<hr/>
Total assets classified as held for sale	<b><u>25,803</u></b>	<b><u>21,750</u></b>
	<hr/>	<hr/>
Trade, bills and other payables	<b>(14,931)</b>	(463)
	<hr/>	<hr/>
Total liabilities associated with assets classified as held for sale	<b><u>(14,931)</u></b>	<b><u>(463)</u></b>

## 12. DIVIDENDS

During the six months ended June 30, 2025, a final dividend of HK10 cents per share in respect of the year ended December 31, 2024, amounting to HK\$41,500,000 (equivalent to approximately RMB37,889,000) (six months ended June 30, 2024, a final dividend of HK10 cents per share in respect of the year ended December 31, 2023, amounting to HK\$41,500,000 (equivalent to approximately RMB37,802,000)) was recognised as distribution to the owners of the Company.

Subsequent to the end of the current interim period, the directors of the Company has resolved to declare payment of an interim dividend of HK\$5 cents per ordinary share for the six months ended June 30, 2025 (six months ended June 30, 2024: nil).

## 13. EARNINGS PER SHARE

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

	<b>Six months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Earnings</b>		
Profit for the period attributable to owners of the Company for the purposes of basic earnings per share	<b><u>11,816</u></b>	<b><u>21,564</u></b>
	<b>Six months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>'000</b>	<b>'000</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic earnings per share	<b><u>415,000</u></b>	<b><u>415,000</u></b>

No diluted earnings per share for both six months ended June 30, 2025 and 2024 were presented as there were no potential ordinary shares in issue for both periods.

## 14. PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS

During the six months ended June 30, 2025, the Group had addition of approximately RMB22,089,000 (six months ended June 30, 2024: RMB45,090,000) on property, plant and equipment in order to upgrade its operating capacities.

During the six months ended June 30, 2025, the Group disposed of certain plant and equipment with an aggregate carrying amount of RMB2,274,000 (six months ended June 30, 2024: RMB2,499,000) for cash consideration of RMB1,650,000 (six months ended June 30, 2024: RMB957,000), resulting in a gain on disposal of RMB624,000 (six months ended June 30, 2024: loss on disposal of RMB1,542,000).

During the six months ended June 30, 2025 and 2024, the Group had no addition on investment properties.

During the six months ended June 30, 2025, the Group had no addition on right-of-use assets. During the six months ended June 30, 2024, the Group entered into several new lease agreements with lease terms ranged from two to three years. On the date of lease commencement, the Group recognised right-of-use assets of RMB1,390,000 and lease liabilities of RMB1,058,000.

During the six months ended June 30, 2025, the Group had no addition on intangible assets. During the six months ended June 30, 2024, the Group had addition of RMB192,000 on intangible assets in order to obtain a licence for operating online sale.

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

	<b>June 30, 2025</b> <i>RMB'000</i> (unaudited)	December 31, 2024 <i>RMB'000</i> (audited)
Financial assets designated at FVTPL:		
— unlisted equity investment in the PRC ( <i>note a</i> )	<b>27,024</b>	26,000
— unlisted equity investment fund in the PRC ( <i>note b</i> )	<b>129,108</b>	128,806
	<b>156,132</b>	154,806

The fair value of the financial assets at FVTPL at June 30, 2025 have been arrived at on the basis of valuation carried out by the Board of Directors.



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

	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Trade and bills receivables	44,113	56,341
Less: allowance for ECL	(13,143)	(10,700)
Total trade and bills receivables, net	30,970	45,641
Prepayments for purchase of raw materials ( <i>note a</i> )	60,712	17,643
Other tax recoverable ( <i>note b</i> )	36,526	35,368
Other receivables, net of allowance ( <i>note c</i> )	47,286	32,120
Other prepayments ( <i>note d</i> )	13,745	30,687
Temporary payment on behalf of bakery stores	2,417	7,649
Rental and utility deposits	3,212	2,067
	194,868	171,175
Less: amount shown under current assets	(193,452)	(170,168)
Amount shown under non-current assets as other receivables and deposits ( <i>note e</i> )	1,416	1,007

### Trade and bills receivables

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

	June 30, 2025 RMB'000 (unaudited)	December 31, 2024 RMB'000 (audited)
Within 2 months	23,509	29,020
Over 2 months but within 3 months	2,077	9,754
Over 3 months but within 6 months	4,078	5,374
Over 6 months but within 1 year	1,277	1,276
Over 1 year	29	217
	30,970	45,641

As at June 30, 2025, total bills receivables amounting to RMB584,000 (December 31, 2024: RMB1,610,000) are held by the Group for future settlement of trade receivables. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills receivables held by the Group are with a maturity period of less than one year.

## Prepayment, other receivables and deposits

Notes:

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

During the six months ended June 30, 2025, the Group has reversed an impairment loss of RMB4,000,000 (six months ended June 30, 2024: reversed an impairment loss of RMB394,000) on other receivables in the profit or loss.

- (d) Other prepayments represent prepaid logistic fee and fuel, water, electricity charges and other miscellaneous fee for production.
- (e) The amount represents i) rental and utility deposits due after one year and ii) advances to other company due after one year and therefore, classified as non-current.

## 17. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO ECL MODEL

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited) (restated)
Impairment losses recognised (reversed) in respect of		
— loans to non-controlling shareholders of subsidiaries	—	1,579
— loan to an associate	98	—
— loan receivables	325	1,268
— amounts due from non-controlling shareholders of subsidiaries	280	113
— trade receivables	2,443	3,785
— other receivables	(4,000)	(394)
	<u>(854)</u>	<u>6,351</u>

The basis of determining the inputs, assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended June 30, 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2024.

## 18. TRADE, BILLS AND OTHER PAYABLES

	<b>June 30, 2025</b>	December 31, 2024
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Trade and bills payables	<b>75,845</b>	191,020
Accrued expenses	<b>41,976</b>	49,497
Transportation fee payables	<b>14,726</b>	19,427
Payroll and welfare payables	<b>27,554</b>	39,354
Other tax payables	<b>7,326</b>	12,834
Other payables	<b>32,190</b>	31,707
	<b>199,617</b>	<b>343,839</b>

### Trade and bills payables

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

	<b>June 30, 2025</b>	December 31, 2024
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Within 3 months	<b>72,745</b>	182,381
Over 3 months but within 6 months	<b>1,757</b>	6,697
Over 6 months but within 1 year	<b>284</b>	468
Over 1 year	<b>1,059</b>	1,474
	<b>75,845</b>	<b>191,020</b>

## 19. BANK BORROWINGS

During the six months ended June 30, 2025, the Group obtained new bank borrowings amounting to RMB503,020,000 (six months ended June 30, 2024: RMB360,200,000) and repaid bank borrowings amounted to RMB390,889,000 (six months ended June 30, 2024: RMB309,782,000). At June 30, 2025, the borrowings carry interest at fixed rates ranging from 1.50% to 3.25% (December 31, 2024: 2.80% to 3.25%) per annum or variable rates ranging from 2.37% to 4.20% (December 31, 2024: 2.37% to 4.20%) per annum.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **REVIEW OF THE COMPANY PERFORMANCE FOR THE FIRST HALF OF 2025**

#### **Industry Overview**

The biscuit and snack industry in mainland China demonstrated resilient growth in the first half of 2025, continuing trends established in recent years. The market is characterized by intense competition, rapid channel evolution, and a strong consumer shift towards health-oriented and value-driven products. The industry is navigating a post-pandemic consumer landscape where health consciousness, preference for diversification, and demand for high value-for-money are paramount. The rise of quantity snack stores and the dominance of short-video platform commerce continue to reshape competitive dynamics. The industry environment in the first half of 2025 was shaped by (i) the demand for healthier options moved beyond a trend to become a table stake for industry players. Consumers increasingly sought products with functional benefits, cleaner labels, and specific health attribute; (ii) alongside health, high value-for-money became a critical consumer demand. This was not just about low price, but about perceived quality and functionality at a reasonable cost; (iii) channel revolution and fragmentation the battle for market share in the first half of 2025 was overwhelmingly a battle of channels, such as dominance of Tik Tok solidified its position as the leading online sales channel for snacks, its success is attributed to its shoppable live-streaming and short-video content that drives impulsive purchases. In addition, rise of quantity snack stores, the channel's scale, grew further in the first half of 2025. These chains thrive on direct procurement, no-fee supplier relationships, and a high-turnover, low-price model that resonates with value-seeking consumers; (iv) to capture consumer attention in a crowded market, companies continued to launch a wide array of new flavors and product forms. While traditional flavors remain popular, variants like chocolate, matcha, seaweed, spicy hot pot, and even regional culinary flavors gained traction. Unique textures, such as thin and crispy, chewy, and multi-layered, were key differentiators.

#### **Business Review**

Jiashili's biscuits have been brand lasted for more than 69 years since 1956. Our products are distributed to 31 Provinces and Municipalities and 310 prefecture-level cities with more than 660 stock keeping units offered to market in the country. It is also a household name and has won the love of all ethnic groups. Apart from distributing domestically, the Group also exports its products to other countries.

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

- I. Biscuits: Sweet and salty single piece, sandwich, wafers and other biscuits series.
- II. Pasta: Spaghetti and macaroni.
- III. Flour: Wheat flour.
- IV. Others: Other products include such as crackers, cookies, candies, bread, mooncakes and other products.

## Operation Review

During the Reporting Period, the Group's revenue amounted to approximately RMB750.1 million (first half of 2024: approximately RMB817.0 million), representing a drop of 8.2% as compared with the corresponding period of last year. Gross profit of the Group decreased from approximately RMB214.8 million to approximately RMB205.6 million in the first half of 2025, representing a drop of 4.3% from the corresponding period of last year. The gross profit margin of the Group has slightly increased to 27.4% in the first half of 2025, representing a small increase of 1.1 percentage points from the same period last year. The profit attributable to owners of the Company amounted to approximately RMB11.8 million (first half of 2024: approximately RMB21.6 million), representing a decline of 45.2% as compared with the corresponding period of last year. During the long and successful history of Jiashili, we have mastered many crises and once again we have proven that our Group is up to the local challenges. Our objectives are to produce quality, popular and preferred biscuits and leisure snack products where you can share anytime, anywhere. Over the year, we have been adhering to the business philosophy of “Jiashili, benefit the nation and benefit to all people 嘉士利、利國家、利大家” to provide delicious and high quality biscuits to the customers in China.

## Our business model

With rising income levels and increasingly divergent consumption habits, the trend of consumption upgrade is positive, imposing higher demands on the innovation capabilities of enterprises. The Group attaches great importance to innovation, focusing on brand, product and marketing innovation to consolidate its core competitiveness as a leader in the industry. During the first half of 2025, the Group accelerated the research and development of new products, product upgrade and digital marketing to seize the opportunities brought by new traffic and new scenarios. In terms of digital marketing, the Group has increased its online investment, leveraging the appeal of its spokesperson to expand traffic, and through big data analysis, the Group has been able to precipitate the brand's own fan base, optimize its product portfolio and increase the conversion rate of transactions. The Group has drawn the attention of young consumers with stereoscopic marketing, such as achieving deeper communication with consumers and expanding word-of-mouth promotion through TikTok, Xiaohongshu and other social media. The Group's online business is committed to enriching customers' purchasing channels and creating a convenient, safe and efficient business model that continuously brings more convenience to consumers. While maintaining the traditional e-commerce business foundation, we have strategically deployed our resources into the field of universal interest-based e-commerce, which is represented by platforms like Douyin Shop and Kuaishou. In terms of operation, the Group continued to strengthen its channel advantages to adapt to the market trends, and improved channel efficiency to the fullest by upgrading channel quality and expanding emerging channels. In terms of channel quality, the Group enhanced the operational efficiency of our sales team in a comprehensive manner through a number of measures such as team structural optimization, distributor reorganization and incentive policy optimization. In terms of channel expansion, we proactively deployed traditional channel, modern channel and new retail channel by means of rational matching of products, teams and channels. On the traditional channel side, our leading position in the industry was consolidated thanks to our in-depth and delicate efforts and the precise and targeted sales plans formulated. On the modern channel side, we expanded the coverage of our outlets and increased high-end product promotions, resulting in further improvement in our penetration rate. On the emerging channel side, we delved into new platforms and strengthened resource allocation.

## Financial Review

During the Reporting Period, Group's revenue has recorded a decrease by 8.2% year-on-year to RMB750.1 million. Breakdown of the revenue by products category (excluding hotel business) for the Reporting Period and the comparative figures for the same period last year are as follows:

Revenue by products	For the six months ended June 30,		% of changes in revenue
	2025 RMB (million)	2024 RMB (million)	2025 vs 2024 (increase/ decrease) +/-
Sweet Single piece biscuits	211.6	245.8	-13.9%
Salty Single piece biscuits	15.3	22.7	-32.6%
Sandwich biscuits	197.9	191.8	3.2%
Wafers	54.9	69.5	-21.0%
Coarse grain biscuits	16.0	26.2	-38.9%
Other biscuits	57.4	65.6	-12.5%
Biscuits series	<u>553.1</u>	<u>621.6</u>	<u>-11.0%</u>
Pasta	87.0	68.1	27.8%
Flour	77.6	92.2	-15.8%
Others	<u>22.3</u>	<u>26.1</u>	<u>-14.6%</u>
Total	<u>740.0</u>	<u>808.0</u>	<u>-8.4%</u>

Revenue from the biscuits segment amounted to approximately RMB553.1 million, representing a decrease of 11.0% as compared with the corresponding period of last year. The overall decline in the biscuit segment in the first half of 2025 is not due to a single factor but a confluence of macroeconomic pressures, profound shifts in consumer behavior, and intense intra-industry competition, persistent inflation squeezing disposable income, and the rising popularity of alternative snacks that are perceived as healthier or more premium. Revenue from the pasta business amounted to approximately RMB87.0 million, representing an increase of 27.8% as compared with the corresponding period of last year. Revenue from flour business amounted to approximately RMB77.6 million representing a decline of 15.8% as compared with the corresponding period of last year.



## **Cost of sales and gross profit**

In the first half of 2025, The Group's overall gross profit has decreased from approximately RMB214.8 million to approximately RMB205.6 million compared with the same period last year. However, the Group's gross profit margin increased slightly by 1.1 percentage points as compared with the corresponding period in 2024. The year-on-year increase in the Group's gross profit margin was mainly due to the ease of input costs on certain raw materials particularly the decline in purchasing costs of sugar and flour. The gross profit of biscuits segments was amounted to approximately RMB174.6 million in the Reporting Period representing a decrease of 7.5% as compared with the corresponding period of last year, while the gross profit margin of biscuits segments has increased by 1.2 percentage point to 31.6% in the Reporting Period (first half of 2024: 30.4%). The gross profit of pasta business segment in the Reporting Period was amounted to approximately RMB18.8 million representing a surge of 26.4% as compared with the corresponding period of last year, while the gross profit margin of pasta business segment was slightly decreased by 0.2 percentage point to 21.6% in the Reporting Period (first half of 2024: 21.8%).

## **Other income**

During the Reporting Period other income has decreased by 6.5% to approximately RMB24.8 million from approximately RMB26.5 million as compared with the same period last year. The decrease was primarily due to the decrease in interest received from loan receivables and reduction in receipts of government grants.

## **Selling and distribution expenses**

Selling and distribution expenses primarily composed of advertising and promotion expenses, delivery and transportation expenses and selling administration expenses. During the Reporting Period, the selling and distribution expenses was amounted to approximately RMB111.1 million or increased by 11.9% year-on-year.

## **Administrative expenses**

During the Reporting Period, the amounts of administrative expenses was approximately RMB53.3 million, representing a slight decline of approximately RMB0.7 million or 1.3% over the same period last year.

## **Inventories**

The Group's inventories consist mainly of raw materials (consists of palm oil, sugar and flour), packaging materials and finished goods. The inventories balance as at June 30, 2025 decreased by approximately RMB38.8 million to approximately RMB181.7 million (December 31, 2024: approximately RMB220.5 million) as compared to the beginning of the Reporting Period, which was attributable to the early preparation of products for the Lunar Chinese New Year sales. Accordingly, the inventory turnover days<sup>1</sup> for the Reporting Period was 67 days, increased by 8 days as compared with that as at December 31, 2024.

## Trade, bills and other receivables

The Group's trade, bills and other receivables refer to the Group's trade receivable balance from its customers, primarily including channel distributors and supermarkets together with bills receivables and other deposits and prepayments. The Group's trade, bills and other receivables as at June 30, 2025 was approximately RMB193.5 million, increased by 13.7% from approximately RMB170.2 million as at December 31, 2024. Accordingly, the trade, bills and other receivables turnover days<sup>2</sup> for the Reporting Period was 44 days (December 31, 2024: 44 days).

## Financial and liquidity position

We finance our operations and capital expenditure primarily by internally generated cash flows as well as banking facilities provided by our principal bankers. As at June 30, 2025, the Group had bank balances and cash amounted to approximately RMB279.4 million (as at December 31, 2024: approximately RMB379.1 million). Total bank borrowings as at June 30, 2025 amounted to approximately RMB797.2 million, an increase of 16.4% from December 31, 2024 as to finance our expansion and investment in the Reporting Period. As at June 30, 2025 the gross gearing ratio (defined as total bank borrowings over total equity) was 81.1% (as at December 31, 2024: 67.6%). As at June 30, 2025 the net gearing ratio (defined as total bank borrowings minus bank balances and cash over total equity) was 52.7% (as at December 31, 2024: 30.2%). The Group will from time to time adopt prudent financial management policy to address changing financial conditions.

As at June 30, 2025, the Group's net current liabilities was approximately RMB121.2 million (as at December 31, 2024: net current liabilities was approximately RMB175.5 million). The current ratio of the Group as at June 30, 2025 was 0.86 (as at December 31, 2024: 0.83). The Board believed that we are in a strong and healthy position and has sufficient resources to support our working capital requirements and meet our foreseeable capital expenditure.

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

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



## PROSPECT

After years of development, the biscuit market has become more mature. Product upgrading will become an important driver for market development, and companies with high-end advantages will reap more market share. As a household name in China's market, Jiashili has great brand awareness, with a comprehensive product portfolio covering a variety of consumption scenarios and consumption groups. In terms of channels, Jiashili focused on the main channels for young consumers, expanding the retail store chain coverage and broadening consumer groups through channel coverage. In terms of terminal management, it standardized the shelf image and introduced smaller-sized packaging suitable for sales in the convenience channel to drive rapid expansion of channel penetration. The Group's first half performance was facing many difficulties and challenges but we should remain focus, in view of the highly competitive nature of the industry. The Group will continue to remain vigilant and adaptable to market shifts. Nevertheless, the Group will focus on streamlining the operations and enhancing brand awareness as well as to continue to maintain and improve product quality. The Group will leverage operational efficiencies and cost saving initiative to ensure that a better performance is achieved. The Group is cautiously optimistic that the business operations for the second half of this year to be satisfactory.

## OTHER INFORMATION

### Human resources and remuneration of employees

As at June 30, 2025 the Group had total of 2,220 full-time employees (excluding part-time and short term labour) (June 30, 2024: 2,582). The Group's employees are remunerated with reference to their positions, performance, experience and prevailing salary trends in the market. The remuneration package of our employees includes fixed salary, commissions and allowances (where applicable), and performance based year-end bonuses having regard to the performance of the Group and individual. For the six months ended June 30, 2025, the total employee benefits expenses (including Directors' and chief executive's remuneration) were approximately RMB123.2 million (for the six months ended June 30, 2024: approximately RMB132.5 million).

## CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining and ensuring high standards of corporate governance practices. In the opinion of the Directors, the Company has adopted the principles and applicable code provisions of Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the "**Listing Rules**") as its own code of corporate governance. Since the date of its listing and up to the date of this announcement, the Company has complied with the code provisions under the CG Code except for deviation during the Reporting Period which is summarised as below.

## **Code Provision C.2.1**

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

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

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

## **AUDIT COMMITTEE**

The audit committee comprises three independent non-executive Directors, namely Mr. Kam Robert, Mr. Wan Ngar Yin, David and Mr. Ma Xiaoqiang. The audit committee together with the management, has reviewed constantly the accounting principles and practices adopted by the Group, discussed auditing, internal control and financial reporting matters and reviewed the financial results of the Group. The audit committee has reviewed and discussed the interim results of the Group for the six months ended June 30, 2025. The audit committee has no disagreement with the accounting treatment adopted by the Company.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the first half of 2025.

## **INTERIM DIVIDEND**

The Board has resolved to declare payment of an interim dividend of HK\$5.00 cents per ordinary share for the Reporting Period to shareholders whose names appear on the register of members of the Company on September 16, 2025 (six months ended June 30, 2024: Nil).

## CLOSURE OF REGISTER OF MEMBERS

The interim dividend for the six months ended June 30, 2025 (the “**2025 Interim Dividend**”), the register of members of the Company will be closed from Monday, September 15, 2025 to Tuesday, September 16, 2025, both dates inclusive, during which period no transfer of shares of the Company will be registered. The record date for entitlement to the 2025 Interim Dividend is Tuesday, September 16, 2025. In order to qualify for the entitlement to receive the 2025 Interim Dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Tricor Investor Services Limited at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, September 12, 2025. The payment date of the 2025 Interim Dividend is expected to be on Friday, September 26, 2025.

## PUBLICATION OF INTERIM RESULTS

This interim results announcement is published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company (<http://www.gdjsl.com>).

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

Hong Kong, 29 August 2025

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