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PAX GLOBAL TECHNOLOGY LIMITED

百富環球科技有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 327)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record a decrease of approximately 30% to 40% in net profit for the Reporting Period as compared to a net profit of approximately HK$1,165 million for the financial year ended 31 December 2023.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

This announcement is made by PAX Global Technology Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**").

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record a decrease of approximately 30% to 40% in net profit for the financial year ending 31 December 2024 (the "**Reporting Period**") as compared to a net profit of approximately HK$1,165 million for the financial year ended 31 December 2023.

* *For identification purpose only*

The Board considers that the expected decrease in net profit for the Reporting Period is mainly attributable to the following factors:

(i) decreased revenue in the Latin America and the Commonwealth of Independent States (LACIS) region and the United States of America and Canada (USCA) region during the Reporting Period, stemming from the global economic uncertainty, as observed in the first half of the Reporting Period and persisting throughout year 2024, which has continued to negatively impact the market demand;

(ii) incurrence of a one-off share-based payment expenses of approximately HK$32 million in relation to the share options of the Company, for which the exercise period was extended on 21 August 2024; and

(iii) absence in the Reporting Period of a one-off additional research and development tax incentive of approximately HK$73 million recognised in year 2023.

Information contained in this announcement is based on the preliminary review by the Board of the unaudited consolidated management accounts of the Group which has not been reviewed nor audited by the auditor of the Company and the information currently available to the Board which has not been discussed with the auditor of the Company. Further details and the financial results of the Group for the Reporting Period will be disclosed when the Group publishes its annual results which is expected to be released in March 2025.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
PAX Global Technology Limited
Cheung Shi Yeung
Executive Director and Company Secretary

Hong Kong, 31 December 2024

As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Nie Guoming, Mr. Lu Jie, Mr. Li Wenjin and Mr. Cheung Shi Yeung and four Independent Non-Executive Directors, namely Mr. Yip Wai Ming, Dr. Wu Min, Mr. Man Kwok Kuen, Charles and Mr. Fok Wai Shun, Wilson.