

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



## **Dowway Holdings Limited**

**天平道合控股有限公司**

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

**(Stock Code: 8403)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “**Directors**”) of Dowway Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## **HIGHLIGHTS**

- For the year ended 31 December 2025, the Group's revenue amounted to approximately RMB94,520,000, representing an decrease of approximately 32.56% over that of the year ended 31 December 2024.
- For the year ended 31 December 2025, the Group's loss for the year amounted to approximately RMB17,351,000, whereas there was a loss of RMB6,323,000 for the year ended 31 December 2024.
- For the year ended 31 December 2025, the Group's loss per share was RMB11.93 cents (2024: RMB4.69 cents).
- The Board resolved not to recommend the payment of a final dividend for the year ended 31 December 2025.

## ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board of directors (the “**Board**”) of Dowway Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) announces the audited consolidated results of the Group for the year ended 31 December 2025 (the “**Year**”) together with the comparative audited figures for the year ended 31 December 2024 as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>Year ended 31 December</b>	
		<b>2025</b>	<b>2024</b>
		<i>RMB'000</i>	<i>RMB'000</i>
Revenue	4	<b>94,520</b>	140,164
Cost of sales and services	7	<b>(77,256)</b>	(123,738)
<b>Gross profit</b>		<b>17,264</b>	16,426
Other gains and losses, net	5	<b>5,066</b>	5,805
Selling expenses		<b>(6,290)</b>	(7,199)
Administrative expenses		<b>(26,835)</b>	(18,299)
Net allowance for expected credit loss on trade receivables and contract assets		<b>(5,193)</b>	(2,132)
<b>Operating loss</b>		<b>(15,988)</b>	(5,399)
Finance costs, net	6	<b>(1,471)</b>	(1,183)
<b>Loss before income tax</b>	7	<b>(17,459)</b>	(6,582)
Income tax credit	8	<b>108</b>	259
<b>Loss for the year and total comprehensive loss for the year</b>		<b>(17,351)</b>	(6,323)
<b>Loss for the year and total comprehensive loss attributable to:</b>			
Equity holders of the Company		<b>(16,992)</b>	(5,746)
Non-controlling interests		<b>(359)</b>	(577)
		<b>(17,351)</b>	(6,323)
<b>Loss per share</b>			
Basic and diluted (in RMB cents)	9	<b>(11.93)</b>	(4.69)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

		At 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
<b>Non-current assets</b>			
Plant and equipment		2,165	263
Right-of-use assets		774	1,343
Intangible assets		2,087	–
Goodwill	12	7,647	–
		<u>12,673</u>	<u>1,606</u>
<b>Current assets</b>			
Trade receivables	10	35,163	49,868
Contract assets		32,478	53,365
Deposits, prepayments and other receivables		17,462	19,066
Restricted bank balances		–	1,000
Cash and bank balances		17,086	6,211
		<u>102,189</u>	<u>129,510</u>
<b>Current liabilities</b>			
Trade and bills payables	11	49,166	73,689
Contract liabilities		1,038	2,097
Accruals and other payables	11	16,513	17,583
Interest-bearing borrowings		29,000	26,563
Lease liabilities		165	1,332
Tax payables		3,801	3,827
		<u>99,683</u>	<u>125,091</u>
<b>Net current assets</b>		<u>2,506</u>	<u>4,419</u>
<b>Total assets less current liabilities</b>		<u>15,179</u>	<u>6,025</u>

		<b>At 31 December</b>	
		<b>2025</b>	2024
	<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Non-current liabilities</b>			
Interest-bearing borrowings		<b>2,000</b>	2,000
Lease liabilities		<b>230</b>	–
Deferred tax liabilities		<b>212</b>	336
		<u><b>2,442</b></u>	<u>2,336</u>
<b>Net assets</b>		<u><b>12,737</b></u>	<u>3,689</u>
<b>Capital and reserves</b>			
Share capital	<i>13</i>	<b>2,022</b>	1,632
Share premium	<i>13</i>	<b>117,154</b>	91,149
Reserves		<b>(105,507)</b>	(88,515)
		<u><b>13,669</b></u>	<u>4,266</u>
Non-controlling interests		<u><b>(932)</b></u>	<u>(577)</u>
<b>Total equity</b>		<u><b>12,737</b></u>	<u>3,689</u>

## NOTES

### 1. GENERAL INFORMATION

Dowway Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 28 April 2017 as an exempted company with limited liability under the Companies Law (Cap 22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its issued shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the Company’s registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands.

The Company is an investment holding company and its subsidiaries (together with the Company collectively referred to as the “**Group**”) are principally engaged in design, planning, coordination and management of exhibitions, events and showrooms, and electronic commerce (“**E-Commerce**”) and other services in the People’s Republic of China (the “**PRC**”).

In the opinion of the directors of the Company, with effect from 25 November 2025, its immediate holding company has been changed from A&B Development Holding Limited, a company incorporated in the British Virgin Islands (the “**BVI**”) and wholly owned by Mr. Huang Xiaodi, an executive director of the Company, to Mr. Sun Wei (“**Mr. Sun**”), an executive director of the Company, together with CN BASE (BVI) Limited (“**CN BASE**”), collectively acting as the ultimate controlling shareholders of the Company (the “**Controlling Shareholders**”). The Controlling Shareholders hold a collective interest of approximately 35.48% in the Company, comprising approximately 18.60% held directly by Mr. Sun and approximately 16.88% held by CN BASE. CN BASE is a company incorporated in the BVI that is 40% owned by Mr. Sun and 60% owned by Ms. Xiao Fenfen, a party acting in concert with Mr. Sun.

### 2. MATERIAL ACCOUNTING POLICIES

#### Basic of preparation

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), accounting principles generally accepted in Hong Kong. In addition, these financial statements also comply with applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”).

These consolidated financial statements have been prepared on the historical cost basis. The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company and the Group. All amounts are rounded to the nearest thousand (“**RMB’000**”) except when otherwise indicated.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the consolidated financial statements for the year ended 31 December 2024 except for the adoption of the amendments to HKFRS Accounting Standards that are relevant to the Group and effective from the current period as set out below.



- (iv) The Group is seeking for extension and renewal of its bank and other borrowings upon maturity; and
- (v) The ultimate controlling shareholder of the Company, Mr. Sun, has stated that he is willing to provide financial support to the Group to enable the Group to continue as a going concern and to settle its liabilities as and when they fall due.

Having regard to the cash flow projection of the Group, which are prepared assuming that the above measures are successful, the directors of the Company are of the opinion that, in light of the measures taken to-date, together with the expected results of the other measures in progress, the Group will have sufficient funding resources to satisfy its future working capital and other financing requirements.

The directors of the Company believe that the aforementioned measures will be successful, based on the continuous efforts by the management of the Group. However, should the above measures be unable to implement successfully, the Group may not have sufficient funds to operate as a going concern, in which case adjustments might have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively, and to provide for any further liabilities which might arise. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

### **3. SEGMENT INFORMATION**

HKFRS 8, Operating Segments, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the chief operating decision maker (the "CODM") of the Group, being the executive directors of the Company, for the purpose of resources allocation and performance assessment.

The Group's reportable and operating segments under HKFRS 8 are as follows:

1. Exhibition and event related business
2. Advertisement related business
3. E-commerce business

The Group's operating segments are strategic business units that offer different services. They are managed separately because each business requires different marketing strategies.

#### **Segment revenues and results**

Segment results represent the profit or loss by each segment without allocation of finance costs, net, corporate incomes and expenses, which is the measure reported to CODM for the purposes of resource allocation and assessment of segment performance.

**Year ended 31 December 2025**

	<b>Exhibition and event related services RMB'000</b>	<b>Advertisement related services RMB'000</b>	<b>E-commerce RMB'000</b>	<b>Total RMB'000</b>
Revenue from external customers and reportable segment revenue	<u>87,340</u>	<u>–</u>	<u>7,180</u>	<u>94,520</u>
Results of reportable segments	<u>(3,638)</u>	<u>(3,072)</u>	<u>668</u>	<u>(6,042)</u>
Corporate income				871
Corporate expenses				<u>(10,817)</u>
<b>Operating loss</b>				<b>(15,988)</b>
Finance costs, net				<u>(1,471)</u>
<b>Loss before income tax</b>				<b>(17,459)</b>
Income tax credit				<u>108</u>
<b>Loss for the year</b>				<b><u>(17,351)</u></b>
<b>Segment results include:</b>				
Depreciation of right-of-use assets	959	–	102	1,061
Depreciation of plant and equipment	56	–	10	66
Written off of plant and equipment	13	–	–	13
Amortisation of intangible assets	–	–	164	164
Provision for expected credit losses (“ECL”) on trade receivables and contract assets, net	2,121	3,072	–	5,193
Provision for ECL on prepayments	382	–	–	382
Settlement discount from suppliers	<u>(4,436)</u>	<u>–</u>	<u>–</u>	<u>(4,436)</u>
<b>Other segment information:</b>				
Addition to right-of-use assets*	340	–	350	690
Addition to plant and equipment*	1,950	–	31	1,981
Addition to intangible assets*	–	–	2,251	2,251
Addition to goodwill*	<u>–</u>	<u>–</u>	<u>7,647</u>	<u>7,647</u>

\* The amounts included additions through acquisition of subsidiaries

Year ended 31 December 2024

	Exhibition and event related services <i>RMB'000</i>	Advertisement related services <i>RMB'000</i>	E-commerce <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from external customers and reportable segment revenue	122,716	–	17,448	140,164
Results of reportable segments	1,344	212	(589)	967
Corporate income				237
Corporate expenses				(6,603)
<b>Operating loss</b>				(5,399)
Finance costs, net				(1,183)
<b>Loss before income tax</b>				(6,582)
Income tax credit				259
<b>Loss for the year</b>				<u>(6,323)</u>
<b>Segment results include:</b>				
Depreciation of right-of-use assets	1,152	–	–	1,152
Depreciation of plant and equipment	60	–	–	60
Written off of plant and equipment	448	–	–	448
Reversal of ECL on prepayments	(79)	–	–	(79)
Provision for (Reversal of) ECL on trade receivables and contract assets, net	2,344	(212)	–	2,132
Settlement discount from suppliers	(5,937)	–	–	(5,937)
<b>Other segment information:</b>				
Addition to plant and equipment <sup>#</sup>	15	–	–	15

<sup>#</sup> The amount did not include addition of right-of-use assets.

### Segment assets and liabilities

No information of segment assets and liabilities is reviewed regularly by the CODM for resource allocations and the assessment of performance of operating segments. Therefore, only the segment revenue and segment results are presented.

### Geographical information

The Group's revenue is derived from within the PRC, and the non-current assets are substantially located in the PRC, hence no geographical analysis information is presented.

## Information about major customers

Revenue from customers (presented by entities under common control, if appropriate) of the corresponding years individually contributing over 10% of the Group's revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b><u>Exhibition and event related services</u></b>		
Customer A	<b>29,910</b>	35,390
Customer B	<b>16,415</b>	<i>(Note)</i>
Customer C	<i>(Note)</i>	16,637
Customer D	<i>(Note)</i>	15,257
	<u>          </u>	<u>          </u>
<b><u>E-commerce</u></b>		
Customer E	<i>(Note)</i>	17,419
	<u>          </u>	<u>          </u>

*Note:* The customer contributed less than 10% of the total revenue of the Group from the relevant year.

## 4. REVENUE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue from contracts with customers within HKFRS 15</b>		
— Over time		
Exhibition and event related services	<b>78,419</b>	117,582
Exhibition showroom related services	<b>8,921</b>	5,134
	<u>          </u>	<u>          </u>
	<b>87,340</b>	122,716
	<u>          </u>	<u>          </u>
— At a point in time		
One-stop value chain services	<b>615</b>	15,959
Provision of IT solutions	<b>6,470</b>	—
SaaS platform services	<b>95</b>	1,489
	<u>          </u>	<u>          </u>
	<b>7,180</b>	17,448
	<u>          </u>	<u>          </u>
	<b>94,520</b>	140,164
	<u>          </u>	<u>          </u>

Substantially all revenue contracts are for one year or less. As permitted by practical expedient under HKFRS 15, the transaction price allocated to the unsatisfied contracts at the end of the reporting period is not disclosed.

## 5. OTHER GAINS AND LOSSES, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grant ( <i>Note</i> )	32	118
Exchange gain (loss), net	239	(179)
Settlement discount from suppliers	4,436	5,937
Written off of plant and equipment	(13)	(448)
Penalty income	–	291
(Provision for) Reversal of ECL on prepayments	(382)	79
Handling fee income	402	–
Others	352	7
	<u>5,066</u>	<u>5,805</u>

*Note:* During the year ended 31 December 2025, the Group received government grant of approximately RMB32,000 (2024: approximately RMB118,000) in accordance with the government tax policy. Such amount has been recognised as other income because the Group has fulfilled conditions and other contingencies attached to the receipts.

## 6. FINANCE COSTS, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Finance income</b>		
Interest income on bank balances and deposits	<u>12</u>	<u>25</u>
<b>Finance costs</b>		
Interest expense on bank and other borrowings	(1,416)	(1,120)
Interest on lease liabilities	(41)	(88)
Interest expense on promissory note	<u>(26)</u>	<u>–</u>
	<u>(1,483)</u>	<u>(1,208)</u>
<b>Finance costs, net</b>	<u>(1,471)</u>	<u>(1,183)</u>

## 7. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived after charging (crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of sales and services by revenue streams:		
— Exhibition and event related services	65,173	102,595
— Exhibition showroom related services	8,893	4,917
— One-stop value chain services	614	15,926
— Provision of IT solutions	2,565	—
— SaaS platform services	11	300
	<u>77,256</u>	<u>123,738</u>
Included in cost of services:		
— Materials and consumables costs	38,608	63,962
— Venue and equipment related charges	13,921	19,978
— Design and services fee	12,380	12,092
— Subcontracting labor fee	4,654	3,979
	<u>69,563</u>	<u>100,011</u>
Employee benefit expenses, including directors' emoluments ( <i>Note i</i> )	25,364	16,157
Depreciation on plant and equipment ( <i>Note ii</i> )	66	60
Depreciation on right-of-use assets ( <i>Note iii</i> )	1,061	1,152
Amortisation on intangible assets ( <i>Note iv</i> )	164	—
Expenses relating to short-term leases ( <i>Note v</i> )	1,133	1,376
Auditor's remuneration	1,226	1,127
Professional services and consultancy fees	6,284	4,722
Net allowance for ECL on:		
— Trade receivables	1,539	1,953
— Contract assets	3,654	179
	<u>10,776</u>	<u>4,112</u>
	5,193	2,132
Provision for (Reversal of) ECL on prepayments	<u>382</u>	<u>(79)</u>

Notes:

- (i) Total staff costs of approximately RMB8,574,000 and RMB16,790,000 (2024: approximately RMB7,552,000 and RMB8,605,000) have been charged to cost of services and administrative expenses for the year ended 31 December 2025, respectively.
- (ii) Total depreciation of plant and equipment of approximately RMB25,000 and RMB41,000 (2024: approximately RMB20,000 and RMB40,000) has been charged to cost of services and administrative expenses for the year ended 31 December 2025, respectively.

- (iii) Total depreciation of right-of-use assets of approximately RMB1,061,000 (2024: approximately RMB1,152,000) has been charged to administrative expenses for the year ended 31 December 2025.
- (iv) Total amortisation of intangible assets of approximately RMB164,000 (2024: Nil) has been charged to cost of services for the year ended 31 December 2025.
- (v) Total operating lease expense in respect of short-term leases of approximately RMB1,133,000 (2024: approximately RMB1,376,000) has been charged to cost of services for the year ended 31 December 2025.

## 8. INCOME TAX

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current tax</b>		
— PRC enterprise income tax (“EIT”)	97	29
<b>Deferred tax</b>	<u>(205)</u>	<u>(288)</u>
<b>Total income tax credit for the year</b>	<u><u>(108)</u></u>	<u><u>(259)</u></u>

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which entities in the Group are domiciled and operated.

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax under these jurisdictions.

The PRC EIT is calculated at 25% (2024: 25%) of the estimated assessable profits of subsidiaries operating in the PRC for the year ended 31 December 2025.

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of the qualifying group entity are taxed at 8.25%, and profits above HK\$2 million are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5%. Accordingly, the Hong Kong profits tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million. The Group did not generate any assessable profits arising in Hong Kong for the years ended 31 December 2025 and 2024.

## 9. LOSS PER SHARE

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

	2025	2024
Loss attributable to equity holders of the Company (in RMB'000)	(16,992)	(5,746)
Weighted average number of ordinary shares in issue (thousand)	<u>142,419</u>	<u>122,577</u>
Basic loss per share (in RMB cents)	<u>(11.93)</u>	<u>(4.69)</u>

There were no dilutive potential ordinary shares during the years ended 31 December 2025 and 2024, and therefore, diluted loss per share is the same as the basic loss per share.

## 10. TRADE RECEIVABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	51,454	67,943
Less: Loss allowance	<u>(16,291)</u>	<u>(18,075)</u>
Trade receivables, net	<u>35,163</u>	<u>49,868</u>
Arising from:		
Exhibition and event related services	28,397	29,603
Advertising related services	3,000	8,177
E-commerce	<u>3,766</u>	<u>12,088</u>
	<u>35,163</u>	<u>49,868</u>

The Group provided customers with credit period ranging from 30 to 120 (2024: 30 to 120) days from the date on which invoice was issued. The credit terms of each customer of the Group were determined by the Group's sales team and were subject to review and approval of the Group's management based on the customers' payment history, transaction volume and length of business relationship with the Group.

All outstanding trade receivables balances were being reviewed by the Group's sales department on a regular basis to ensure that any overdue receivable was promptly monitored and appropriate collection actions were taken. The Group's sales department would follow up on the collections and the Group's accounting department would monitor the progress of collection. For those material long outstanding balances, legal actions would be taken for debt collection. During the year ended 31 December 2025, the Group had taken legal actions for debt collection amounting to approximately RMB503,000. During the year ended 31 December 2024, no legal actions were taken by the Group for debt collection.

The following is an aging analysis of trade receivables (net of loss allowance) at the end of the reporting period presented based on invoice date:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Up to 90 days	<b>29,612</b>	35,895
91 to 180 days	<b>217</b>	3,498
Over 180 days	<b>5,334</b>	10,475
	<u><b>35,163</b></u>	<u>49,868</u>

The following is an aging analysis of trade receivables (net of loss allowance) at the end of the reporting period presented based on due date:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Not yet due	<u><b>28,979</b></u>	<u>36,444</u>
Past due:		
Within 90 days	<b>633</b>	2,939
91 to 180 days	<b>503</b>	351
Over 180 days	<b>5,048</b>	10,134
	<u><b>6,184</b></u>	<u>13,424</u>
	<u><b>35,163</b></u>	<u>49,868</u>

## 11. TRADE AND BILLS PAYABLES, ACCRUALS AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Trade and bills payables:</b>		
Trade payables ( <i>Note (a)</i> )	49,166	70,689
Bills payable ( <i>Note (a)</i> )	–	3,000
	<u>49,166</u>	<u>73,689</u>
<b>Accruals and other payables:</b>		
Amounts due to directors	1,658	644
Employee benefit payables	4,236	4,176
Other tax payables	4,681	8,246
Other accruals and payables ( <i>Note (b)</i> )	5,938	4,517
	<u>16,513</u>	<u>17,583</u>
	<u><u>65,679</u></u>	<u><u>91,272</u></u>

### (a) Trade and bills payables

All of the trade and bills payables are expected to be settled within one year from the reporting date or are repayable on demand at the end of each reporting period. At 31 December 2025, the credit period granted by the suppliers are generally ranging from 90 to 180 (2024: 90 to 180) days.

The following is an aging analysis of trade and bills payables at the end of the reporting period presented based on the invoice dates:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Up to 90 days	24,148	40,164
91 days to 180 days	11,469	16,566
181 days to 365 days	12,006	10,027
Over 365 days	1,543	6,932
	<u>49,166</u>	<u>73,689</u>

### (b) Other accrual and payables

At 31 December 2025 and 2024, the balances mainly included the accrued expenses and payables related to project tender submission, professional services and consultancy fees.

## 12. ACQUISITION OF SUBSIDIARIES

On 28 April 2025, the Company entered into a conditional sale and purchase agreement (the “**Agreement**”) with a related party, Innovation Era Technology Limited (“**Innovation Era**”) (the “**Vendor**”). Pursuant to the Agreement, the Vendor had agreed to sell and the Company had agreed to acquire the entire equity interest of the Yi-commerce Holding Limited and its subsidiaries (collectively referred to as the “**Yi-commerce Group**”) at a consideration of HK\$8,000,000 (equivalent to approximately RMB7,517,000) (the “**Acquisition**”).

The consideration of the Acquisition would be settled in the following manners:

- (a) HK\$1,000,000 (equivalent to approximately RMB943,000) was paid to the Vendor in cash as the first instalment of the consideration upon completion of the Acquisition; and
- (b) upon completion of the Acquisition, the second instalment of HK\$7,000,000 (equivalent to approximately RMB6,574,000) would be settled by issue of a promissory note, which carried 2% interest per annum from the date of issue and payable monthly in arrears, and with a maturity of six months from the date of issuance, to the Vendor. During the year ended 31 December 2025, the Group had redeemed the promissory note in full.

The Yi-Commerce Group is principally engaged in provision of IT solutions and SaaS platform services, value chain management services and blockchain technology, which enable the Group to expand its E-commerce business and further develop in the digital business industry through the Acquisition.

The Acquisition constituted a business combination and had been accounted for using the acquisition method under HKFRS 3 (Revised) “Business Combination”.

On 30 April 2025, the Acquisition was completed and the Yi-commerce Group has become wholly-owned subsidiaries of the Group since then.

Details of the Acquisition are set out in the Company’s announcement dated 28 April 2025.

The following summarises the consideration paid and the amounts of the assets acquired and liabilities assumed at the date of Acquisition:

	<i>RMB’000</i>
<b>Consideration paid, satisfied by:</b>	
Cash paid	943
Promissory note	<u>6,574</u>
<b>Total consideration, at fair value</b>	<u><u>7,517</u></u>

RMB'000

**Recognised amounts of identifiable assets acquired and liabilities assumed:**

Plant and equipment	31
Intangible assets	1,145
Cash and cash equivalents	187
Other receivable	13
Accruals and other payables	(1,401)
Tax payables	(24)
Deferred tax liabilities	(81)

**Total identifiable net liabilities** (130)

**Goodwill arising on acquisition** 7,647

7,517

RMB'000

**Net cash outflow on acquisition of subsidiaries:**

Net cash acquired from the subsidiaries	187
Consideration paid	(943)

(756)

The directors of the Company have engaged an independent valuer to provide assistance in determining the fair value of the identifiable assets and liabilities of the Yi-commerce Group and the promissory note issued by the Group at the date of Acquisition in accordance with HKFRS 13.

In the opinion of the directors of the Company, the goodwill arising from the Acquisition is mainly attributable to the potential growth of the Yi-commerce Group. None of the goodwill recognised is expected to be deductible for income tax purpose.

Since Acquisition and up to 31 December 2025, the Yi-commerce Group has contributed revenue of approximately RMB2,991,000 and contributed a loss of approximately RMB22,000 to the Group.

If the business combinations effected during the year ended 31 December 2025 had been taken place at 1 January 2025, the revenue and loss of the Group would have been approximately RMB95,417,000 and approximately RMB17,977,000, respectively.

### 13. SHARE CAPITAL AND SHARE PREMIUM

#### Ordinary shares

	Number of shares '000			Nominal value of ordinary shares US\$'000	
		<b>1,000,000</b>		<b>2,000</b>	
	Number of shares '000	Nominal value of ordinary shares US\$'000	Equivalent value of ordinary shares RMB'000	Share premium RMB'000	Total RMB'000
<b>Authorised:</b>					
Ordinary shares of US\$0.002 each at 1 January 2024, 31 December 2024 and <b>31 December 2025</b>					
		<b>127,000</b>	<b>254</b>	<b>1,632</b>	<b>91,149</b>
<b>At 1 January 2024</b>	120,000	240	1,531	84,813	86,344
Issue of shares in June 2024 (i)	4,000	8	58	3,644	3,702
Issue of shares in October 2024 (ii)	3,000	6	43	2,692	2,735
		<b>127,000</b>	<b>254</b>	<b>1,632</b>	<b>91,149</b>
<b>At 31 December 2024 and 1 January 2025</b>	<b>127,000</b>	<b>254</b>	<b>1,632</b>	<b>91,149</b>	<b>92,781</b>
Issue of shares in April 2025 (iii)	9,000	18	132	8,361	8,493
Issue of shares in June 2025 (iv)	12,000	24	172	11,648	11,820
Issue of shares in August 2025 (v)	6,000	12	86	5,996	6,082
	<b>154,000</b>	<b>308</b>	<b>2,022</b>	<b>117,154</b>	<b>119,176</b>
<b>At 31 December 2025</b>	<b>154,000</b>	<b>308</b>	<b>2,022</b>	<b>117,154</b>	<b>119,176</b>

- (i) On 3 June 2024, the Company and a subscriber named Mr. Li Wenjie entered into a subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and Mr. Li Wenjie has conditionally agreed to subscribe for, 4,000,000 new ordinary shares of the Company at the subscription price of HK\$1 per subscription share (the “**Share Subscription 1**”). These shares rank pari passu with all existing shares in all respects. The Share Subscription 1 was completed on 24 June 2024. Details are set out in the Company’s announcements dated 3 June 2024 and 24 June 2024.
- (ii) On 21 October 2024, the Company and a subscriber named Mr. Hui Guojin entered into a subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and Mr. Hui Guojin has conditionally agreed to subscribe for, 3,000,000 new ordinary shares of the Company at the subscription price of HK\$1 per subscription share (the “**Share Subscription 2**”). These shares rank pari passu with all existing shares in all respects. The Share Subscription 2 was completed on 31 October 2024. Details are set out in the Company’s announcements dated 21 October 2024 and 31 October 2024.

- (iii) On 19 March 2025, the Company and three subscribers named CT Vision Strategic Company Limited, Ms. Hu Zhixi, and Mr. Xu Linxin entered into 3 subscription agreements, pursuant to which the Company has conditionally agreed to allot and issue, and CT Vision Strategic Company Limited, Ms. Hu Zhixi, and Mr. Xu Linxin have conditionally agreed to subscribe for, 6,000,000, 1,000,000, and 2,000,000 new ordinary shares of the Company, respectively, at the subscription price of HK\$1 per subscription share (the “**Share Subscription 3**”). These shares rank pari passu with all existing shares in all respects. The Share Subscription 3 was completed on 9 April 2025. Details are set out in the Company’s announcements dated 19 March 2025, 31 March 2025 and 9 April 2025.
- (iv) On 27 May 2025, the Company and a placing agent named Theia Securities Limited entered into a placing agreement, pursuant to which the Company has conditionally agreed to place, through the placing agent, on a best effort basis, up to 12,000,000 placing shares at the placing price of HK\$1.14 per placing share to not less than six placees who and whose beneficial owners shall be independent third parties (the “**Placing**”). These shares rank pari passu with all existing shares in all respects. The Placing was completed on 17 June 2025. Details are set out in the Company’s announcements dated 27 May 2025, 13 June 2025 and 17 June 2025.
- (v) On 27 May 2025, the Company and a subscriber named Mr. Li Huaguo, an executive director of the Company, entered into a subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and Mr. Li Huaguo has conditionally agreed to subscribe for, 6,000,000 new ordinary shares of the Company, at the subscription price of HK\$1.14 per subscription share (the “**Share Subscription 4**”). These shares rank pari passu with all existing shares in all respects. The Share Subscription 4 was completed on 8 August 2025. Details are set out in the Company’s announcements dated 27 May 2025, 10 July 2025 and 8 August 2025 and the Company’s circular dated 15 July 2025.

#### 14. DIVIDENDS

No dividend has been paid or declared by the Company during the year ended 31 December 2025 (2024: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### MARKET REVIEW

In 2025, Chinese Mainland’s economy maintained steady growth despite a complex global environment. According to official statistics, the national gross domestic product (“GDP”) reached RMB140.19 trillion, representing an increase of 5.0% year on year. The service sector continued to play a pivotal role, expanding by 5.4% and accounting for 57.7% of GDP. Domestic consumption remained the primary driver of economic growth, supported by policy measures aimed at stabilizing expectations and promoting high quality development.

In 2025, the domestic exhibition industry experienced a robust resurgence, characterized by steady market expansion and a strategic pivot toward professionalism, digitalization, decarbonization, internationalization, and cross-sector integration. High-growth sectors — including automotive, consumer goods, technology, and smart manufacturing — demonstrated exceptional performance, with automotive and transportation exhibitions posting a 55% year-on-year increase, solidifying their position as primary growth drivers. Notably, while the absolute number of large-scale auto shows remained stable, their relative market share saw a slight contraction, reflecting a more diversified distribution of event formats across the industry.

As the industry matures from scale-driven expansion to quality-centric development, both organizers and exhibitors are prioritizing tangible outcomes. Consequently, exhibition services have evolved from basic venue assembly into integrated, end-to-end solutions encompassing planning, design, operations, marketing, and business matching. This shift reflects heightened client expectations regarding service quality, operational efficiency, and return on investment (ROI).

The automobile industry also demonstrated strong resilience. National automobile production and sales reached 34.53 million units and 34.40 million units respectively, representing year on year increases of 10.4% and 9.4%, both hitting record highs. Notably, new energy vehicles (“NEVs”) surpassed 16 million units in annual production and sales, accounting for more than half of new car sales and becoming the dominant force in the market.

In 2025, Chinese Mainland hosted 4,095 economic and trade exhibitions with a total exhibition area of 159 million square metres, representing year on year increases of 6.53% and 2.5% respectively. Outbound exhibitions also expanded, reflecting the sector’s growing internationalization and market driven development.

## BUSINESS REVIEW

The Year 2025 marked a definitive pivot in the Group’s corporate trajectory. To reflect our long-term vision of constructing a diversified digital industrial ecosystem, the Group initiated a comprehensive rebranding. As announced in January 2026, the Board proposed changing the Company’s name to “Defeng Solife Holdings Limited (德豐宿來控股有限公司)”. This rebranding is a strategic imperative following the entry of our new controlling shareholder, Mr. Sun Wei (孫維), whose two decades of expertise in retail, ecological agriculture, and cultural tourism are central to our transformation.

The name “Defeng Solife” symbolizes our evolution from a traditional exhibition service provider into an integrated industrial player. By synergizing ecological agriculture, intelligent trading platforms, and digital supply chain solutions, the Group is strategically positioned to capture high-value opportunities beyond the saturated event management sector, fostering sustainable growth through a technology-driven ecosystem.

In 2025, the Group remains a premier provider in Chinese Mainland’s integrated exhibition sector, leveraging over a decade of expertise to deliver end-to-end event management solutions. Specializing in high-end automotive displays and promotions, we provide turnkey exhibition solutions, from strategic planning and theme development to meticulous on-site execution and advanced technical installation. Our institutionalized protocols ensure the seamless integration of design, procurement, and multi-party coordination, maintaining our status as a trusted partner for world-renowned brands.

While the exhibition sector remains our foundational revenue driver, in 2025, the Group successfully evolved its revenue base from an automotive-centric focus to a more balanced portfolio. By maintaining our core exhibition expertise and luxury brand partnerships while simultaneously scaling our digital and non-automotive segments, the Group has achieved a more resilient revenue mix comprising enhanced contributions from IT solutions and non-automotive exhibitions.

In 2025, the Group executed a deliberate diversification strategy to mitigate sector-specific risks. Rather than relying solely on traditional event management, we remain committed to the continuous development and refinement of our integrated value-chain and SaaS platform service model. This shift into non-automotive sectors and digitalized solutions has not only broadened our portfolio but also transitioned the Group toward a more resilient, service-driven architecture. To further expedite our digital evolution, the Group completed the acquisition of Yi-commerce Holding Limited (“**Yi-commerce**”) during the Year. This strategic move allows the Group to leverage Yi-commerce’s established technical expertise and robust client support

infrastructure in digital technology services. By assimilating these specialized technological capabilities, the Group has significantly strengthened the operational foundation for our digital expansion, providing a vital springboard for our transition into SaaS platforms and intelligent industrial ecosystems.

During the Year, the Group managed and coordinated a total of 125 exhibition and event projects, 37 showroom mandates, and 65 orders of one-stop value-chain service engagements. The Group's operating performance came under pressure due to both external market conditions and internal business adjustments. This was primarily driven by a pronounced rationalization of promotional activities by two major clients — Haier and China Unicom. This deliberate retrenchment in marketing activities by cornerstone accounts led to a temporary contraction in the Group's traditional exhibition and event volume. As a result, revenue decreased by approximately 32.56% to RMB94.52 million (for the year ended 31 December 2024: RMB140.16 million).

Driven by a deep understanding of the industry's digital transformation, the Group is strategically pivoting toward a comprehensive service model. A key milestone in our digital transformation was the initiation of R&D for a specialized SaaS-based centralized procurement platform for agri-food products during the Year. This platform is currently undergoing rigorous testing and is scheduled for commercial launch in the second quarter of 2026.

## FINANCIAL REVIEW

### Revenue

The Dowway Group primarily generates revenue by providing comprehensive services encompassing exhibition and event design, planning, coordination, and management, providing one-stop value chain service, and providing IT solution and digital platform services primarily within the People’s Republic of China (the “PRC”). To provide a clear breakdown of revenue from business operations, the following table presents the comparative figures for the years ended on 31 December 2025 and 2024, respectively.

	For the year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Revenue from automobile related exhibitions and events	<b>15,817</b>	<b>16.73%</b>	49,672	35.44%
Revenue from non-automobile related exhibitions and events	<b>62,602</b>	<b>66.23%</b>	67,910	48.45%
Revenue from exhibitions showroom related services	<b>8,921</b>	<b>9.44%</b>	5,134	3.66%
Revenue from one-stop value chain services	<b>615</b>	<b>0.65%</b>	15,959	11.39%
Revenue from SaaS platform services	<b>95</b>	<b>0.10%</b>	1,489	1.06%
Revenue from IT solutions	<b>6,470</b>	<b>6.85%</b>	–	0%
<b>Total</b>	<b><u>94,520</u></b>	<b><u>100%</u></b>	<b><u>140,164</u></b>	<b><u>100%</u></b>

For the year ended 31 December 2025, the Group recorded a decrease in revenue from approximately RMB140.16 million to approximately RMB94.52 million, representing a year-on-year contraction of approximately 32.56%, or RMB45.64 million. This performance reflects a transitional period as we strategically pivot from traditional exhibition-related services toward a high-value, one-stop value chain service model. While our core exhibition and event services faced temporary headwinds, we saw promising initial contributions from our newly introduced one-stop value chain services and SaaS platform fees.

The Group is deliberately reallocating resources to enhance our service architecture, aiming to build a more resilient and profitable ecosystem. Although the strategic shift and associated initial investments have impacted short-term profitability, these initiatives are essential to aligning the Group with more lucrative, technology-driven business avenues and ensuring sustainable, long-term value creation.

During the Year, revenue from exhibitions and events-related services amounted to approximately RMB78.42 million, representing a year-on-year decrease of 33.33% or RMB39.16 million, compared with RMB117.58 million in 2024. This segment accounted for approximately 82.96% of the Group's total revenue for the Year.

Revenue from exhibition showroom related services amounted to approximately RMB8.9 million (for the year ended 31 December 2024: RMB5.1 million), contributing to 9.44% of the total revenue for the year.

Revenue from one-stop value chain service during the Year was approximately RMB0.62 million (for the year ended 31 December 2024: RMB15.96 million), contributing to 0.66% of the total revenue for the Year.

Revenue from IT solution during the Year was approximately RMB6.47 million (for the year ended 31 December 2024: Nil), contributing to 6.85% of the total revenue for the Year.

Revenue from providing SaaS platform service for the Year recorded approximately RMB95,000 (for the year ended 31 December 2024: RMB1.49 million) and accounted for 0.10% of the total revenue for the Year.

### **Cost of sales and services**

Cost of service decreased by approximately 37.56% to RMB77.26 million for the Year, compared to RMB123.74 million in 2024, representing a year-on-year reduction of approximately RMB46.48 million. This decrease was primarily driven by a strategic realignment of our digital service portfolio. Historically, our e-commerce services focused on the leasing of 3C digital products (Computers, Communications, and Consumer Electronics).

### **Gross Profit and Gross Profit Margin**

During the Year, the Group recorded a gross profit of approximately RMB17.26 million, representing a year-on-year increase of approximately RMB0.83 million from RMB16.43 million in 2024. Moreover, the gross profit margin expanded to approximately 18.26%, a notable increase from 11.72% in 2024, reflecting the complex interplay between market recovery and strategic business transformation.

This margin improvement was primarily attributable to the Group's strategic focus on high-yield mandates and the successful implementation of cost-efficiency measures. By deliberately scaling back from lower-margin traditional projects and terminating non-performing initiatives, the Group has successfully optimized its service mix. This shift allows us to command better pricing power and achieve a more efficient cost structure even amidst market fluctuations.

Furthermore, the initial integration of our one-stop value chain services and SaaS-driven solutions has begun to yield higher marginal returns compared to traditional exhibition services. While we continue to navigate a transitional "investment phase" involving front-loaded costs in technology and talent, the expansion in gross profit margin validates our strategic direction. This upward trend reinforces the Board's confidence that our pivot toward technology-enabled business avenues will build a more scalable and lucrative revenue stream in the long term.

### **Selling expenses**

The Group's selling expenses mainly consist of (i) staff costs; (ii) travelling expenses; (iii) entertainment expenses; and (iv) others.

Selling expenses for the Year were approximately RMB6.29 million, representing a year-on-year decrease of approximately 12.64% or approximately RMB0.91 million as compared to selling expenses of approximately RMB7.20 million for the year ended 31 December 2024.

### **Administrative expenses**

The Group's administrative expenses mainly comprise (i) staff costs; (ii) travelling expenses; (iii) entertainment expenses; (iv) office supplies; (v) subsidies paid to staff; (vi) operating lease rentals in respect of buildings and related expenses; (vii) management consulting and other services expenses; and (viii) others.

Administrative expenses for the Year were approximately RMB26.84 million, representing a year-on-year increase of approximately 46.67% or approximately RMB8.54 million as compared to administrative expenses of approximately RMB18.30 million for the year ended 31 December 2024.

### **Other gains and losses, net**

Other gains and loss, net for the Year were approximately RMB5.07 million, mainly due to the settlement discount from suppliers. Other gains and loss, net decreased by approximately RMB0.74 million compared to approximately RMB5.81 million for the year ended 31 December 2024.

## **Finance income**

Finance income included interest income on bank balances and deposits. The Group's finance income for the Year was approximately RMB12,000 (2024: approximately RMB25,000).

## **Finance costs**

Finance costs mainly represented interest expenses on bank and other borrowings and interest expenses on lease liabilities. For the Year, the Group's finance costs were approximately RMB1.48 million (2024: approximately RMB1.21 million).

## **Loss before income tax**

As a result of the foregoing, the Group recorded a loss before income tax of approximately RMB17.46 million for the Year, representing a year-on-year increase of approximately RMB10.88 million as compared with a loss of approximately RMB6.58 million for the year ended 31 December 2024. This increase in loss was primarily driven by higher administrative expenses for the Year, reflecting the Group's strategic expansion into digitalized service ecosystems.

Specifically, the Group incurred higher personnel costs and professional fees associated with the development of our e-commerce infrastructure and intelligent warehouse management systems. These investments are instrumental in our pivot toward the digital agricultural supply chain, where we plan to leverage our completed platform to procure and distribute agricultural products. While these front-loaded costs impacted short-term profitability, they are essential to building the operational capacity required for our next phase of growth.

## **Income tax credit**

Income tax credit decreased from approximately RMB259,000 for the year ended 31 December 2024 to approximately RMB108,000 for the Year.

## **Loss for the Year**

As a cumulative effect of the factors cited above, the Group recorded a loss of approximately RMB17.35 million for the Year, while the loss was approximately RMB6.32 million for the year ended 31 December 2024. The year-on-year increase was approximately RMB11.03 million.

## LIQUIDITY AND FINANCIAL RESOURCES

### Capital structure

The capital structure of the Group comprises only ordinary shares. As at 31 December 2025, the Company's total number of issued shares (the "Shares") of USD0.002 each was 154,000,000 (31 December 2024: 127,000,000 Shares).

### Cash position

The following table sets forth the selected cash flow data from the Consolidated Statements of Cash Flows for the years ended 31 December 2024 and 2025.

	For the year ended	
	31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Audited)</i>	<i>(Audited)</i>
Net cash used in operating activities	<b>(4,675)</b>	(20,854)
Net cash (used in) from investing activities	<b>(3,994)</b>	1
Net cash from financing activities	<b>19,544</b>	14,625
Net increase (decrease) in cash and cash equivalents	<b>10,875</b>	(6,228)
Cash and cash equivalents at the end of the Year	<b>17,086</b>	6,211

As of 31 December 2025, cash and cash equivalents of the Group were approximately RMB17.09 million (31 December 2024: approximately RMB6.21 million), which was mainly denominated in RMB and Hong Kong dollars.

### Borrowings

As of 31 December 2025, the Group had bank and other borrowings of approximately RMB31 million (as of 31 December 2024: approximately RMB28.56 million). As at 31 December 2025, bank borrowings bear fixed interests ranging from 2.30% to 3.10% (2024: 2.45% to 4.00%) per annum and the other borrowings bear fixed interests of 12.00% (2024: 8.00% to 12.00%) per annum. Save as disclosed in this announcement, there were no other outstanding bank overdrafts, unutilised banking facilities, debt securities, other similar indebtedness, acceptance credits, hire purchase commitments, mortgages, charges, material contingent liabilities nor guarantees outstanding (as of 31 December 2024: Nil). The Group did not have any unutilised banking facilities nor plans for any material external debt financing.

The Directors confirm that there has been no material adverse change in the Group's indebtedness and contingent liabilities for the Year.

### **Pledge of assets**

As of 31 December 2025, there were no pledge bank balance of the Group was pledged for bills payables (31 December 2024: approximately RMB1 million).

### **Gearing ratio**

The Group's gearing ratio as of 31 December 2025 and 31 December 2024 were as follows:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
	<b><i>(Audited)</i></b>	<i>(Audited)</i>
Total interest-bearing borrowings	<b>31,000</b>	28,563
Total Equity	<b>12,737</b>	3,689
Gearing ratio	<b><u>243.39%</u></b>	<u>774.27%</u>

### **CAPITAL COMMITMENTS**

As at 31 December 2025, the Group did not have any capital commitment in respect of the acquisition of a subsidiary and purchase of assets (2024: Nil).

### **DIVIDEND**

The Board did not recommend the payment of any dividend for the Year (for the year ended 31 December 2024: Nil).

### **EQUITY FUND RAISING ACTIVITIES AND USE OF NET PROCEEDS**

Pursuant to three subscription agreements all dated 19 March 2025 entered into, the Company and three independent third parties, named CT Vision Strategic Company Limited, Hu Zhixi and Xu Linxin, the Company has conditionally agreed to allot and issue, and CT Vision Strategic Company Limited, Hu Zhixi and Xu Linxin have conditionally agreed to subscribe (the "**March Subscriptions**") for 6,000,000, 1,000,000 and 2,000,000 new ordinary shares

(collectively the “**March Subscription Shares**”), having the aggregate nominal value of USD18,000, at HK\$1.0 per share. The closing price was HK\$1.10 per share as quoted on the Stock Exchange on the date of the subscription agreements. The March Subscription Shares represent approximately 6.62% of the then issued and enlarged share capital of the Company upon the completion of the March Subscriptions. The estimated aggregate gross and net proceeds of the March Subscriptions will be HK\$9 million and approximately HK\$8.95 million respectively, which are intended to be used for general working capital of the Group. For the reasons and details of the Subscription, please refer to the Company’s announcements dated 19 March 2025, 31 March 2025 and 9 April 2025.

Pursuant to the placing agreement dated 27 May 2025 entered into between the Company as issuer and Theia Securities Limited as the placing agent, an aggregate of 12,000,000 new ordinary shares (the “**Placing Shares**”), having the aggregate nominal value of USD24,000, have been successfully placed (the “**Placing**”) by the placing agent to not less than six places at the placing price of HK\$1.14 per share, the net placing price was approximately HK\$1.07 per share. The closing price was HK\$1.40 per share as quoted on the Stock Exchange on the date of the placing agreement. The Placing Shares represent approximately 8.11% of the then issued and enlarged share capital of the Company upon the completion of the Placing. The completion took place on 17 June 2025. The gross and net proceeds from the Placing amounted to approximately HK\$13.68 million and approximately HK\$12.88 million respectively. The Company has applied the net proceeds according to the use of proceeds stated in the announcement of the Company dated 13 June 2025. For the reasons and the details of the Placing, please refer to the Company’s announcements dated 27 May 2025, 13 June 2025 and 17 June 2025.

Pursuant to the subscription agreement dated 27 May 2025 entered into between the Company as issuer and Mr. Li Huaguo, as the subscribers and the then executive Director, Mr. Li agreed to subscribe for (the “**May Subscription**”) 6,000,000 new ordinary shares (the “**May Subscription Shares**”) having the aggregate nominal value of USD12,000, at the subscription price of HK\$1.14 per share and the net subscription price was approximately HK\$1.07 per share. The closing price was HK\$1.40 per share as quoted on the Stock Exchange on the date of the subscription agreement. The May Subscription Shares represent approximately 3.90% of the then issued and enlarged share capital of the Company upon the completion of the May Subscription. Completion took place on 8 August 2026. The gross and net proceeds from the May Subscription amounted to approximately HK\$6.84 million and approximately HK\$6.6 million respectively, which are intended to be used for general working capital of the Group. For the reasons and details of the May Subscription, please refer to the Company’s announcements dated 27 May 2025, 10 July 2025, 1 August 2025 and 8 August 2025 and the Company’s circular dated 15 July 2025.

Uses of net proceeds as of 31 December 2025 are listed as follows:

	Planned use of proceeds <i>HK\$'000</i>	Percentage of actual use of proceeds up to 31 December 2025	Actual use of proceeds up to 31 December 2025 <i>HK\$'000</i>	Unutilized net proceeds as at 31 December 2025 <i>HK\$'000</i>	Expected timeline for utilisation
Repayment of the promissory note	7,000	100%	7,000	–	–
Research & development costs of the new business	4,000	100%	4,000	–	–
General working capital	17,430	82.44%	14,370	3,060	31 March 2026
<b>Total</b>	<b>28,430</b>	<b>89.24%</b>	<b>25,370</b>	<b>3,060</b>	

HK\$25,370,000 of the proceeds from the abovementioned placing and subscription of new shares have been utilized by 31 December 2025.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Group faces the following principal risks and uncertainties that may materially and adversely affect its business, financial status, and operating results:

1. The exhibition services industry in the PRC has relatively low entry barriers and competition is keen within the industry.
2. The Group's business depends heavily on the provision of exhibition and event management services in the automobile industry.
3. The majority of the Group's customers are automobile companies and there is no assurance that it can successfully diversify its customer base.
4. There is no assurance that the demand for integrated exhibition and event management services the Group provides can continue or increase.
5. There may be fluctuations in the Group's cost of service which it may not be able to pass on to customers.

6. The Group may face cash flow problems if it is unable to receive payments from customers on time and in full under the current pricing policy.
7. The Group may be exposed to litigation risk as a result of the engagement of suppliers without obtaining written consent from customers.
8. The Group relies on suppliers for the provision of construction services, leasing of equipment, and logistics and transportation services, hence, may have to bear the consequences should these suppliers deliver substandard services on its own.
9. The Group relies on its senior management and other key personnel and may not be able to retain these staff to provide services.
10. The Group may not be able to implement its business strategies and its future growth could be limited.
11. The control and prevention of the pandemic around the world remain challenging and risky and may continue to influence the resumption of work and production of the exhibition industry in the PRC to normal, which may in turn have a material and adverse effect on the Group's business, financial position, and results of operations.

The cost of exhibition and event-related services provided by suppliers makes up a significant portion of the Group's cost of service. The following uncertainties may affect the Group's efforts to implement cost-control measures:

1. As human resources and costs of construction materials and equipment are the major components of the cost of exhibition and event-related services, any increase in the wages of suppliers' employees and average consumer prices may push up the lump sum cost of exhibition and event-related services provided by suppliers.

#### **Major risks and uncertainties relating to the implementation of business strategies**

1. The Group expects to tender proposals to potential new customers with lower profit margins in the short run in connection with its future expansion into new segments in the market, and such expansion could exert great pressure on the allocation of resources.
2. The Group cannot guarantee that it will have sufficient resources to support future development. Its future growth is also subject to the preferences of potential clients and the overall market situation. Failure to execute an expansion strategy effectively may lead to higher costs, inefficient operation flow, and a decline in profitability.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

Save as disclosed in this announcement, the Group did not have other future plans for material investments and capital assets during the Year.

## **MATERIAL ACQUISITIONS AND DISPOSALS RELATED TO THE SUBSIDIARIES AND ASSOCIATED COMPANIES AND SIGNIFICANT INVESTMENT**

On 17 January 2025, the Company entered into a sale and purchase agreement with Yesteel Holding Limited in relation of the disposal of 49% equity interest in China Yesteel New Material Holdings Co., Limited (previously known as MaxV DFS Limited) (“**China Yesteel**”), at a cash consideration of approximately RMB4,000. Following the disposal, the Group’s equity interests in China Yesteel decreased from 100% to 51% and the Group retains majority ownership and continues to exercise control over China Yesteel. Yesteel Holding Limited was owned by Mr. Li Huaguo, who was appointed as an executive director of the Company on 22 January 2025 and resigned on 9 February 2026.

On 28 April 2025, the Company entered into a sale and purchase agreement with Innovation Era Technology Limited in relation to the acquisition of the entire equity interest of and all shareholder’s loan due by Yi-commerce Holding Limited at a cash consideration of HK\$8,000,000. Innovation Era Technology Limited was owned approximately (a) 89.1% by Mr. Ho Chun Kit Gregory, who was interested in approximately 4.4% of the shareholdings in the Company at the date of the Acquisition, (b) 6.0% by Mr. Chen Xicheng, an executive director of the Company, and (c) 2.9% by Mr. Shum Ngok Wa, an executive director of the Company.

## **CAPITAL COMMITMENT AND CONTINGENT LIABILITIES**

As of 31 December 2025, the Group did not have any material capital commitment (2024: Nil) and contingent liabilities (2024: Nil).

## **HUMAN RESOURCES**

As of 31 December 2025, the Group employed a total of 89 employees which 51 employees stationed in Beijing, 22 employees stationed in other provinces and 16 employees stationed in Hong Kong, among which 11 of them were at the management level, 6 of them stationed in the PRC and 5 of them stationed in Hong Kong. For the Year, the staff costs (including Directors' emoluments) were approximately RMB25.36 million (2024: approximately RMB16.16 million). The Group conducts periodic performance review with employees and determines their salaries, benefits, and discretionary bonuses based on factors including qualifications, contributions, years of experience, and performance.

In accordance with the applicable PRC laws and regulations, the Group has made contributions to social security insurance and housing provident funds for all eligible staff. For the year ended 31 December 2025, the total amount contributed in these areas by the Group was approximately RMB3.40 million. The Group has complied with all the requirements about social security insurance and housing provident fund obligations applicable under the PRC laws and regulations.

In order to continually maintain the quality, knowledge, and skills of employees, the Group has provided various training opportunities, which include on-the-job training, technical training, and professional training.

The Group has maintained a good working relationship with its employees. During the Year, the Group had not experienced any significant labor disputes which were likely to have an adverse material impact on business, financial conditions, and results of operations.

The Company's policy concerning emoluments of Directors is that (i) the amount of emoluments is determined on the basis of the relevant Director's experience, responsibility, workload, and the time devoted to the Company; and (ii) non-cash benefits may be provided to the Directors under their remuneration package.

## **FOREIGN EXCHANGE EXPOSURE**

The Group is not exposed to any significant foreign exchange risk in the normal course of business, as it operates in the PRC with the majority of the transactions being conducted and settled in RMB.

## CREDIT RISK

Credit risk exposures arise principally in cash and cash equivalents, trade and other receivables and contract assets shown on consolidated balance sheets.

The Group takes on exposure to credit risk, which is the risk that a customer or counterparty will cause a financial loss for the Group by failing to discharge an obligation. Credit risk is one of the most significant risks for the Group's business.

For cash at the bank, the Group manages the credit risk by placing its domestic deposits in reputable nationwide financial institutions with good credit ratings in the PRC and overseas deposits in reputable international financial institutions. The Group believes those banks and financial institutions are of high-credit-quality without significant credit risk and therefore it considers its cash at bank are not at high credit risk.

The Group's trade receivables arise from exhibition and event marketing services fees, over 43% of which are in turn derived from major customers that are renowned automobile companies. Should there be a change in the strategic relationships with these major customers that might cause a change in the cooperative arrangements; or if they experience financial difficulties themselves which in turn causes difficulties in their settling payables to the Group, the Group's revenue from those automobile companies might be adversely affected due to deterioration in the recoverability of trade receivables from them.

To manage this risk, the Group's management team maintains frequent communications with their contacts at those automobile companies to ensure the Group captures the most updated understanding of relevant customers' business status and assesses their credibility. In view of the smooth cooperation history with these automobile companies and the reliable collection history of receivables due from them, management believes that the credit risk inherent in the Group's outstanding trade receivable balances due from those automobile companies is low. As for new customers, the management is responsible for managing and analysing the credit risk for each of their new customers before they offer such new customers standard payment and delivery terms and conditions. To do such an assessment, various factors including their financial position and other factors about these new customers would be considered.

The Group's other receivables comprise deposits and staff advance, which have a low risk of default, thus the Group considers its other receivables are not at high credit risk.

## **LIQUIDITY RISK**

The Group regularly monitors current and expected liquidity demand to ensure that it maintains sufficient cash reserves to meet related demand in the short and long run. The Group monitors liquidity position through rolling forecasts of liquidity requirements in order to ensure that it has sufficient cash on hand to satisfy operational needs.

## **OUTLOOK**

### **Macroeconomic Landscape and Policy Direction**

Looking ahead to 2026, the Group anticipates a strategic shift as the Central Economic Work Conference emphasizes high-quality growth. Macroeconomic policies are expected to remain supportive, with a projected fiscal deficit ratio of approximately 4%. Crucially, the government's focus on "anti-involution" strategies and the development of a "unified national market" will likely accelerate the elimination of inefficient capacity. The state's mandate to facilitate the digital and intelligent transformation of traditional industries — while scaling emerging sectors — provides a robust policy tailwind for the Group's ongoing business pivot.

### **External Uncertainties and Strategic Resilience**

The global landscape in 2026 remains characterized by heightened external uncertainties. The potential for renewed trade tensions under the Trump administration's policies, coupled with persistent geopolitical volatility in the Middle East, continues to pose risks to global trade flows and supply chain stability. In response, the Chinese government is expected to prioritize scientific innovation and domestic demand resilience as core pillars of the 15th Five-Year Plan.

In January 2026, the IMF (International Monetary Fund) raised its 2026 economic growth forecast for Chinese Mainland to 4.5%, up by 0.3 percentage points from previous projections. This upgrade is driven by a year-long trade truce with the U.S. that reduced tariff rates, along with continued domestic stimulus measures. The World Economic Situation and Prospects 2026 report projects Chinese Mainland's economic growth to moderate to 4.6% in 2026, driven by targeted policy support despite fading export momentum. Other 2026 projections suggest a 4.5%–4.8% growth range, supported by a trade truce, continued fiscal easing, and high-tech exports, with the World Bank Group projecting 4.0%. With all the international authoritative organisations projecting 2026 growth between 4.0% and 4.8%, the Group acknowledges that while export momentum may face headwinds, the coordinated focus on "economic rebalancing" creates a fertile environment for technology-driven service providers.

## The Group's Strategic Roadmap for 2026

In light of these macro-dynamics, the Group is at a pivotal intersection where internal business transformation meets global economic realignment. We recognize that 2026 will be a year of both rigorous challenge and structural opportunity. Our response is centered on four strategic imperatives:

- **Consolidating Leadership in Premium Exhibition Sectors:** The Group maintains its standing as a premier provider of integrated exhibition and event management services in Chinese Mainland. We remain committed to delivering exceptional professional services to our prestige client base, encompassing global automotive leaders, top-tier game developers, e-sports organizations, and leading telecommunications brands. The Group is committed to forging strategic alliances in key regional markets to catalyze innovation in our service delivery. Each exhibition and curatorial mandate in 2026 will serve as a laboratory for integrating Artificial Intelligence (AI) and advanced digital tools, ensuring that the Group remains at the forefront of the industry's "new quality productive forces" while building a stable revenue foundation and continuing to set industry benchmarks for excellence.
- **Pivoting toward a Digital Agricultural Ecosystem:** A cornerstone of our 2026 strategy is the continued development of our online trading platform and intelligent warehouse management system. Upon completion, this infrastructure will be strategically applied to the procurement and distribution of agricultural products. Our goal is to build a digitized industrial ecology that directly addresses critical pain points in traditional agricultural supply chains, such as non-standardization, food quality concerns, and safety traceability. By creating this high-efficiency digital agricultural ecosystem, the Group is positioning itself at the forefront of Chinese Mainland's "Digital Rural Development" mandate.
- **Cultivating Cultural Tourism as a New Growth Engine:** Recognizing the shifting patterns in domestic consumption, the Group is expanding into the cultural tourism sector. We plan to provide integrated project planning, management, and brand promotion services for tourism attractions and high-end destinations. By leveraging our expertise in exhibition management and experiential marketing, we aim to establish cultural tourism as a significant new profit driver alongside our established exhibition services, capturing the high-value potential of the domestic leisure market.

- **Heightened Global Capital Visibility:** A significant milestone in the Group’s capital market strategy was the successful upgrade of our American Depositary Receipts (ADRs) to the OTCQX® Best Market in July 2025. As the premier tier of OTC Markets, this transition reflects the Group’s commitment to high financial standards and rigorous corporate governance. This upgrade has substantially broadened our exposure to institutional and international investors, enhancing the liquidity of our securities and providing a transparent, robust platform for future capital market exercises. This global visibility is instrumental as we seek to diversify our funding channels to support our long-term strategic pivot toward digitalized industry ecosystems.

## **CLOSURE OF REGISTER OF MEMBERS**

The forthcoming annual general meeting of the Company will be held on 22 May 2026 (Friday), the transfer books and register of members of the Company will be closed from 15 May 2026 (Friday) to 22 May 2026 (Friday), both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the aforesaid meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 14 May 2026 (Thursday).

## **CORPORATE GOVERNANCE PRACTICE**

During the Year, the Company has complied with all the applicable code provisions of the Corporate Governance Code (the “Code”) set out in Part 2 of Appendix C1 of the GEM Listing Rules, save for the deviation from code provision C.2.1.

Code provision C.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Year, Mr. Huang Xiaodi (“**Mr. Huang**”) is the chairman and the chief executive officer of the Company. The Board considered that Mr. Huang has more than 12 years of professional experience in the exhibition and event management industry, the Board believed that it is in the best interest of the Group to have Mr. Huang taking up both roles for efficient overall strategy and business development.

## **COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all the Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings during the Year.

## **COMPETING INTERESTS**

During the Year, none of the Directors, controlling shareholders or substantial shareholders of the Company, nor any of their respective close associates (as defined under the GEM Listing Rules) have been engaged in any business that competes or may compete, directly or indirectly, with the business of the Group or had any other conflicts of interest with the Group nor have they been aware of any other conflicts of interest which any such person has or may have with the Group.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the Year.

## **CONNECTED TRANSACTIONS**

On 10 January 2024, the Company entered into a loan agreement with Mr. Shum Ngok Wa (“**Mr. Shum**”), who is an executive director and a connected person of the Company, of which Mr. Shum agreed to lend HKD480,000 to the Company on an interest-free payment basis. The amount will be fully repaid by the Company to Mr. Shum within two years.

On 8 December 2025, the Company entered into a loan agreement with Mr. Chen Xicheng (“**Mr. Chen**”), who is an executive director and a connected person of the Company, of which Mr. Chen agreed to lend HKD1,237,000 to the Company on an interest-free payment basis. The amount will be fully repaid by the Company to Mr. Chen within one year.

As the loans received by the Company from the above two Directors and the transactions were (1) conducted on normal commercial terms or better; and (2) not secured by the assets of the Group, the connected transactions contemplated thereunder are fully exempt from shareholders' approval, annual review and all disclosure requirements.

The above two transactions, being financial assistance received by the Company from connected persons of the Company, having been conducted on normal commercial terms or better, and not being secured by the assets of the Group. As such, the above two transactions are fully exempt under Rule 20.88 of the GEM Listing Rules.

Saved as disclosed above, none of the connected party transactions constituted a connected transaction or continuing connected transaction (as defined in the GEM Listing Rules) that was required to be disclosed and the Company had not entered into any connected transaction or continuing connected transaction which is subject to the disclosure requirements under the GEM Listing Rules.

## **AUDIT COMMITTEE**

The Group has established the audit committee of the Company (the “**Audit Committee**”) on 16 May 2018 in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. Written terms of reference in compliance with code provision D.3.3 of the Code has been adopted. Among other things, the primary duties of the Audit Committee are to make recommendations to the Board on appointment, reappointment and removal of external auditor, to review financial statements of the Company and make judgments in respect of financial reporting; and to oversee the effectiveness of the internal control procedures of the Group.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Tam Chak Chi as the chairman of the Audit Committee, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules, Ms. Zhou Yiyang and Ms. Yau Yin Tan. The Audit Committee has reviewed the audited condensed consolidated financial statements for the Year, which was of the opinion that the preparation of annual results complied with the applicable accounting standards and requirements and that adequate disclosures were made.

## **INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS**

The Company has received from each of the independent non-executive Directors in writing an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers all the independent non-executive Directors to be independent.

## **SCOPE OF WORK OF FORVIS MAZARS CPA LIMITED**

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

## **PUBLICATION OF INFORMATION ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

The results announcement is published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.dowway-exh.com](http://www.dowway-exh.com). The annual report of the Company for the year ended 31 December 2025 containing all information required by the GEM Listing Rules will be despatched to shareholders of the Company and published on the above websites in due course.

By Order of the Board  
**Dowway Holdings Limited**  
**Sun Wei**  
*Chairman and Executive Director*

Hong Kong, 27 March 2026

*As of the date of this announcement, the executive Directors are Mr. Sun Wei, Mr. Huang Xiaodi, Mr. Chen Xicheng, Mr. Shum Ngok Wa and Ms. Wang Jinmei; and the independent non-executive Directors are Mr. Tam Chak Chi, Ms. Yau Yin Tan and Ms. Zhou Yiyan.*

*This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange at <https://www.hkexnews.hk> for at least 7 days from the date of its publication and published on the website of the Company at [www.dowway-exh.com](http://www.dowway-exh.com).*