FUXING CHINA GROUP LIMITED

(Incorporated in the Bermuda with limited liability)

(Company Registration Number: 38973)

Condensed Interim Financial Statements

For the six months and full year ended 31 December 2025

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	6 months ended 31/12/2025 (Unaudited) RMB'000	6 months ended 31/12/2024 (Unaudited) RMB'000	Year ended 31/12/2025 (Unaudited) RMB'000	Year ended 31/12/2024 (Audited) RMB'000
Revenue	*4*	337,259	396,854	672,347	735,871
Cost of sales		(312,227)	(370,790)	(622,841)	(690,089)
Gross profit		25,032	26,064	49,506	45,782
Other items of income					
Other income	*5*	46,690	25,316	51,964	38,932
Other items of expenses					
Marketing and distribution expenses		(6,885)	(5,650)	(13,110)	(11,961)
Administrative expenses		(31,960)	(49,692)	(58,044)	(60,526)
Other expenses	*7*	(1,278)	-	(3,770)	(55)
Finance costs, net	*6*	(2,094)	(4,344)	(5,127)	(8,825)
Profit/(Loss) before tax	*8*	29,505	(8,306)	21,419	3,347
Income tax (expense)/credit	*10*	499	(1,158)	(934)	(2,470)
Profit/(Loss) for the period/year		30,004	(9,464)	20,485	877
Other comprehensive (loss) / income:					
Item that may be reclassified subsequently to profit or loss					
Exchange difference on translating foreign subsidiaries		(2,400)	(1,862)	(442)	(2,796)
Total comprehensive loss for the period/year		27,604	(11,326)	20,043	(1,919)
Profit/(Loss) attributable to:					
Owners of the Company		29,830	(9,569)	20,250	698
Non-controlling interest		174	105	235	179
		30,004	(9,464)	20,485	877
Total comprehensive income/(loss) attributable to:					
Owners of the Company		27,430	(11,431)	19,808	(2,098)
Non-controlling interest		174	105	235	179
		27,604	(11,326)	20,043	(1,919)
Earnings/(loss) per share attributable to owners of the Company (RMB per share)					
Basic and diluted	*11*	1.69	(0.55)	1.15	0.04

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	The Group		The Company	
		31/12/2025 *(Unaudited)* RMB'000	31/12/2024 *(Audited)* RMB'000	31/12/2025 *(Unaudited)* RMB'000	31/12/2024 *(Audited)* RMB'000
Non-current assets					
Property, plant and equipment	*14*	228,590	269,998	-	-
Investment property		39,000	42,060	-	-
Land use rights		15,863	22,406	-	-
Intangible assets		1,903	2,504	-	-
Investment in subsidiaries		-	-	344,853	344,853
		285,356	336,968	344,853	344,853
Current assets					
Inventories	*15*	74,176	66,437	-	-
Trade and other receivables	*16*	228,833	265,511	243,656	244,345
Prepayments	*17*	49,463	57,430	-	-
Cash and short-term deposits		191,916	169,634	84	115
		544,388	559,012	243,740	244,460
Total assets		829,744	895,980	588,593	589,313
Equity and liabilities					
Equity attributable to owners of the Company					
Share capital	*18*	2,202	1,874	2,202	1,874
Treasury shares	*18*	(6,408)	(6,408)	(6,408)	(6,408)
Reserve fund		67,593	67,552	-	-
Capital reserve		39,573	39,573	39,573	39,573
Contributed surplus		604,881	598,946	604,881	598,946
Restructuring reserve		(117,878)	(117,878)	-	-
Foreign currency translation reserve		(13,197)	(12,755)	-	-
Retained earnings/(Accumulated losses)		20,485	276	(54,230)	(52,553)
Total equity attributable to owners of the Company		597,251	571,180	586,018	581,432
Non-controlling interest		735	509	-	-
Total equity		597,986	571,689	586,018	581,432
Current liabilities					
Trade and other payables	*19*	31,314	24,286	887	6,493
Other liabilities	*20*	68,852	71,727	1,688	1,388
Loans and borrowings	*21*	113,623	204,575	-	-
Income tax payable		3,842	3,833	-	-
		217,631	304,421	2,575	7,881
Non-current liabilities					
Deferred tax liabilities		14,127	19,870	-	-
Total liabilities		231,758	324,291	2,575	7,881
Total equity and liabilities		829,744	895,980	588,593	589,313

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	<----------Attributable to owners of the Company---------->									
Group	**Share capital**	**Treasury shares**	**Reserve fund**	**Capital reserve**	**Contributed surplus**	**Restructuring reserve[1]**	**Foreign currency translation reserve**	**(Accumulated losses)/Retained earnings**	**Non-controlling interest**	**Total equity**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At 1 January 2024	772,574	(6,408)	67,130	39,573	-	(117,878)	(9,959)	(171,754)	444	573,722
Capital reorganisation[2]	(770,700)	-	-	-	598,946	-	-	171,754	-	-
Total comprehensive income for the year	-	-	-	-	-	-	(2,796)	697	179	(1,920)
Appropriation to reserve fund	-	-	422	-	-	-	-	(422)	-	-
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	(114)	(114)
At 31 December 2024	1,874	(6,408)	67,552	39,573	598,946	(117,878)	(12,755)	276	509	571,689
At 1 January 2025	1,874	(6,408)	67,552	39,573	598,946	(117,878)	(12,755)	276	509	571,689
Issuance of shares	328				5,935					6,263
Total comprehensive income for the year	-	-	-	-	-	-	(442)	20,250	235	20,043
Appropriation to reserve fund	-	-	41	-	-	-	-	(41)	-	-
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	(9)	(9)
At 31 December 2025	2,202	(6,408)	67,593	39,573	604,881	(117,878)	(13,197)	20,485	735	597,986

Company	**Share capital**	**Treasury shares**	**Capital reserve**	**Contributed surplus**	**Accumulated losses**	**Total equity**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At 1 January 2024	772,574	(6,408)	39,573	-	(218,337)	587,402
Capital reorganisation[2]	(770,700)	-	-	598,946	171,754	-
Total comprehensive loss for the year	-	-	-	-	(5,970)	(5,970)
At 31 December 2024	1,874	(6,408)	39,573	598,946	(52,553)	581,432
At 1 January 2025	1,874	(6,408)	39,573	598,946	(52,553)	581,432
Issuance of shares	328	-	-	5,935	-	6,263
Total comprehensive loss for the year	-	-	-	-	(1,677)	(1,677)
At 31 December 2025	2,202	(6,408)	39,573	604,881	(54,230)	586,018

Notes:

1) Restructuring reserve**:** this represents the difference between the nominal value of shares issued by the Company in exchange for the nominal value of shares and capital reserve of subsidiaries acquired which is accounted for under "merger accounting".
2) On 24 December 2024, the Company announced that the Proposed Capital Reorganisation were effected to reduce the par value of each ordinary share from S$5.00 to S$0.02.
3) On 12 November 2025, the Company has allotted and issued 3,000,000 fully paid-up new ordinary shares in the share capital at a placement price of S$0.415 each per ordinary share, amounting to an aggregate consideration RMB 6,263,000 after net off with direct expenses.

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended 31/12/2025 *(Unaudited)* RMB'000	Year Ended 31/12/2024 *(Audited)* RMB'000
OPERATING ACTIVITIES		
Profit before taxation	21,419	3,346
Adjustments for:		
Depreciation of property, plant and equipment	39,122	39,982
Amortisation of land use rights	784	906
Amortisation of intangible assets	601	500
Waiver of amount due to a director	(10,539)	-
Loss/(Gain) on disposal of property, plant and equipment	710	(7,123)
Gain on disposal of subsidiary	(20,206)	-
Fair value loss on investment property	3,060	-
Net provision for/(reversal of) loss allowance for trade receivables	1,847	(10,633)
Net (reversal of) / allowance for advances to suppliers	1,025	(2,692)
Net reversal of provision for social security contribution	(62)	(6,263)
Net reversal of provision for inventory	(4,222)	-
Forfeiture of advances from customers	(5,104)	(3,013)
Finance costs, net	5,127	8,825
Foreign currency differences	(442)	(2,797)
Operating cash flows before changes in working capital	33,120	21,038
(Increase) / Decrease in:		
Inventories	(3,904)	13,879
Trade and other receivables	27,132	(12,882)
Prepayments	6,942	34,639
Increase / (Decrease) in:		
Trade and other payables	(23,816)	3,904
Other liabilities	5,159	9,996
Cash flows generated from operations	44,633	70,574
Income tax refund/(paid)	(312)	(2,238)
Net cash generated from operating activities	44,321	68,336
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(16,072)	(12,160)
Purchase of land use right	(1,076)	-
Purchase of intangible assets	-	(3,004)
Proceeds from disposal of property, plant and equipment	1,268	10,265
Proceeds from disposal of subsidiary	46,074	-
Interest received	515	573
Net cash generated from/ (used in) investing activities	30,709	(4,326)
FINANCING ACTIVITIES		
Dividend paid to non-controlling interest	(9)	(114)
Issuance of shares	6,263	-
Advances from amounts due to directors	2,140	7,189
Proceeds from loans and borrowings	50,504	125,004
Repayments for loans and borrowings	(106,004)	(130,840)
Interest paid	(5,642)	(9,398)
Decrease/(Increase) in fixed deposits pledged to banks	21,000	(3,186)
Net cash used in financing activities	(31,748)	(11,345)
NET INCREASE IN CASH & CASH EQUIVALENTS	43,282	52,665
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	132,948	80,283
CASH & CASH EQUIVALENTS AT END OF FINANCIAL YEAR (Note A)	176,230	132,948

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Note A:

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

	Year Ended 31/12/2025 *Unaudited* **RMB'000**	**Year Ended 31/12/2024** *Audited* **RMB'000**
Fixed deposits	15,686	36,686
Cash and bank balances	176,230	132,948
	191,916	169,634
Less: Fixed deposits (pledged)	(15,686)	(36,686)
Cash and cash equivalents	176,230	132,948

Fixed deposits amounting to RMB15,685,500 (2024: RMB36,686,000) were pledged to banks for the Group's bills payable to banks, and short-term bank loans.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

1. GENERAL INFORMATION

1.1 General information

Fuxing China Group Limited (the "Company") was incorporated and domiciled as an exempt company with limited liability in Bermuda and is listed on the mainboard in Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 1.2 to the condensed interim consolidated financial statements.

The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal place of business of the Group is located at Hangbian Industry Area, Longhu Town, Jinjiang City, Fujian Province, People's Republic of China (the "PRC").

1.2 Group structure

Details of the subsidiaries of the Company at the end of the reporting period are set out below:

Name	Country of incorporation	Principal activities	Effective equity held by the Company	
			31/12/2025 %	31/12/2024 %
Held by the Company				
Jade Star Group Holdings Limited ("Jade Star")	British Virgin Islands	Investment holding	100	100
Fuxing China Group Limited (HK) ("FCG") (	Hong Kong	Investment holding, to facilitate the application of the State-owned Land Use Right Certificate in respect of the Land Parcel	100	100
Held through Jade Star				
Jinjiang Fookhing Zipper Co., Ltd ("Fookhing Zipper")	People's Republic of China	Production and sale of finished zippers and zipper chains	100	100
Jinjiang Fuxing Dress Co., Ltd ("Fuxing Dress")	People's Republic of China	Production and sale of zipper sliders	100	100
Fookhing Group Trading Co., Ltd ("Fuxing HK")	Hong Kong	Trading of raw materials for textile sector	100	100
Fulong Zipper and Weaving Co., Ltd ("Fulong")	People's Republic of China	Colour dyeing of fabric tapes for zippers	100	100
Jinjiang Jianxin Weaving Co., Ltd ("Jianxin") *(*Disposed during the year)*	People's Republic of China	Manufacturing and sales of dyed yarn	-*	100
Jinjiang Fuxin Electroplating Co., Ltd ("Fuxin")	People's Republic of China	Provision of electroplating services for zipper sliders	100	100
Held through FCG				
Xiamen Fuxing Industrial Co., Ltd. ("Xiamen Fuxing")	People's Republic of China	Real estate development	100	100
Held through Xiamen Fuxing				
Xiamen Xinfuxing Property Management Co., Ltd ("Xiamen Property")	People's Republic of China	To handle property management and realtor services for the Group's Xiamen headquarters	80	80

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The condensed interim consolidated financial statements for the six months and full year ended 31 December 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The condensed interim consolidated financial statements are presented in Renminbi ("RMB") and all amounts have been rounded to the nearest thousand ("RMB'000"), unless otherwise stated.

The accounting policies and method of computations used in the condensed interim consolidated financial statements are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

2.2 New and amended Standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.3 Use of judgment and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 31 December 2025, including:

- Determination of functional currency
- Depreciation of property, plant and equipment
- Inventory valuation method
- Impairment of property, plant and equipment and land use rights
- Estimated fair value of investment property
- Measurement of ECL of trade and other receivables
- Measurement of prepayments
- Impairment of investment in subsidiaries
- Provision for income taxes

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

3 SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors.

4 SEGMENT INFORMATION AND REVENUE

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

(i) Zippers

This operating segment is further sub-divided into 2 sub-segments as follows:

(a) Zipper Chains

The zipper chain consists of 2 strips of fabric tapes, with parallel rows of specially shaped nylon, metal or plastic teeth, as the case may be, either weaved on or punched onto adjacent edges of a fabric tape, thereby interlocking with each other to provide a firm grip and resulting in a zipper chain.

(b) Zipper Sliders

The zipper slider consists of a zinc zipper head and zipper pull tab which is subsequently affixed on the zipper chain, such that it moves along the rows of teeth, allowing the teeth to be fastened or separated, depending on the direction of the movement.

(ii) Processing

Processing represents colour dyeing of fabric tapes for zippers, electroplating services for zipper sliders and manufacturing and sales of dyed yarn.

(iii) Trading

The trading segment represents trading of raw materials, including rubber thread, nylon fabric and nylon yarn.

(iv) Corporate

The corporate segment is involved in Group-level corporate services and treasury functions.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

4. SEGMENT INFORMATION AND REVENUE (CONTINUED)

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the condensed interim consolidated financial statements.

Segment assets and liabilities are not disclosed as such separate financial information is not available but is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources to the operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Revenue			
	6 months ended 31/12/2025 RMB'000	**6 months ended 31/12/2024 RMB'000**	**Year ended 31/12/2025 RMB'000**	**Year ended 31/12/2024 RMB'000**
People's Republic of China ("PRC")	235,002	294,021	462,622	522,800
Hong Kong	102,257	102,833	209,725	213,071
Total	337,259	396,854	672,347	735,871

	Non-current assets	
	31/12/2025 RMB'000	**31/12/2024 RMB'000**
PRC	285,353	336,961
Hong Kong	3	7
Total	285,356	336,968

Non-current assets information presented above consist of property, plant and equipment, investment property and land use rights as presented in the condensed interim consolidated statement of financial position.

4. SEGMENT INFORMATION AND REVENUE (CONTINUED)

Business segments

The following table presents revenue, results and other information regarding the Group's business segments for the year ended 31 December 2025 and 31 December 2024.

Group 2025	Zipper RMB'000	Trading RMB'000	Processing RMB'000	Corporate RMB'000	Elimination RMB'000	Total RMB'000
Year ended 31 December 2025						
Revenue:						
Sales to external customers	412,077	209,725	50,545	-	-	672,347
Inter-segment sales	-	-	50,743	-	(50,743)	-
Total revenue	412,077	209,725	101,288	-	(50,743)	672,347
Results:						
Segment gross profit	36,908	5,371	7,227	-	-	49,506
Segment results	1,648	4,480	(1,903)	22,321	-	26,546
Finance costs, net	(3,104)	(2,091)	(12)	80	-	(5,127)
Loss before tax						21,419
Income tax expenses						(934)
Net profit attributable to shareholders						20,485
Other segment information:						
Depreciation and amortisation	28,518	3	11,609	377	-	40,507
Gain on disposal of subsidiary	-	-	-	(20,206)	-	(20,206)
Forfeiture of advances from customers	(4,736)	-	(368)	-	-	(5,104)
Fair value loss on investment property	-	-	-	3,060	-	3,060
Loss on disposal of properties, plant and equipment	710	-	-	-	-	710
Net reversal of provision for social security contribution	198	-	(260)	-	-	(62)
Net provision for/(reversal of) allowance for trade receivables	1,479	-	368	-	-	1,847
Net provision for/(reversal of) allowance for advances to suppliers	774	-	251	-	-	1,025
Reversal of provision of inventories	(4,222)	-	-	-	-	(4,222)
Waiver of amount due to a director	-	-	-	(10,539)	-	(10,539)
Capital expenditure	5,989	-	10,084	-	-	16,073
Total assets	619,037	63,395	91,520	55,792	-	829,744
Total liabilities	(155,766)	(32,196)	(33,667)	(10,129)	-	(231,758)

4. SEGMENT INFORMATION AND REVENUE (CONTINUED)

Business segments (Continued)

Group 2024	Zipper RMB'000	Trading RMB'000	Processing RMB'000	Corporate RMB'000	Elimination RMB'000	Total RMB'000
Year ended 31 December 2024						
Revenue:						
Sales to external customers	463,367	213,071	59,433	-	-	735,871
Inter-segment sales	-	-	35,217	-	(35,217)	-
Total revenue	463,367	213,071	94,650	-	(35,217)	735,871
Results:						
Segment gross profit	39,362	5,926	494	-	-	45,782
Segment results	21,729	5,001	(12,236)	(2,322)	-	12,172
Finance costs, net	(5,702)	(3,158)	4	31	-	(8,825)
Loss before tax						3,347
Income tax expenses						(2,470)
Net profit attributable to shareholders						877
Other segment information:						
Depreciation and amortisation	28,238	3	12,772	376	-	41,388
Gain on disposal of property, plant and equipment	(1,214)	-	(5,909)	-	-	(7,123)
Net reversal of provision for social security contribution	(4,914)	-	(1,349)	-	-	(6,263)
Net reversal of loss allowance for trade receivables	(7,320)	-	(3,313)	-	-	(10,633)
Net reversal of allowance for advances to suppliers	(323)	-	(2,369)	-	-	(2,692)
Forfeiture of advances from customer	(2,230)	-	(783)	-	-	(3,013)
Capital expenditure	7,135	-	5,025	-	-	12,160
Total assets	637,209	71,638	129,250	57,883	-	895,980
Total liabilities	(230,205)	(45,039)	(37,710)	(11,337)	-	(324,291)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

5. OTHER INCOME

	6 months ended 31/12/2025 RMB'000	6 months ended 31/12/2024 RMB'000	Year ended 31/12/2025 RMB'000	Year ended 31/12/2024 RMB'000
Rental and management income	5,230	6,415	10,184	11,177
Reversal of loss allowance for trade receivables	-	10,633	-	10,633
Gain on disposal of property, plant and equipment	-	-	-	7,123
Gain on disposal of subsidiary	20,206	-	20,206	-
Foreign exchange gain, net	235	2,142	235	3,173
Forfeiture of advances from customers	5,104	3,013	5,104	3,013
Reversal of loss allowance for advances to suppliers	-	2,692	-	2,692
Reversal of provision of inventories	4,222	-	4,222	-
Government grants	713	142	1,026	352
Waiver of amount due to a director	10,539	-	10,539	-
Others	441	279	448	769
	46,690	25,316	51,964	38,932

6. FINANCIAL COSTS, NET

	6 months ended 31/12/2025 RMB'000	6 months ended 31/12/2024 RMB'000	Year ended 31/12/2025 RMB'000	Year ended 31/12/2024 RMB'000
Interest income from:				
Bank deposits	111	308	515	573
Interest expense on:				
Bank loans	(2,205)	(4,652)	(5,642)	(9,398)
	(2,094)	(4,344)	(5,127)	(8,825)

7. OTHER EXPENSES

	6 months ended 31/12/2025 RMB'000	6 months ended 31/12/2024 RMB'000	Year ended 31/12/2025 RMB'000	Year ended 31/12/2024 RMB'000
Fair value loss of investment property	3,060	-	3,060	-
Loss on disposal of property, plant and equipment	380	-	710	-
Foreign exchange loss, net	(2,162)	-	-	-
Others	-	-	-	55
	1,278	-	3,770	55

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

8. PROFIT/(LOSS) BEFORE INCOME TAX

The following charges/(credits) were included in determination of profit / loss before income tax:

	6 months ended 31/12/2025 RMB'000	6 months ended 31/12/2024 RMB'000	Year ended 31/12/2025 RMB'000	Year ended 31/12/2024 RMB'000
Personnel expenses	50,024	42,305	96,260	79,479
Depreciation and amortisation	18,317	20,700	39,122	41,388
Net provision for / (reversal) of loss allowance for trade receivables	851	(10,633)	1,847	(10,633)
Net provision for / (reversal) of allowance for advances to suppliers	1,502	(2,692)	1,025	(2,692)
Forfeiture of advances from customer	5,104	3,013	5,104	3,013
Net provision for / (reversal) of social security contribution	556	(3,380)	(62)	(6,263)

9. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the condensed interim consolidated financial statements, the Group had the following transactions with related parties:

9(a) Amounts due to directors

These amounts are non-trade related, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

9(b) Compensation of directors and key management personnel

	Group		Company	
	31/12/2025 RMB'000	31/12/2024 RMB'000	31/12/2025 RMB'000	31/12/2024 RMB'000
Total compensation to directors and key management personnel – salaries, bonuses and fees (Included in personnel expenses in Note 8)	3,255	3,460	1,641	1,456
Comprises amounts paid to:				
- Directors	1,235	1,190	891	706
- Other key management personnel	2,020	2,270	750	750
	3,255	3,460	1,641	1,456

No defined contribution plan was paid to key management personnel.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

10. TAXATION

	6 months ended 31/12/2025 RMB'000	6 months ended 31/12/2024 RMB'000	Year ended 31/12/2025 RMB'000	Year ended 31/12/2024 RMB'000
Current income tax				
- Current financial year	772	1,158	1,699	2,470
Deferred income tax expenses relating to origination and reversal of temporary differences[1]	(1,271)	-	(765)	-
Income tax expenses	(499)	1,158	934	2,470

Note:

1 On 22 February 2008, the State Administration of Taxation of China issued a circular Caishui 2008 No.001, which stated that distribution of dividends from profits accumulated from 1 January 2008, shall be subject to a withholding tax on distribution to foreign investors. Accordingly, the Group had provided for deferred tax liabilities on the Group's profit-making PRC subsidiaries' net profit attained from 1 January 2008 onwards. As Jade Star (the PRC's subsidiaries' immediate holding company) is incorporated in the British Virgin Islands, the applicable withholding tax rate is 10%.

11. EARNINGS PER SHARE

Basic (loss) / earnings per share is calculated by dividing the (loss) / earnings for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period amounting to 17,616,397 ordinary shares (2024: 17,205,438).

The following tables reflect the (loss) / earnings and share data used in the computation of basic and diluted (loss) / earnings per share for the periods ended:

	6 months ended 31/12/2025 RMB'000	6 months ended 31/12/2024 RMB'000	Year ended 31/12/2025 RMB'000	Year ended 31/12/2024 RMB'000
Profit / (loss) for the period/year attributable to owners of the Company	30,004	(9,569)	20,250	698
	No. of shares '000	No. of shares '000	No. of shares '000	No. of shares '000
Weighted average number of ordinary shares for basic and diluted (loss) / earnings per share computation	17,616	17,205	17,616	17,205

Note: Basic earnings/(loss) per share is computed based on weighted average number of ordinary shares (except treasury shares) in issue in 17,616,397 ordinary shares (2024: 17,205,438).

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

11. EARNINGS /(LOSS) PER SHARE (CONTINUED)

	6 months ended 31/12/2025 RMB	6 months ended 31/12/2024 RMB	Year ended 31/12/2025 RMB	Year ended 31/12/2024 RMB
Basic and diluted (earnings /(loss) per share (RMB per share)	1,69	(0.56)	1.15	0.04

12. NET ASSET VALUE PER SHARE

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net asset value per share based on issued share capital at the end of the period (in RMB)	29.6	33.2	29.0	34.3

Net asset value per share is computed based on weighted average number of ordinary shares (except treasury shares) in issue in 17,616,397 ordinary shares (2024: 17,205,438).

13. DIVDEND

No dividend was paid or declared by the Group during the years ended 31 December 2025 and 2024.

Subsequent to 31 December 2025, a final dividend in respect of the financial year ended 31 December 2025 of RMB0.15 (equivalent to approximately SGD0.027) *(2024: Nil)* per ordinary share, totaling approximately RMB 3,031,000 (equivalent to approximately SGD554,000) *(2024: Nil)* has been proposed by the directors of the Company and is subject to the approval by the shareholders in the forthcoming annual general meeting.

14. PROPERTY, PLANT AND EQUIPMENT

During the current financial year, the Group acquired property, plant and equipment amounting to RMB16.1 million (2024: RMB12.2 million).

15. INVENTORIES

	31/12/2025 RMB'000	31/12/2024 RMB'000
Raw materials	26,168	33,579
Work-in-progress	11,509	11,025
Finished goods	36,499	21,833
	74,176	66,437

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31/12/2025 RMB'000	31/12/2024 RMB'000	31/12/2025 RMB'000	31/12/2024 RMB'000
Trade receivables	253,017	286,997	-	-
Less: loss allowance	(38,908)	(41,670)	-	-
	214,109	245,327	-	-
Bills receivables	1,371	536	-	-
Other receivables	2,051	8,688	2	2
VAT receivables	11,302	10,960	-	-
Amount due from subsidiaries (non-trade)	-	-	243,655	244,343
	228,833	265,511	243,657	244,345

Loss allowance

	31/12/2025 RMB'000	31/12/2024 RMB'000
At 1 January	41,670	52,303
Net reversal for the financial year	(2,762)	(10,633)
At 31 December	38,908	41,670

17. PREPAYMENTS

	31/12/2025 RMB'000	31/12/2024 RMB'000
Contract assets – advances to suppliers	41,802	47,676
Prepayment for property, plant and equipment	3,966	5,857
Prepaid operating expenses	3,695	3,897
	49,463	57,430

18. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

	Group and Company			
	2025		2024	
	No. of shares '000	Value RMB'000	No. of shares '000	Value RMB'000
At 31 December	20,205	2,202	17,205	1,874

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The par value of each ordinary share is SGD 0.02 following the Capital Reorganisation effected on 24 December 2024.

18. SHARE CAPITAL AND TREASURY SHARES (CONTINUED)

(a) Share capital (continued)

On 12 November 2025, the Company allotted and issued 3,000,000 fully paid-up new ordinary shares in the share capital at a placement price of S$0.415 each per ordinary share, amounting to an aggregate consideration RMB 6,263,000 after net off with direct expenses.

(b) Treasury shares

	Group and Company			
	2025		2024	
	No. of shares '000	Value RMB'000	No. of shares '000	Value RMB'000
At 31 December	277	6,408	277	6,408

Treasury shares relate to ordinary shares of the Company that are held by the Company.

19. TRADE AND OTHER PAYABLES

	Group		Company	
	31/12/2025 RMB'000	31/12/2024 RMB'000	31/12/2025 RMB'000	31/12/2024 RMB'000
Trade payables	26,828	15,505	-	-
Amounts due to directors (non-trade)	4,486	8,780	887	6,493
	31,314	24,285	887	6,493

20. OTHER LIABILITIES

	Group		Company	
	31/12/2025 RMB'000	31/12/2024 RMB'000	31/12/2025 RMB'000	31/12/2024 RMB'000
Contract liabilities – advances from customers	35,516	32,484	-	-
Accrued salary and bonuses	21,262	19,619	276	52
Other accruals	12,074	19,624	1,412	1,336
	68,852	71,727	1,688	1,388

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANICAL STATEMENTS

21. LOANS AND BORROWINGS

	Group	
	31/12/2025 RMB'000	31/12/2024 RMB'000
Bills payables to banks		
Bills 1	37,680	40,180
Bills 3	-	20,000
Bills 4	31,939	44,891
	69,619	105,071
Short-term bank loans:		
Loan 1	34,004	89,503
Loan 2	10,000	10,000
	44,004	99,503
Total loans and borrowings	113,623	204,574

1 The bills payable and the short-term bank loan are secured by bank deposits of Jinjiang Fookhing Zipper Co., Ltd, and personal guarantee from related party – Mr. Hong Qing Liang (Executive Chairman) and corporate guarantee from related party Jinjiang Fuxing Dress Co., Ltd and independent third party – Jinjiang Yuanda Garment Weaving Co., Ltd.

2 This short-term bank loan is secured by certain land use rights and buildings owned by Jinjiang Fookhing Zipper Co., Ltd, located at Hangbian Industrial Area, Longhu Town, Jinjiang City, Fujian Province, the PRC and personal guarantee from related party – Mr. Hong Qing Liang (Executive Chairman) and corporate guarantee from a related party – Jinjiang Fuxing Dress Co., Ltd, and independent third party – Jinjiang Yuanda Garment Weaving Co., Ltd.

3 The bills payable is secured by bank deposits of Jinjiang Fuxing Dress Co., Ltd, and certain land use rights and buildings owned by Fulong Zipper and Weaving Co., Ltd, located at Donghaian Comprehensive Development Zone, Shenhu Town, Jinjiang City, Fujian Province, the PRC. and personal guarantee from related parties – Mr. Hong Qing Liang (Executive Chairman) and Ms. Shi MeiMei.

4 This bills payable is secured by a charge over property (Unit 13 on 5th Floor) located at Seapower Tower Concordia Plaza, No.1 Science Museum Road, Kowloon owned by Goldplan Corporation Limited, a corporate guarantee from Fuxing China Group Limited, and a personal guarantee from a related party - Mr. Hong Qing Liang (Executive Chairman).

Goldplan Corporation Limited is wholly-owned by Mr. Hong Qing Liang (Executive Chairman and CEO).

All loans and borrowings are denominated in the functional currencies of the respective entities as at 31 December 2025 and 31 December 2024. The short-term loans bear interest ranging from 4.35% to 6.09% (31 December 2023: 4.35% to 6.09%) and are repayable within 12 months.

22. SUBSEQUENT EVENTS

There are no subsequent events to be disclosed or which would have led to adjustments to this set of the condensed interim consolidated financial statements.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1(i) Details of any changes in the Company's share capital and arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other shares of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of corresponding period of the immediately preceding financial year.

	No. of shares	
	31/12/2025	**31/12/2024**
Total number of issued shares at 1 January	17,483,158	17,483,158
Issuance of shares	3,000,000	-
Less: number of treasury shares	(277,720)	(277,720)
Total number of shares issued excluding treasury shares at December	20,205,438	17,205,438

1(ii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	No. of shares	
	31/12/2025	**31/12/2024**
Total number of issued shares excluding treasury shares	20,205,438	17,205,438

1(iii) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

	No. of shares	
	31/12/2025	**31/12/2024**
Number of treasury shares at beginning and end of the financial period	(277,720)	(277,720)

1(iv) A statement showing all sales, transfer, cancellation and/or use of subsidiaries holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited, or reviewed and if so which auditing standard or practice has been followed

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any modification or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Refer to note 2 - basis of preparation of the condensed interim consolidated financial statement.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	6 months ended 31/12/2025	6 months ended 31/12/2024	Year ended 31/12/2025	Year ended 31/12/2024
	RMB	RMB	RMB	RMB
(a) Basic and	1.69	(0.56)	1.15	0.04
(b) On a fully diluted basis	1.69	(0.56)	1.15	0.04

Note: Basic earnings/(loss) per share is computed based on weighted average number of shares in issue as at 31 December 2025: 17,616,397 ordinary shares (2024: 17,205,438).

For the year ended 31 December 2025 and 2024, the basic and diluted earnings/(loss) per share of the Group are the same as there were no potential diluting ordinary shares outstanding as at 31 December 2025 and 2024.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net asset value per ordinary share based on issued share capital at the end of the period (in RMB): (Number of ordinary shares in issue as at 31/12/2025: 20,205,438 (as at 31/12/2024: 17,205,438 shares)	29.6	33.3	29.0	34.4

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

	Group			Group		
	6 months Ended 31/12/2025 Unaudited	6 months Ended 31/12/2024 Unaudited	Increase/ (Decrease)	Year Ended 31/12/2025 Unaudited	Year Ended 31/12/2024 Audited	Increase/ (Decrease)
REVENUE	**RMB'000**	**RMB'000**	**%**	**RMB'000**	**RMB'000**	**%**
Zipper	212,561	261,696	(19)	412,077	463,367	(11)
Trading	102,257	102,833	(1)	209,725	213,071	(2)
Processing	47,855	54,226	(12)	101,288	94,650	7
Inter-segment sales	(25,414)	(21,901)	16	(50,743)	(35,217)	44
Group Revenue	337,259	396,854	(15)	672,347	735,871	(9)
COST OF SALES						
Zipper	195,427	235,855	(17)	375,170	424,004	(12)
Trading	99,620	100,127	(1)	204,354	207,145	(1)
Processing	42,594	56,709	(25)	94,060	94,157	(0)
Inter-segment sales	(25,414)	(21,901)	16	(50,743)	(35,217)	44
Group Cost of Sales	312,227	370,790	(16)	622,841	690,089	(10)
GROSS PROFIT						
Zipper	17,134	25,841	(34)	36,908	39,363	(6)
Trading	2,637	2,706	(3)	5,371	5,926	(9)
Processing	5,261	(2,483)	NM	7,227	493	1,366
Group Gross Profit	25,032	26,064	(4)	49,506	45,782	8
GROSS PROFIT MARGIN						
	%	**%**	**% pts**	**%**	**%**	**% pts**
Zipper	8.1	9.9	(1.8)	9.0	8.5	0.5
Trading	2.6	2.6	-	2.6	2.8	(0.2)
Processing	11.0	(4.6)	15.6	7.1	0.5	6.6
Average Gross Profit Margin	7.4	6.6	0.8	7.4	6.2	1.2

FY2025 vs. FY2024

Revenue

The Group's revenue decreased by RMB63.5 million (or 9%) to RMB672.3 million in FY2025. The decrease was due to the decrease in the sales of the Zipper segment (by RMB51.3 million), Trading segment (by RMB3.3 million) and Processing segment (by RM8.9 million after inter-segment sales elimination). Processing segment sales increased by RMB6.6 million before inter-segment sales elimination.

The inter-segment sales elimination represented the dyeing and electroplating services provided by the Processing segment to the Zipper segment.

The decrease in revenue from the Zipper segment for FY2025 was mainly due to the decrease in export sales as a result of the heightened tariffs announced by the United States on foreign imports.

The increase in revenue from the Processing segment for FY2025 (before inter-segment sales elimination) was mainly due to the increase in demand as a result of improvement of product quality after automation.

The Group's Trading segment relates to the sourcing and buying of certain raw materials (such as rubber thread, nylon fabric and nylon yard) in accordance with customers' requirements. The profit margin and all purchases were based on confirmed sales. As such, the sales volume and profit margin are dependent on customers' demand from time to time. The decrease in revenue from the Trading segment was mainly due to the decrease in sales volume during FY2025 as a result of reduced demand.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by RMB3.7 million (or 8.1%) to RMB49.5 million, mainly due to an increase in gross profit from the Processing segment.

The average gross profit margin increased by 1.1 percentage points to 7.4% mainly due to the increase in the gross profit margin from the Processing segment arising from the lower production costs following the reduction of wastage after automation

Other income and expenses

Other income mainly comprises gain on disposal of subsidiary, government subsidies, waiver of amount due to a director, forfeiture of advances from customers, net reversal of provision of inventories, net foreign exchange gain, rental and management fee income. Other expenses comprised of fair value loss on investment properties and loss on disposal of properties, plants and equipment.

The gain on disposal of a subsidiary amounted RMB20.2 from the completion on disposal of its indirect wholly owned subsidiary –Jianxin in the processing segment during the year.

Forfeiture of advances from customers amounted to RMB5.0 million represented the advance payments paid by customers being forfeited as they did not convert the prepayments into sales orders and these were outstanding for more than 3 years.

The waiver of amount due to a director, the Company's executive chairman, Mr Hong Qing Liang, amounted RMB10.5 million represented the costs and expenses associated with the proposed secondary listing of the Company on Nasdaq Stock Market which was aborted in November 2025. Mr Hong Qing Liang has previously signed the deed of undertaking on which it was agreed he will bear all the costs and expenses in relation to the Company's secondary listing on Nasdaq Stock

Markert should the listing failed to materialize.

The foreign exchange gain arose from the depreciation of RMB against USD and SGD in the Group's foreign currencies denominated bank balances and from the translation of HK dollar denominated balances owing from subsidiaries in the Company's book due to depreciation of RMB against HK dollar.

Marketing and distribution expenses

Marketing and distribution expenses increased by RMB1.1 million (10%) to RMB13.1 million, mainly due to increase in business trips and entertainment from promotional activities, e.g., roadshows, sales exhibitions, etc.

General and administrative expenses

General and administrative expenses decreased by RMB2.5 million (or 4%) to RMB58.0.0 million. This was mainly due to the decrease in expenses as the processing subsidiary was disposed off during the year which resulted in lower expenses but partially offset by the increase in personnel expenses and fair value loss on investment property.

The fair value loss on investment property arose from the decrease in fair value of investment property as at 31 December 2025 which was appraised based on the valuation performed as at 31 December 2025 by an independent valuer.

Finance income and expenses

Finance expenses decreased by RMB3.8 million to RMB5.6 million. This was mainly due to the decrease in the short-term bank loans in FY2025.

Finance income decreased by RMB0.1 million (or 10%) to RMB0.5 million. This was mainly due to the decrease in interest income received from lower bank deposits pledged due to lower bill payables.

2H2025 vs. 2H2024

Revenue

The Group's revenue for 2H2025 as compared to 2H2024 decreased by RMB59.6 million (or 15%) to RMB337.3 million. This was mainly due to the decrease in the sales of the Zipper segment (RMB49.1 million), and the Processing segment (RMB6.4 million) and the Trading segment (RMB0.6 million).

The inter-segment sales elimination represented the dyeing and electroplating services provided by the Processing segment to the Zipper segment.

The decrease in revenue from the Zipper segment and the Processing segment for 2H2025 was mainly due to the decrease in export sales as a result of the heightened tariffs announced by the United States on foreign imports.

The Group's Trading segment relates to the sourcing and buying of certain raw materials (such as rubber thread, nylon fabric and nylon yard) in accordance with customers' requirements. The profit margin and all purchases were based on confirmed sales. As such, the sales volume and profit margin are dependent on customers' demand. The decrease in revenue from the Trading segment was mainly due to the decrease in sales volume during 2H2025 as a result of reduced demand.

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by RMB1.0 million (or 4%) to RMB25.0 million, mainly due to an increase in gross profit from the Zipper segment.

The average gross profit margin slightly increased by 0.9 percentage point to 7.4% mainly due to the increase in gross profit margin from the Processing segment arising from lower production costs following the automation.

Other income and expenses

Other income mainly comprises gain on disposal of subsidiary, government subsidies, waiver of amount due to a director, forfeiture of advances from customers, net reversal of provision of inventories, net foreign exchange gain, rental and management fee income. Other expenses comprised of fair value loss on investment property and loss on disposal of properties, plants and equipment.

The gain on disposal of a subsidiary amounted RMB20.2 from the completion on disposal of its indirect wholly owned subsidiary - Jianxin in the processing segment during the year.

Forfeiture of advances from customers amounted to RMB5.0 million represented the advance payments paid by customers being forfeited as they did not convert the prepayments into sales orders and these were outstanding for more than 3 years.

The waiver of amount due to a director amounted RMB 10.5 million representing the listing costs and expenses associated with the proposed secondary listing on Nasdaq Stock Market.

The foreign exchange gain arose from the depreciation of RMB against USD and SGD in the Group's foreign currencies denominated bank balances and from the translation of HK dollar denominated balances owing from subsidiaries in the Company's book due to depreciation of RMB against HK dollar.

Marketing and distribution expenses

Marketing and distribution expenses increased to RMB6.9 million from RMB5.6 million mainly due to the increase in business trips and entertainment from promotional activities, e.g., roadshows, exhibitions, etc.

General and administrative expenses

General and administrative expenses decreased by RMB17.7 million (or 36%) to RMB31.9 million. This was mainly due to the decrease in expenses after disposal of a subsidiary.

The fair value loss on investment property arose from the decrease in fair value of investment property as at 31 December 2025 which was appraised based on the valuation performed as at 31 December 2025 by an independent valuer.

Finance income and expenses

Finance expenses decreased by RMB2.4 million to RMB2.2 million. This was mainly due to the decrease in the short-term bank loans in 2H2025.

Finance income decreased by RMB0.2 million (or 64%) to RMB0.1 million was mainly due to the decrease in interest rate on bank deposits in 2H2025.

FINANCIAL POSITIION

Non-current assets

As at 31 December 2025, non-current assets amounted to RMB285.4 million comprising property, plant and equipment, investment property, land use rights and intangible assets.

The Group's property, plant and equipment amounted to RMB228.6 million, a decrease of 15% (or RMB41.4 million) compared to RMB270.0 million as at 31 December 2024. The decrease was mainly due to the depreciation expenses in FY2025.

Current assets

As at 31 December 2025, current assets amounted to RMB544.4 million, decreased by 2.6% (or RMB14.6 million) compared to RMB559.0 million as at 31 December 2024. This was largely due to the decrease in trade and other receivables.

The Group retained inventories of 2 months' raw materials to satisfy the production requirement for the first quarter of 2026. The increase in inventories mainly due to the increase in production orders anticipated in the first quarter of 2026.

For advances to suppliers, the Group will secure supply agreements with its various suppliers. The prepayments to suppliers were to secure the supply of raw materials at competitive prices for the year, at about 2% to 3% discount of the total contracted value. The Group will make the advance payment upon the signing of the purchase agreements. After the receipt of the advance payments, the suppliers will take approximately 1 to 2 months to make full delivery of the raw materials to the Group's warehouse.

Cash and bank balances increased by RMB22.3 million to RMB191.9 million mainly due to the net cash inflow of RMB 45.6 million from the sale proceeds received on completion on disposal of subsidiary-Jianxin in the third quarter of 2025.

Current liabilities

As at 31 December 2025, total current liabilities were RMB217.6 million, a decrease of 29% (or RMB86.8 million) compared to RMB304.4 million as at 31 December 2024. This was mainly attributable to the decrease in short-term bank loans.

The short-term bank loans decreased by RMB55.5 million (or 56%) to RMB44.0 million as at 31 December 2025 compared to RMB99.5 million as at 31 December 2024. This was mainly due to the Company repaid more than half of the short-term bank loan in 2H2025.

The amount due to a director was payment made by Mr Hong Qing Liang on behalf of the Company for professional fees and expenses, eg. audit fee, legal fee, etc incurred by the Company. There is no fixed payment schedule for the advances from Mr. Hong Qing Liang who had also agreed that all the advances granted by him shall be interest free.

Non-current liabilities

Non-current liabilities comprised of deferred tax liabilities. The deferred tax liabilities decreased after disposal of subsidiary in FY2025.

CASH FLOW

Operating activities

Net cash flows generated from operating activities in FY2025 amounted to RMB44.3 million compared to RMB68.3 million in FY2024. The decrease was mainly due to the decrease in trade and other payables in FY2025.

Investing activities

Net cash flows generated from investing activities in FY2025 amounted to RMB30.7 million while net cash used in investing activities in FY2024 amounted to RMB4.3 million. This was mainly due to the receipt of sale proceeds from the disposal of subsidiary in FY2025.

Financing activities

Net cash flows used in financing activities in FY2025 amounted to RMB31.7 million compared to RMB 11.3 million in FY2024 This was mainly due to the increase in repayment of short-term bank loan in FY2025.

9. Where a forecast, or prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The performance for FY2025 is in line with the Company's profit guidance statement released to SGX-ST via SGXNET on 23 February 2026.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

For the next 12 months, the Group expects its operating results will continue to be impacted by high production costs, low gross margin and its business outlook to be affected by uncertain customers' demand amidst challenging China's economic growth outlook.

The recent tariffs announced by the United States of America on foreign imports from China and various countries could result in a more uncertain and volatile global trade environment. At present, while Management does not foresee a significant adverse impact arising from the higher tariff developments, Management will continue to closely monitor developments to mitigate any potential impact.

In midst of the challenging business environment, Management has stepped up efforts to improve its operational performance. Management intends to target revenue growth and margin expansion through enhanced operational efficiency, utilising greater automation, and increased direct-to-brand sales. The Group will focus to execute the following plans and measures to improve its profitability:

-Enhancing quality and operational efficiency through further adoption of automation and digitlisation initatives and strengthen margin resilience across its three business segments.
-Prudent capital management by maintaining disciplined cost control and optimising capital structure to maintain financial flexibility and reduce financing costs.

-Deepening customer relationships via increased direct-to-brand sales, new product innovation, improving product quality, and enhancing responsiveness to market demand to harness new opportunities.

The Group will continue to remain vigilant in managing its expenses and monitor its receivables and collections closely to minimize bad debts and ensure the Group's working capital is sufficient and healthy to support its business operations. The Group's cash and financial position had been bolstered with the sales proceeds received from the disposal of a subsidiary. This has enhanced its financial flexibility to support future growth initatives.

11. Dividend information

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?
Yes

Proposed final Dividend:

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount Per Share (in RMB)	0.15
Tax Rate	Not Applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not Applicable.

13. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

14. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

15. Use of proceeds

On 12 November 2025, the Company undertook a placement exercise and allotted and issued 3,000,000 fully paid-up new ordinary shares in the share capital at a placement price of S$0.415 each per ordinary share, amounting to an aggregate consideration RMB 6,263,000 after net off with direct expenses.

As at the date of this announcement, the Company had not utilised the proceeds arising from the placement.

16. Disclosure pursuant to Rule 706A of the Listing Manual

On 14 August 2025, the disposal of the Company's entire equity interest in its indirect wholly owned subsidiary, Jinjiang Jianxin Weaving Co., Ltd ("Jianxin") was completed for cash consideration amounting approximately RMB46 million. The Company undertook this strategic divestment to unlock the value of its investment in Jianxin to strengthen its cash and financial position. Following the legal completion, Jianxin ceased to be an indirect wholly-owned subsidiary of the Company.

17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes to duties and position held, if any, during the year
Hong Shao Lin	36	Son of Mr Hong Qing Liang – Executive Chairman and Substantial Shareholder.	On 1 January 2023, he was appointed as Chief Executive Officer of the Company.	No changes to duties and position held during the year.

FOR AND ON BEHALF OF THE BOARD

Hong Qing Liang
Executive Chairman

27 February 2026