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HONG WEI (ASIA) HOLDINGS COMPANY LIMITED

鴻偉（亞洲）控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8191)

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

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

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given that the companies listed on GEM are general 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**”, each a “**Director**”) of Hong Wei (Asia) Holdings Company Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) 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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

RESULTS

The board of Directors (the “**Board**”) of the Company presents the draft consolidated financial results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2025, 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>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	4	101,686	314,378
Cost of sales		(98,671)	(280,444)
Gross profit		3,015	33,934
Other income and other gains or losses		11,923	23,159
Impairment loss on property, plant and equipment		(28,362)	–
Impairment loss on right-of-use assets		–	(2,077)
Impairment loss on intangible assets		(75)	–
Impairment loss on trade receivables		(27,541)	(18,660)
(Impairment loss)/reversal of impairment loss on deposits and other receivables		(515)	261
Net loss arising from changes in fair values less costs to sell of biological assets		(5)	(223)
Selling and distribution expenses		(19,609)	(21,547)
Administration expenses		(46,525)	(43,673)
Finance costs		(17,315)	(23,957)
Loss before tax		(125,009)	(52,783)
Income tax (expense)/credit	6	(13,413)	6,506
Loss for the year attributable to owners of the Company	7	(138,422)	(46,277)

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other comprehensive income/(expense) which may reclassified subsequently to profit or loss:			
Exchange differences arising on translation to presentation currency		<u>9,982</u>	<u>(12,418)</u>
Other comprehensive income/(expense) for the year, net of tax		<u>9,982</u>	<u>(12,418)</u>
Loss and total comprehensive loss for the year		<u>(128,440)</u>	<u>(58,695)</u>
Loss and total comprehensive loss attributable to owners of the Company		<u>(128,440)</u>	<u>(58,695)</u>
Basic and diluted loss per share, in HK cents	8	<u><u>(240.78)</u></u>	<u><u>(87.89)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		251,811	310,695
Right-of-use assets		17,468	17,295
Biological assets		25,411	25,303
Intangible assets		565	629
Deferred tax assets		–	9,195
		295,255	363,117
CURRENT ASSETS			
Inventories		154,960	199,854
Trade and bills receivables	10	35,951	64,891
Deposits, prepayments and other receivables		77,438	97,658
Bank balances and cash		831	8,428
Restricted deposit		11,071	10,601
		280,251	381,432
CURRENT LIABILITIES			
Trade payables	11	38,950	32,059
Other payables and accrued expenses		58,076	82,638
Tax payable		110	129
Contract liabilities		3,931	7,438
Bank and other borrowings, due within one year		1,102	197,417
Deferred income		9,442	8,976
Notes payable		64,925	–
		176,536	328,657
NET CURRENT ASSETS		103,715	52,775
TOTAL ASSETS LESS CURRENT LIABILITIES		398,970	415,892

	2025	2024
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	6,900	2,788
Bank and other borrowings, due after one year	308,209	135,645
Deferred income	18,103	26,109
Notes payable	<u>–</u>	<u>58,642</u>
	<u>333,212</u>	<u>223,184</u>
NET ASSETS	<u>65,758</u>	<u>192,708</u>
CAPITAL AND RESERVES		
Share capital	272,376	270,886
Reserves	<u>(206,618)</u>	<u>(78,178)</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY AND TOTAL EQUITY	<u><u>65,758</u></u>	<u><u>192,708</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

Hong Wei (Asia) Holdings Company Limited (the “**Company**”) was incorporated with limited liability in Hong Kong on 28 May 2012. Its ultimate controlling party is Mr. Wong Cheung Lok (“**Mr. Wong**”), who owned 34.02% direct interest of the Company as at 31 December 2025. The address of the Company’s registered office and its principal place of business is Unit 603, 6/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong.

During the year, the Company’s principal activity is investment holding and its principal subsidiaries are principally engaged in manufacturing and selling of particleboards and forestry business in the People’s Republic of China (the “**PRC**”).

The functional currency of the Company is Renminbi (“**RMB**”), while these consolidated financial statements are presented in Hong Kong dollar (“**HKD**”). The management of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) considered presenting the consolidated financial statement in HKD is more beneficial for the users of the consolidated financial statements, as the shares of the Company have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the requirements of the Hong Kong Companies Ordinance (Cap. 622).

Going concern consideration

The Group incurred a loss attributable to owners of the Company of approximately HK\$138,422,000 for the year ended 31 December 2025, and, as at 31 December 2025, the Group had total current assets of approximately HK\$280,251,000, including bank balance and cash of approximately HK\$831,000. In contrast, the Group faced total current liabilities of approximately HK\$176,536,000, including current portion of bank and other borrowings and notes payable with an aggregate carrying amount of approximately HK\$66,027,000 due within twelve months from the end of the reporting period. In light of the relative low cash balances and significant short-term obligations within next twelve months together with uncertainties surrounding the Group’s ability to generate sufficient operating cash flows, these events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors of the Company have been undertaking a number of plans and measures to improve the Group's liquidity and financial position, including:

- (i) the directors of the Company have reviewed the Group's profit forecast and cash flows projection prepared by management, which covered a period of not less than twelve months from 31 December 2025. In the opinion of the directors of the Company, the Group will have sufficient working capital to meet its financial obligations as and when they fall due and carry on its business without a significant curtailment of operations not less than twelve months from 31 December 2025;
- (ii) the Company has obtained a letter of financial support from Ms. Liu Yan, the executive director of the Company, who has agreed to (a) provide adequate financial resources as is necessary to enable the Group both to meet its financial obligations as and when they fall due and to carry on its business for at least 12 months from 31 December 2025; and (b) not to demand for repayment of the amount due to director of approximately HK\$1,399,000, which is included in other payables as at 31 December 2025;
- (iii) the Group will continuously cooperate with the related parties and they agreed in writing to provide funding support and not to demand for repayment for the balances, included in other payables, owed to them of approximately HK\$13,406,000 as at 31 December 2025, until the Group has financial ability to do so;
- (iv) during the year ended 31 December 2025, the Group is in negotiation with the subscriber of the notes payable, in related to the outstanding principal and interest amount to approximately HK\$52,400,000 and HK\$12,525,000 respectively as at 31 December 2025. including a new repayment schedule and a haircut; and
- (v) the Group will consider fund raising activities to meet the financial obligations; and
- (vi) the Group shall implement cost-saving measures to maintain adequate cash flows for the Group's operations.

Based on these concrete actions, management has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Group continues to adopt the going concern basis in preparing these financial statements.

Should the Group be unable to operate as a going concern in the foreseeable future, adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in these consolidated financial statements.

3. APPLICATION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

(a) Application of new and revised HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1 Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(b) New and revised HKFRS Accounting Standards, in issue but not yet effective

The Group has not applied any new and revised HKFRS Accounting Standards that have been issued but are not yet effective for the financial year beginning 1 January 2025. These new and revised HKFRS Accounting Standards include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendment to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendment to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for HKFRS 18 – Presentation and Disclosure in Financial Statements which is detailed as follows:

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 – Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (“MPMs”) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group's statement of loss, the statements of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements. Preliminary assessments indicate the following key impacts:

- The Group will need to reclassify certain income and expense items (e.g., interest income on certain investments and foreign exchange gains/losses) into the new categories, namely investing and financing categories.
- The Group disclosed certain MPMs (e.g., adjusted operating profits and adjusted profit before interest, tax, depreciation and amortisation) in its results announcements and the annual report. Under HKFRS 18, this will likely require additional disclosure for the MPMs within the notes to the financial statements.
- The Consolidated Statement of Cash Flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

4. REVENUE

Revenue represents the amounts received and receivable for sales of particleboards, which are conducted in the PRC by the Group. An analysis of revenue is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
<i>Timing of revenue recognition – at a point in time:</i>		
Sales of particleboards	<u>101,686</u>	<u>314,378</u>
Revenue from contracts with customers	<u><u>101,686</u></u>	<u><u>314,378</u></u>

Sales of particleboards are recognised at point in time when particleboards are delivered to customers.

5. SEGMENT INFORMATION

The Group determines its operating segments based on the reports that are used to make strategic decisions reviewed by the executive directors, being the chief operating decision makers (“CODM”). The Group’s operating business are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group’s operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments.

During the years ended 31 December 2025 and 2024, the Group has two reportable operating segments. Details are as follows:

- (i) Particleboards segment, principally engaged in manufacturing and selling of particleboards in the PRC; and
- (ii) Forestry segment, principally engaged in timber logging, plantation and sales of timber woods and agricultural products in the PRC.

Segment results represent the profit earned or loss incurred by each operating segment without allocation of central administration expenses (unallocated corporate expenses), interest income and finance costs. This is the measure reported to CODM for the purpose of resource allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resource between segments:

- All assets are allocated to reportable segments other than deferred tax assets and unallocated corporate assets; and
- All liabilities are allocated to reportable segments other than bank and other borrowings, notes payable, other payables and accrued expenses, deferred tax liabilities, tax payable and unallocated corporate liabilities.

Operating segments

The following tables represent segment information of the Group provided to the Group's CODM.

For the year ended 31 December 2025

	Particleboards segment HK\$'000	Forestry segment HK\$'000	Total HK\$'000
<i>Segment revenue:</i>			
Reportable segment revenue	<u>101,686</u>	<u>–</u>	<u>101,686</u>
<i>Segment results:</i>			
Reportable segment results	(109,514)	3,880	(105,634)
Finance costs			(17,315)
Unallocated corporate staff costs			(571)
Unallocated corporate expenses			<u>(1,489)</u>
Consolidated loss before tax			<u>(125,009)</u>
<i>Other segment information:</i>			
Addition to segment non-current assets	1,572	–	1,572
Depreciation – allocated	43,423	168	43,591
Amortisation	8	–	8
Cost of goods sold recognised as expenses	(98,671)	–	(98,671)
Net loss arising from changes in fair values less costs to sell of biological assets	–	5	5
Loss on disposal of property, plant and equipment	118	–	118
Gain on disposal of biological assets	–	(5,394)	(5,394)
Gain on disposal of right-of-use assets – forestland	–	(189)	(189)
Impairment loss on trade receivables	27,541	–	27,541
Impairment loss on deposits and other receivables	515	–	515
Impairment loss on property, plant and equipment	28,362	–	28,362
Impairment loss on intangible assets	75	–	75
Allowance for inventories	10,777	–	10,777
Income tax expense	<u>13,413</u>	<u>–</u>	<u>13,413</u>

For the year ended 31 December 2024

	Particleboards segment <i>HK\$'000</i>	Forestry segment <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Segment revenue:</i>			
Reportable segment revenue	<u>314,378</u>	<u>–</u>	<u>314,378</u>
<i>Segment results:</i>			
Reportable segment results	(16,443)	(9,141)	(25,584)
Interest income			34
Finance costs			(23,957)
Unallocated corporate staff costs			(73)
Unallocated corporate expenses			<u>(3,203)</u>
Consolidated loss before tax			<u>(52,783)</u>
<i>Other segment information:</i>			
Depreciation – allocated	44,070	811	44,881
Amortisation	8	–	8
Net loss arising from changes in fair values less costs to sell of biological assets	–	223	223
Impairment loss on right-of-use assets – forestlands	–	2,077	2,077
Impairment loss on trade receivables	18,660	–	18,660
Reversal of impairment loss on deposits and other receivables	<u>(261)</u>	<u>–</u>	<u>(261)</u>

As at 31 December 2025

	Particleboards segment <i>HK\$'000</i>	Forestry segment <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Segment assets:</i>			
Reportable segment assets	542,287	33,076	575,363
Unallocated corporate assets			<u>143</u>
Consolidated total assets			<u><u>575,506</u></u>
<i>Segment liabilities:</i>			
Reportable segment liabilities	68,792	1,634	70,426
Deferred tax liabilities			6,900
Bank and other borrowings			309,311
Notes payable			64,925
Tax payable			110
Other payables and accrued expenses			39,744
Unallocated corporate liabilities			<u>18,332</u>
Consolidated total liabilities			<u><u>509,748</u></u>

As at 31 December 2024

	Particleboards segment <i>HK\$'000</i>	Forestry segment <i>HK\$'000</i>	Total <i>HK\$'000</i>
<i>Segment assets:</i>			
Reportable segment assets	705,081	30,152	735,233
Deferred tax assets			9,195
Unallocated corporate assets			<u>121</u>
Consolidated total assets			<u><u>744,549</u></u>
<i>Segment liabilities:</i>			
Reportable segment liabilities	136,614	3,026	139,640
Deferred tax liabilities			2,788
Bank and other borrowings			333,062
Notes payable			58,642
Tax payable			129
Other payables and accrued expenses			<u>17,580</u>
Consolidated total liabilities			<u><u>551,841</u></u>

6. INCOME TAX (EXPENSE)/CREDIT

Income tax recognised in profit or loss

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current tax	<u>—</u>	<u>—</u>
Deferred tax (expense)/credit:		
– origination and reversal of temporary difference	<u>(13,413)</u>	<u>6,506</u>
Income tax (expense)/credit	<u><u>(13,413)</u></u>	<u><u>6,506</u></u>

7. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Employee benefits expenses (including directors' emoluments)			
Salaries and other benefits		6,465	6,396
Contribution to retirement benefit schemes		780	786
		<hr/>	<hr/>
Total employee benefit expenses		7,245	7,182
		<hr/> <hr/>	<hr/> <hr/>
Depreciation of:			
– property, plant and equipment		43,058	43,664
– right-of-use assets		533	1,217
Amortisation:			
– intangible assets	(i)	8	8
Cost of goods sold recognised as expenses		98,671	280,444
Auditor's remuneration – audit services		850	850
Impairment loss on right-of-use assets – forestlands		–	2,077
Impairment loss on property, plant and equipment		28,362	–
Impairment loss on intangible assets		75	–
Impairment loss on trade receivables		27,541	18,660
Impairment loss/(reversal of impairment loss) on deposits and other receivables		515	(261)
Net loss arising from changes in fair values less costs to sell of biological assets		5	223
Loss on disposal of property, plant and equipment		118	–
Gain on disposal of biological assets		(5,394)	–
Gain on disposal of right-of-use assets – forestland		(189)	–
Allowance for inventories		10,777	–
Research and development expenses		–	12,612
Exchange gain, net		(10)	–
		<hr/> <hr/>	<hr/> <hr/>

Note:

- (i) The amount was included in administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

8. LOSS PER SHARE

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

Loss

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	<u>(138,422)</u>	<u>(46,277)</u>

Number of shares

	2025 <i>'000</i>	2024 <i>'000</i>
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share (<i>note</i>)	<u>57,489</u>	<u>52,656</u>

Note: No adjustment has been made to the amount of the basic loss per share for the years ended 31 December 2025 and 2024 in respect of diluted loss per share because there was no potentially dilutive ordinary share in issue during the years ended 31 December 2025 and 2024.

9. DIVIDENDS

No dividend was paid or proposed for the year ended 31 December 2025 (2024: nil), nor has any dividend been proposed since the end of the reporting period.

10. TRADE AND BILLS RECEIVABLES

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables	90,954	69,673
Less: loss allowances	(58,940)	(29,713)
	<u>32,014</u>	<u>39,960</u>
Bills receivables at fair value	3,937	24,931
	<u>35,951</u>	<u>64,891</u>

The following is an aged analysis of trade receivables, presented based on invoice date, at the end of the reporting period.

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within three months	29,683	29,393
Over three months but within six months	4,249	5,920
Over six months	57,022	34,360
	<u>90,954</u>	<u>69,673</u>
Total	<u>90,954</u>	<u>69,673</u>

11. TRADE PAYABLES

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	<u>38,950</u>	<u>32,059</u>

An aged analysis of the trade payables of the Group as at the end of the reporting period, based on the invoice date, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 3 months	12,781	21,627
Over 3 months but within 6 months	4,056	2,742
Over 6 months	<u>22,113</u>	<u>7,690</u>
	<u>38,950</u>	<u>32,059</u>

MANAGEMENT DISCUSSIONS AND ANALYSIS

BUSINESS REVIEW

During the year ended 31 December 2025 (the “**Current Period**”), the Group continued to be engaged in the manufacturing and selling of particleboards (the “**Particleboards Segment**”) and the plantation, timber logging and sales of bamboo, wood and agricultural products in the PRC (the “**Forestry Segment**”).

Particleboards Segment

During the Current Period, our products were principally used by our customers in the manufacture of furniture and fixtures, sport equipment, decoration and construction materials. Meanwhile, the Chinese economy continued to face uncertainties under the pressure of the ongoing Sino-United States conflicts and the volatility of worldwide capital markets. The negative impacts on the export market have indirectly affected the domestic consumer demand for particleboards. And for the domestic demand for consumer products such as household furniture and fixtures, sport equipment as well as construction materials had remained at a low level and they are looking for lower-cost substitute.

In 2025, the Group’s Quan Zhu particleboard production line underwent comprehensive trial operations and an initial ramp-up phase. Through this period of testing and calibration, we have actively optimized our production parameters. Due to the high technical barriers involved in producing bamboo particleboards and the current scarcity of supply in the market, this product line remains a strategic focus positioned to contribute higher profit margins. Building on the operational experience gained during this year’s trial phase, we are fully committed to refining our processes to achieve better economies of scale and enhanced operational efficiency in 2026. We anticipate a significant improvement in both the production volume and yield of these premium boards in the coming year.

In this challenging environment, we are determined to optimize our supply chain operations to mitigate business risks. We aim to strengthen our overall sustainability and market competitiveness by implementing stringent cost-control measures and improving operational efficiencies.

While the initial outbreak of the pandemic is behind us, the lingering economic repercussions continue to create uncertainties in the global and domestic markets. The operational environment for enterprises remains dynamic and challenging. This extended economic pressure has further tightened consumer spending, leading to reduced demand for furniture and construction materials. Consequently, these adverse macroeconomic conditions significantly impacted the Group's revenue in 2025.

Forestry Segment

During the Current Period, the Group had not received any update on the measures regarding the grant by the relevant government department of timber wood harvesting quotas which have been materially curtailed as part of the PRC government's policy to strengthen environmental protection since the end of 2018. The Group highly recognises global climate change's risks and opportunities, and actively supports the PRC government's efforts to achieve the goal of carbon neutrality before 2060. To support the PRC government's environmental protection supervision as the main line, the Group will improve the environmental management system and control with our forestry asset and is going to contribute to the realisation of "carbon neutrality". Nevertheless, the Group will continue to further explore and assess other possible alternatives to utilize its forestry resources in order to benefit the Group as a whole.

FINANCIAL REVIEW

Revenue

During the year ended 31 December 2025, the Group's revenue for Particleboards Segment decreased to approximately HK\$101.69 million from approximately HK\$314.38 million, representing a decrease of approximately 68% as compared to the year ended 31 December 2024. The decrease was mainly due to the production and sales of products have decreased.

During the years ended 31 December 2025 and 2024, no income generating activity took place for the Forestry Segment and hence no revenue was recognised for such segment.

Cost of Sales

During the year ended 31 December 2025, the Group's costs of sales decreased to approximately HK\$98.67 million from approximately HK\$280.44 million, representing a decrease of approximately 65% as compared to the year ended 31 December 2024. The decrease was mainly due to the decrease in sales.

Gross profit and margin

During the year ended 31 December 2025, the Group's gross profit decreased to approximately HK\$3.02 million from approximately HK\$33.93 million, representing a decrease of approximately 91% as compared to the year ended 31 December 2024. The Group's gross profit margin decreased to approximately 3% for the year ended 31 December 2025 from approximately 11% for the year ended 31 December 2024. The decrease in gross profit was mainly attributable to generally in line with the decrease in revenue during the year.

Other income and other gains and losses

During the year ended 31 December 2025, the Group's other income and other gains and losses decreased to approximately HK\$11.92 million from approximately HK\$23.16 million, representing a decrease of approximately 49% as compared to the year ended 31 December 2024. The decrease was mainly attributable to a significant reduction in VAT refund to approximately HK\$7.00 million during the year (2024: approximately HK\$12.80 million), the recognition of an allowance for inventories of approximately HK\$10.78 million during the year (2024: Nil), and was partially offset by the gain on disposal of biological assets of approximately HK\$5.39 million.

Impairment loss on property, plant and equipment

During the year ended 31 December 2025, the Group recognised an impairment loss on property, plant and equipment of approximately HK\$28.36 million (2024: Nil).

The impairment was primarily attributable to a significant decline in the recoverable amount of certain property, plant and equipment, as determined by an independent valuer based on market conditions and the assets' value-in-use.

Impairment loss on right-of-use assets – forestlands

As at 31 December 2025, no impairment loss on right-of-use assets was recognised (2024: impairment loss of approximately HK\$2.08 million). The decrease was primarily due to stabilisation in the market conditions for comparable forestlands during the year.

Impairment loss on intangible assets

During the year ended 31 December 2025, the Group recognised an impairment loss on intangible assets of approximately HK\$0.08 million (2024: Nil).

The impairment was primarily attributable to a significant decline in the recoverable amount of certain intangible assets, as determined by an independent valuer based on market conditions and the assets' value-in-use.

Impairment loss on trade receivables

During the year ended 31 December 2025, the Group recognised an impairment loss on trade receivables of approximately HK\$27.54 million (2024: approximately HK\$18.66 million). The increase was primarily attributable to a deterioration in the credit risk profile of certain customers and the prolonged ageing of outstanding receivables.

Impairment loss on deposits and other receivables

During the year ended 31 December 2025, the Group recognised an impairment loss on deposits and other receivables of approximately HK\$0.52 million (2024: reversal of impairment loss of approximately HK\$0.26 million).

The impairment was primarily attributable to heightened credit risk and reduced recoverability of certain deposits and receivables.

Valuation changes of biological assets

During the year ended 31 December 2025, the net loss arising from changes in fair value less costs to sell of biological assets amounted to approximately HK\$0.01 million (2024: approximately HK\$0.22 million) has been recognised. The Valuers adopted the market comparison approach with reference to market determined prices, cultivation areas and species, which has taken into consideration (i) the market determined prices of the similar timbers available in the market and (ii) the costs to sell such timbers as of the date of valuation. Because of the favourable effect on the above factors, the fair value less costs to sell of the biological assets has decreased significantly.

Selling and distribution expenses

During the year ended 31 December 2025, the Group's selling and distribution expenses decreased to approximately HK\$19.61 million from approximately HK\$21.55 million during the year ended 31 December 2024, representing a decrease of approximately 9%, which was mainly attributable to the decrease in transportation and packaging costs incurred during the year.

Administration expenses

During the year ended 31 December 2025, the Group's administration expenses increased to approximately HK\$46.53 million from approximately HK\$43.67 million, representing an increase of approximately 7% as compared to the year ended 31 December 2024. There were no significant changes in administrative expenses during the year.

Finance costs

During the year ended 31 December 2025, the Group's finance costs decreased to approximately HK\$17.32 million from approximately HK\$23.96 million, representing a decrease of approximately 28% as compared to the year ended 31 December 2024. The decrease was mainly due to decrease in bank and other borrowings.

Loss for the year attributable to owners of the Company

During the year ended 31 December 2025, the Group's loss attributable to owners of the Company increased to approximately HK\$138.42 million from approximately HK\$46.28 million, representing an increase of approximately 199% as compared to the year ended 31 December 2024. Such increase was mainly due to a decrease in revenue and gross profit from sale of particleboards, an increase in provision for impairment of trade receivables, and impairment losses recognised on certain items of property, plant and equipment.

Total comprehensive loss attributable to owners of the Company

During the year ended 31 December 2025, the Group's total comprehensive loss attributable to owners of the Company increased to approximately HK\$128.44 million from approximately HK\$58.70 million, representing an increase of approximately 119% as compared to the year ended 31 December 2024. Total comprehensive loss mainly comprises loss for the year.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

Potential fluctuation in the prices of raw materials

The Directors consider that residual wood is one of the major raw materials for particleboard production which accounted for approximately 41.6% of the total procurement for the year ended 31 December 2025 (2024: 41.6%).

Our average purchase cost of residual wood was approximately RMB446.07 per tonne for the year ended 31 December 2025 and approximately RMB446.07 per tonne for the year ended 31 December 2024. Fluctuation in price and supply of residual wood will affect the prices and supplies of particleboards. It is believed that residual wood prices may further increase in the next few years. Since residual wood is a plant product, its supplies are vulnerable to many factors beyond our control, including weather, infestations and other forces of nature that may result in shortage in supplies and an increase in price. An increase in demand may also result in an increase in the price of residual wood.

Collection risks associated with credit sales

Our trading terms with some of our customers are primarily on credit. The credit terms are generally up to 90 days. We are exposed to possible credit risks as a result of the competitive conditions under which we operate and the continuing changes in the global economic and financial environment, which may limit our customers' access to credit in the future. We will monitor our trade receivables closely to minimise the credit risks.

Competitive market

We face competition from existing and new players in the particleboard industry in the PRC. To compete effectively and maintain our sales level, we may be forced to, among other actions, reduce prices, provide more sales incentives to customers and increase capital expenditures, which may in turn negatively affect our profit margins.

Our Directors are of the view that particleboard customers have been careful in selecting their particleboard suppliers and are likely to partner with accepted and reliable suppliers and prefer to work with such suppliers on a long term basis. Our Directors believe that our success depends on our ability to compete effectively against our competitors in terms of product quality, stable supplies, research and development capability, customer service, pricing, timely delivery, scale and capacity, efficiency and technical know-how. The Group will strive to maintain its competitiveness by providing products with reliable quality at a competitive price.

Operating risks related to the biological assets

The Group is exposed to the following operating risks related to its biological assets:

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in the PRC in which it operates. The Group has established environmental policies and procedures aimed at complying with local environmental and other laws. Management will perform regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. Such risks may also arise from material curtailment or suspension of timber wood harvesting quotas (which are typically granted on an annual basis) to be granted by relevant government department to privately owned enterprises as part of the PRC government strengthening in the drive of environmental protection. The Group is assessing the feasibility of different business strategy that seeks to better utilise its forestry assets.

(ii) Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume of logs. The Group's forestlands are maintained for the purpose of providing a stable source of raw materials to the Group to produce particleboards for sale. Where possible, the Group will align harvest volume to its production schedule so as to ensure continuous production of particleboards.

(iii) Climate and other natural risks

The Group's biological assets are exposed to the risk of damage from climate changes, diseases, forest fires and other natural forces. The Group has adopted different measures aimed at monitoring and mitigating those risks, including regular forest inspections by setting up forest patrol team.

KEY PERFORMANCE INDICATORS

The Directors consider that financial key performance indicators include revenue, gross profit and margin and (loss)/profit attributable to owners of the Company as set out under the sub-section headed “Financial Review” above as these are commonly used as indicators of the financial performance of a company.

Non-financial key performance indicator includes the total volume of particleboards produced per annum which is an indicator of our production capacity.

TOTAL VOLUME OF PARTICLEBOARDS PRODUCED PER ANNUM

The Group produced an aggregate of approximately 245,500 cubic meters particleboards in 2025, comparing to approximately 245,500 cubic meters in 2024. The Group is seeking to improve the utilisation rate of its production capacity by exploring new customers and providing more variety of specifications of particleboards in different sizes and thickness to meet the needs of different market segments.

Data used as the financial and non-financial key performance indicators for the two financial years ended 31 December 2025 and 2024 are sourced from the Group’s internal records and consistent methods of calculation are applied.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

In view of the existing contractual obligation and constraints the Company made with its major creditor (particularly the Notes Subscriber) and other financial institutions, Mr. Wong’s associate have entered into unsecured loan agreements with the Company in order to allow the Company to access timely financial resources to fulfill its general working capital purposes.

As at 31 December 2025 and 2024, the Group had net current assets of approximately HK\$103.72 million and HK\$52.78 million respectively. As at 31 December 2025, all bank borrowings are dominated in RMB. The current ratio of the Group, being its current assets over its current liabilities, stood at 1.6x as at 31 December 2025 (2024: 1.2x). No material change in current ratio between years.

GEARING RATIO

As at 31 December 2025, the gearing ratio stood at 5.6x (2024: 2.0x) calculated by total borrowings (including lease liabilities, bank and other borrowings and notes payable) over shareholders' equity. Advancement of long-term other borrowings to replace short-term bank borrowings to meet the working capital needs results in decrease in gearing ratio as at 31 December 2025.

FOREIGN EXCHANGE EXPOSURE

As at 31 December 2025 and 2024, functional currency of the Company and its major operating subsidiary is RMB while the presentation currency of the Company is HKD. The Group's bank balances were mainly denominated in RMB and HKD. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rate. As at 31 December 2024, notes payable were denominated in HKD.

Other than as described above, the Group has no significant exposure to foreign currency risk as it carries out its sales and purchases mainly in RMB.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients. In order to manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

No other acquisition and disposal of subsidiaries and associated companies were noted during the year ended 31 December 2025.

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed “USE OF PROCEEDS FROM SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE” in Management Discussion and Analysis, the Group had no definite future plans for material investments and capital assets as at 31 December 2025. The Group has no plan for material investments or capital assets except that the Group will acquire machineries and continue the construction work.

COMMITMENTS AND CONTINGENT LIABILITIES

The Group did not have any significant capital commitment nor contingent liabilities as at 31 December 2025.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group employed a total of 168 employees (2024: 219). The remuneration payable to our employees included fees, salaries, retirement benefits scheme contributions and other benefits. For the years ended 31 December 2025 and 2024, the remuneration was approximately HK\$7.24 million and HK\$7.18 million, respectively. The Group determines the employee’s remuneration based on factors such as qualifications, duty, contributions and years of experience. The key principles of the remuneration policy are to remunerate employees in a manner that is market competitive, consistent with best practice and supports the interests of the Shareholders. The Group aims to align the interests of the senior executives through performance and long-term incentive plans in addition to their fixed remuneration.

DIVIDEND

Dividend Policy

Dividends may be paid out by ways of cash or by other means we consider appropriate. Payment of any dividends will be made at the discretion of our Board and will be based upon our earnings, cash flow, financial condition, capital requirements, statutory fund reserve requirements and any other conditions that our Directors consider relevant. The declaration, payment and amount of any future dividends will be subject to our constitutional document comprising the Articles of Association, where necessary, the approval of our Shareholders.

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

FUTURE PLANS AND PROSPECT

The prospect of the macroeconomic conditions in 2024 remain grim and complicated. Due to the COVID-19 outbreak, major developed economies are expected to report weak economic growth. In China, the economy is still in its downward cycle, with an insufficient economic growth momentum, weak financing environment, and unfavorable corporate investment sentiment. Further, the ongoing trade war between China and the United States remains uncertain as to whether additional tariffs would be imposed on furniture products exported from the Mainland China to the United States. The Group's particleboard business will be adversely affected if tariffs were imposed. The Group will closely monitor changes in the domestic policies and continue its efforts in taking proactive production cost saving initiatives, strengthening the controls of the inventory level, negotiating with customers regarding product pricing and considering the feasibility of developing more variety of specifications of particleboards in sizes and thickness to meet the need in different market segments.

We find that the domestic market demand is shifting from quality oriented to cost oriented, we are looking for opportunity to improve and modify our production line to meet this market shift.

Since the grant of timber wood harvesting quotas have been materially curtailed in 2018 as part of the PRC government's policy to strengthen environmental protection, and such enhanced control is expected to last for a period which is unknown to the Group at the moment, the Group has commenced the feasibility study on new business strategy that seeks to better utilise its forestry resources. In this regard, the Company has noted that the PRC government is supportive of the development and promotion of a more diverse and ecologically friendly forestry economy, such as undergrowth planting, aquaculture, collection and forest tourism. The aim is to achieve ecological protection and economic development in a manner consistent with the State's strategy of developing a green economy, a low-carbon economy and a circular economy. The Group highly recognises global climate change's risks and opportunities, and actively supports the PRC government's efforts to achieve the goal of carbon neutrality before 2060. To support the PRC government's environmental protection supervision as the main line, the Group will improve the environmental management system and control with our forestry asset and is going to contribute to the realisation of "carbon neutrality". The Group will closely keep track of changes in the relevant policies and regulations that implement such governmental approach and will be taking proactive initiatives to maximize the value of its forestry assets.

USE OF PROCEEDS FROM SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

(I) Subscription of new shares under general mandate on 24 June 2025

On 24 June 2025 (after trading hours), the Company and Mr. Chu Hin Ming Alfonso (the “Subscriber”) entered into the subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for a total of 10,531,000 shares (in two equal tranches of 5,265,500 new shares), at the subscription price of HK\$0.151 per subscription share. The subscription was completed on 11 and 24 July 2025 respectively, pursuant to which 10,531,000 new shares were duly allotted and issued to the Subscriber.

The gross proceeds and net proceeds from the issue of the shares are estimated to be HK\$1,590,181 and HK\$1.5 million respectively. The Company intended to use such net proceeds for general working capital of the Group.

A summary of the utilisation of the net proceeds and the timeline for the full utilisation of the unutilised net proceeds is set out in the table below:

Use of Proceeds	Allocation of Net Proceed (approximately) <i>HK\$</i>	Approximate percentage of total net proceeds <i>%</i>	Amount Utilized as at 31 December 2025 <i>HK\$</i>	Remaining balance of net proceeds as at 31 December 2025 <i>HK\$</i>	Timeline for full utilisation of the unutilised net proceeds <i>HK\$</i>
General working capital	1,500,000	100%	1,500,000	–	Fully utilized by 31 December 2025
Total	<u>1,500,000</u>	<u>100%</u>	<u>1,500,000</u>	<u>–</u>	

(II) Subscription of new shares under general mandate on 29 December 2025 and 30 December 2025

On 29 and 30 December 2025 (after trading hours), the Company and Mr. Chen Gang (the “Subscriber A”), Ms. Zuo Lijun (the “Subscriber B”), Mr. Xiao Yongjie (the “Subscriber C”) and Ms. Huang Jiamin (the “Subscriber D”) (collectively the “Subscribers”) entered into the subscription agreements and supplemental subscription agreements respectively, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscribers has conditionally agreed to subscribe for a total of 10,531,237 shares, at the subscription price of HK\$0.128 per subscription share. The subscription was completed on 15 January 2026, pursuant to which 2,083,333 shares for each of the Subscriber A, the Subscriber B and the Subscriber C and 4,281,238 shares for the Subscriber D were allotted and issued by the Company.

The gross proceeds and net proceeds from the issue of the shares are estimated to be HK\$1,348,000 and HK\$1,248,000 respectively. The Company intended to use the net proceeds (i) for general working capital of the Group and (ii) for repayment of borrowings.

A summary of the utilisation of the net proceeds and the timeline for the full utilisation of the unutilised net proceeds is set out in the table below:

Use of Proceeds	Allocation of Net Proceed (approximately) <i>HK\$</i>	Approximate percentage of total net proceeds <i>%</i>	Amount Utilized as at 31 December 2025 <i>HK\$</i>	Remaining balance of net proceeds as at 31 December 2025 <i>HK\$</i>	Timeline for full utilisation of the unutilised net proceeds <i>HK\$</i>
General working capital	124,800	10%	124,800	–	Fully utilized by 31 December 2025
Repayment of borrowings	1,123,200	90%	1,123,200	–	Fully utilized by 31 December 2025
Total	<u>1,248,000</u>	<u>100%</u>	<u>1,248,000</u>	<u>–</u>	

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, neither the Company nor its subsidiaries have purchased, sold or redeemed any listed securities of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions and dealing (the “**Code of Conduct**”) by Directors on terms no less exacting than the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Model Code**”). The Company has made specific enquiry of all Directors as to whether they have complied with the required standard set out in the Model Code and the Code of Conduct during the year ended 31 December 2025. All the Directors have confirmed that they have complied with the required standards set out in the Model Code and the Code of Conduct throughout the year ended 31 December 2025.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to establishing good corporate governance practices and procedures. The maintenance of high standard of business ethics and corporate governance practices has always been one of the Group’s goals. Since the listing on GEM of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) in 2014 (the “**Listing**”), the Group strives to attain and uphold rigorous standards of corporate governance.

Since the Listing, the Board has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the GEM Listing Rules. Continuous efforts have been made to review and enhance the Group’s internal controls and procedures in light of changes in regulations and developments in best practices. For the Group, maintaining high standards of corporate governance practices is not just complying with the provisions of the CG Code but also the intent of the regulations to enhance corporate performance and accountability.

During the year ended 31 December 2025, the Group was in compliance with the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules (the “**CG Code**”), except the deviations disclosed below:

In accordance with the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Board is of the view that although the role of the chairman and the chief executive officer of the Company were held by Mr. Wong Cheung Lok for the year ended 31 December 2025, this structure would not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the operations of the Board, which comprises experienced and high caliber individuals and meets regularly to discuss issues affecting operations of the Company. The Board believes that this structure is conducive to strong and consistent leadership, enabling the Group to make and implement decisions promptly and efficiently. The Board has full confidence in Mr. Wong Cheung Lok and believes that his role as the chairman and chief executive officer is beneficial to the business prospects of the Company.

Upon the retirement of Mr. Wong Cheung Lok on 28 January 2026, there would be a vacancy in the position of the chairman of the Board and the chief executive officer of the Company.

AUDIT COMMITTEE

The annual results of the Group for the year ended 31 December 2025 have been reviewed by the Audit Committee in a meeting held on 31 March 2026.

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT PREPARED BY THE AUDITOR OF THE COMPANY

The Company would like to provide an extract from the independent auditor's report prepared by McMillan Woods (Hong Kong) CPA Limited on the Group's consolidated financial statements for the year ended 31 December 2025 as set out below:

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements, which indicates that the Group incurred a loss attributable to owners of the Company of approximately HK\$138,422,000 for the year ended 31 December 2025, and, as at 31 December 2025, the Group had total current assets of approximately HK\$280,251,000, including bank balance and cash of approximately HK\$831,000. In contrast, the Group faced total current liabilities of approximately HK\$176,536,000, including current portion of bank and other borrowings and notes payable with an aggregate carrying amount of approximately HK\$66,027,000 due within twelve months from the end of the reporting period. In light of the relative low cash balances and significant short-term obligations within next twelve months together with uncertainties surrounding the Group's ability to generate sufficient operating cash flows, these events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, McMillan Woods (Hong Kong) CPA Limited ("**McMillan Woods**"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by McMillan Woods 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 Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by McMillan Woods on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.hongweiasia.com and the Stock Exchange's website at www.hkexnews.hk. The 2025 annual report will be despatched to shareholders and will also be published on the websites of both the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business associates and other professional parties for their support throughout the year.

By order of the Board
Hong Wei (Asia) Holdings Company Limited
Liu Yan
Executive Director

Hong Kong, 31 March 2026

As at the date of this announcement, the executive Directors are Mr. Wong Kin Ching and Ms. Liu Yan, the non-executive Director is Mr. Chen Gang, and the independent non-executive Directors are Mr. Cheung Wai Yin Wilson, Mr. Guo Ensheng and Ms. Zhao Jianhong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited 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

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk on the "Latest Company Announcements" page for at least 7 days from the date of its publication and on the website of the Company at www.hongweiasia.com.