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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)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

	Year ended 31 December		
	2025	2024	+ / (-)
FINANCIAL HIGHLIGHTS			
RESULTS (in HK\$'000)			
Revenue	5,872,540	6,044,878	-2.9%
Gross profit	2,560,023	2,853,389	-10.3%
Operating profit	915,794	856,163	+7.0%
Profit before income tax	909,931	861,245	+5.7%
Profit for the year	756,218	720,922	+4.9%
Profit attributable to the owners of the Company	753,587	713,427	+5.6%
PER SHARE (in HK\$)			
Earnings per share			
– Basic	0.711	0.669	+6.3%
– Diluted	0.700	0.658	+6.4%
Proposed final dividend per ordinary share	–	0.25	N/A
	As at 31 December		
	2025	2024	+ / (-)
KEY BALANCE SHEET ITEMS (in HK\$'000)			
Total current assets	8,531,649	7,646,119	+11.6%
Total assets	9,979,194	9,169,505	+8.8%
Net current assets	6,637,050	6,130,960	+8.3%
Total equity	7,972,420	7,564,587	+5.4%

* For identification purpose only

The board of directors (the “Board”) of PAX Global Technology Limited (the “Company” or “PAX”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2025, with comparative figures for the year ended 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview and Industry Trends

Strengthening PAX market leadership in a growing cashless world

As the global shift toward cashless payments continues, ongoing merchant digital transformation and the expanding adoption of Android smart payment terminals across retail, hospitality and other segments underpin medium to long-term demand for modern payment infrastructure.

Leveraging its broad payment terminal portfolio and global sales and partner network, PAX continues to prioritise key markets, including the United States, Europe and Japan. Long-standing relationships with acquiring banks, Payment Service Providers (“PSPs”) and channel partners have further strengthened the Group’s position within the payment ecosystem.

Despite ongoing macroeconomic uncertainty in 2025, PAX maintained stable operations. Revenue amounted to HK\$5,872.5 million. Profit for the year amounted to HK\$756.2 million, with a net profit margin of 12.9%, demonstrating the Group’s ability to sustain profitability and operational resilience across economic cycles. Net cash generated from operating activities reached HK\$1,304.5 million, highlighting the Group’s strong cash flow generation.

Scaling Android payment terminal portfolio for high-growth use cases

As payment infrastructure continues to modernise globally, Android payment terminals are increasingly serving as digital interfaces for payment acceptance and operational management. With Android devices at the core of its offering, the Group expands its product portfolio across handheld, countertop and unattended solutions, enabling rapid deployment across a broad range of industry use cases. During the year, PAX further expanded its product lineup with the launch of models including the A950, A6630 and A77. The A77 is certified to the latest Payment Card Industry PIN Transaction Security Point of Interaction (PCI PTS POI) v7.0 standard. The Group also launched an enhanced A920Pro featuring an additional customer-facing display. This positions the Group to capture potential replacement demand for first-generation A920Pro units.

PAX Android payment terminal portfolio continues to gain adoption among leading banks and PSPs across multiple regions. Deployments span high-frequency transaction environments such as retail and hospitality, as well as high-traffic, operationally demanding settings including major sports venues, international events and transportation hubs such as airports and railway systems. These use cases impose elevated requirements for system stability, processing reliability and operational continuity. In 2025, Android products accounted for over 70% of Group revenue, marking a key milestone in the PAX strategic evolution toward an Android-centric portfolio.

The Group continues to strengthen its Android terminal portfolio through ongoing security certifications and functional upgrades. The A920Pro, widely recognised as one of the industry's most iconic smart payment terminal designs, has achieved compliance with the latest industry standards, including PCI PTS POI v7.0 and EMVCo Contactless Kernel C-8. These certifications highlight strong security capabilities while helping acquiring banks and PSPs reduce integration complexity and facilitate smoother adoption of future regulatory requirements and industry standard migrations.

Building a scalable SaaS platform to empower the payment ecosystem

Building on its extensive global deployment of Android payment terminals, PAX continues to advance MAXSTORE as the core of its SaaS offering. MAXSTORE provides an integrated suite of services including centralised terminal management, application distribution, Remote Key Injection (RKI), remote technical support and operational analytics. The platform enables acquiring banks, PSPs and channel partners to improve operational efficiency and reduce complexity in large-scale, multi-regional terminal deployments. MAXSTORE has achieved Payment Card Industry Data Security Standard (PCI DSS) certification, meeting stringent international data security requirements, and supporting the scalable, sustainable expansion of the Group's platform services.

As at 31 December 2025, MAXSTORE was connected to over 16 million payment terminals worldwide, with connected device base and service capabilities continuing to expand. In parallel, the Group is integrating artificial intelligence (AI) into the platform to enhance terminal monitoring, support workflow optimisation and operational data analytics, further improving overall platform service efficiency.

Global Regional Analysis

EMEA

EMEA remained the Group's largest revenue contributor in 2025, with sales exceeding HK\$2,148.7 million.

Performance across Europe remained resilient, with steady demand across core markets. The United Kingdom, Germany and Eastern Europe delivered solid sales despite market-specific fluctuations. As adoption of portable A-series payment models matured across Europe, the Group strengthened collaboration with local banks, PSPs and system integrators, driving deployments of the A920Pro and A35 across major markets. During the year, the UK also led early commercial adoption of the A6650 in retail and hospitality sectors.

In the Middle East and Africa, government-led digitalisation initiatives continued to support demand for electronic payment acceptance solutions. PAX further expanded its market presence across Africa. Egypt and South Africa emerging as strategic growth markets where Android-based payment terminal deployments increased meaningfully and delivered strong sales performance.

LACIS

In Latin America, macroeconomic volatility and intensified competition led some customers to adopt a more cautious approach to terminal deployment, resulting in slower project execution and pressure on regional performance. LACIS revenue amounted to HK\$1,506.3 million in 2025.

From a medium- to long-term perspective, the region continues to demonstrate structural growth potential, supported by ongoing digital payment adoption and increasing payment terminal penetration among small and medium-sized merchants. The Group will further strengthen its regional footprint with Android payment terminal portfolio, expanding channel reach and strategically allocating resources to high-potential markets.

APAC

In 2025, continued fintech investment and accelerated payment infrastructure upgrades across Asia Pacific enhanced regional deployment efficiency and execution capabilities, sustaining market momentum. PAX further deepened its APAC footprint, progressing steadily across markets. During the year, APAC revenue amounted to HK\$1,112.5 million. Japan remained the region's primary revenue contributor, with softer demand in parts of Southeast Asia due to macroeconomic headwinds and extended sales cycles.

In Japan, PAX strengthened its market presence through diversified Android product portfolio, achieving meaningful gains in market penetration. Supported by ongoing cashless payment policy initiatives and the expansion of vertical use cases, banks and PSPs accelerated deployment of the A920MAX, driving nearly a doubling of sales year-on-year in Japan. Deployments also expanded beyond retail and hospitality into transportation-related use cases, including taxis, railways and airports.

In Australia, the Group advanced product certification and enhanced local service capabilities, strengthening its position within the local payment ecosystem and creating additional momentum for long-term growth in the APAC region.

USCA

In 2025, North America continued to serve as a key growth engine for the Group, delivering 24.3% sales growth and reaching a record annual revenue of HK\$1,105.0 million. As contactless payments gained further adoption, the Group deepened collaboration with banks, PSPs and independent software vendors (ISVs), supporting payment infrastructure across a broad customer base, ranging from large national retailers to small and mid-sized merchants.

Deployment of the Group's Android A-series payment devices expanded further across the region, reinforcing PAX position within the North American payments ecosystem. Flagship models including the A920Pro, A35 and A800 delivered strong shipments, with deployments across high-volume environments such as retail, quick-service restaurant chains and major sports venues. Rising demand for integrated payment and operational solutions also drove steady order growth for PAX Android-based EPOS Workstation products.

During the year, PAX advanced next-generation payment technologies in North America through a strategic partnership with a biometric payment platform provider. The collaboration integrates biometric authentication features into PAX Android payment terminals, enhancing transaction security and improving user convenience in the market.

Management Strategy

As the global shift toward cashless payments continues, the payment landscape is evolving rapidly. Acquiring banks and PSPs are increasingly prioritising solutions that support large-scale deployment, regulatory compliance, and reliable long-term operations. With an established global footprint and long-standing partnerships across major markets, PAX is well positioned to support these evolving market needs. PAX will continue to focus on disciplined cost management, product portfolio optimisation and the development of value-added services, reinforcing operational resilience and sustaining long-term competitiveness.

Enhancing supply chain resilience amid component cost volatility

In the second half of 2025, shifts in global semiconductor supply and demand created upward pricing pressure on certain components, particularly memory chips, resulting in industry-wide cost headwinds. Market consensus expects this trend to continue into 2026. In response, the Group has implemented proactive measures, including product mix optimisation, selective pricing adjustments, and flexible sourcing strategies. While maintaining product quality and delivery stability, the Group will continue to closely monitor component pricing trends and supply chain dynamics, enabling timely adjustments to preserve operating efficiency.

Refining the Android product portfolio for scalable deployment

Driven by a long-standing commitment to innovation and quality, the Group continues to refine its Android product portfolio to meet the needs of acquiring banks, PSPs and channel partners across diverse application scenarios. PAX will prioritise Android models with clear demand visibility, proven commercial use cases, and long-term growth potential. By sharpening product focus, PAX is improving development efficiency, accelerating time-to-market and strengthening its ability to support diverse, large-scale deployment scenarios.

Strengthening the SaaS ecosystem to enhance value-added service capabilities

As Android payment terminal networks expand in scale and geographic reach, cloud-based value-added solutions have become essential for effective terminal operation and lifecycle management. Leveraging its extensive global base of connected Android terminals, PAX cloud-based MAXSTORE platform provides terminal management, application distribution and operational support, enabling banks and PSPs to manage large-scale, multi-regional terminal estates more efficiently while enhancing operational visibility and service quality. To further enhance MAXSTORE service capabilities, artificial intelligence will be progressively integrated into selected operational workflows, including terminal monitoring, support process management and operational analytics.

Looking ahead, PAX will continue its strategic initiatives to strengthen competitive position, and capture the long-term opportunities in the evolving payments ecosystem.

FINANCIAL REVIEW

The key financial figures are extracted as follows:

	Year ended 31 December		
	2025	2024	
	<i>HK\$'000</i>	<i>HK\$'000</i>	+ / (-)
Revenue	5,872,540	6,044,878	-2.9%
Gross profit	2,560,023	2,853,389	-10.3%
Other income	58,227	85,372	-31.8%
Selling expenses	(634,862)	(772,428)	-17.8%
Administrative expenses	(1,093,667)	(1,317,994)	-17.0%
Net (impairment losses)/reversal of impairment losses on financial assets	(6,836)	6,963	N/A
Profit before income tax	909,931	861,245	+5.7%
Income tax expense	(153,713)	(140,323)	+9.5%
Profit for the year	756,218	720,922	+4.9%
Profit attributable to the owners of the Company	753,587	713,427	+5.6%
Research and development costs (included in administrative expenses)	(614,677)	(683,513)	-10.1%
	As at 31 December		
	2025	2024	
	<i>HK\$'000</i>	<i>HK\$'000</i>	+ / (-)
Total current assets	8,531,649	7,646,119	+11.6%
Total non-current assets	1,447,545	1,523,386	-5.0%
Total assets	9,979,194	9,169,505	+8.8%
Total current liabilities	1,894,599	1,515,159	+25.0%
Total non-current liabilities	112,175	89,759	+25.0%
Total liabilities	2,006,774	1,604,918	+25.0%
Net current assets	6,637,050	6,130,960	+8.3%
Total equity	7,972,420	7,564,587	+5.4%

	Year ended 31 December		
	2025	2024	+/(%)
PER SHARE (IN HK\$)			
Earnings per share for profit attributable to the owners of the Company			
– Basic	0.711	0.669	+6.3%
– Diluted	0.700	0.658	+6.4%

	Year ended 31 December		
	2025	2024	
FINANCIAL RATIOS			
Gross profit margin	43.6%	47.2%	
Net profit margin	12.9%	11.9%	

Revenue

i) Sales by Geographical Region

	Year ended 31 December		
	2025	2024	
	HK\$'000	HK\$'000	+/(%)
Europe, the Middle East and Africa (“EMEA”)	2,148,710	2,202,923	-2.5%
Latin America and the Commonwealth of Independent States (“LACIS”)	1,506,318	1,887,712	-20.2%
Asia Pacific Region (“APAC”)	1,112,485	1,064,905	+4.5%
United States of America and Canada (“USCA”)	1,105,027	889,338	+24.3%
Total	<u>5,872,540</u>	<u>6,044,878</u>	<u>-2.9%</u>

Revenue decreased by 2.9% to HK\$5,872.5 million for the year ended 31 December 2025 from HK\$6,044.9 million for the year ended 31 December 2024. The decline in revenue was primarily due to the drop in purchase orders in certain markets during the year, which is mainly attributed to the global economic uncertainty.

ii) Sales by Product Category

	Year ended 31 December		+ / (-)
	2025	2024	
	HK\$'000	HK\$'000	
Sales of E-payment Terminals products	5,485,340	5,706,490	-3.9%
Provision of services	387,200	338,388	+14.4%
Total	<u>5,872,540</u>	<u>6,044,878</u>	<u>-2.9%</u>

Sales of E-payment Terminals products

E-payment Terminals products include Android smart E-payment solutions, unattended solutions, classic E-payment solutions and other products.

Revenue from the sales of E-payment Terminals products decreased by 3.9% to HK\$5,485.3 million for the year ended 31 December 2025 from HK\$5,706.5 million for the year ended 31 December 2024. The decrease was mainly due to the drop in purchase orders in certain markets during the year.

Provision of services

Services income mainly consists of the income generated from the provision of maintenance and installation services and the payment solutions services, e.g. SaaS (Software as a Service) solutions.

Revenue from provision of services increased by 14.4% to HK\$387.2 million for the year ended 31 December 2025 from HK\$338.4 million for the year ended 31 December 2024. The increase in revenue from provision of services was mainly due to the growing demand for the SaaS solutions.

Gross Profit Margin

Gross profit margin for the year ended 31 December 2025 was 43.6%, representing a decrease of 360 basis points as compared to 47.2% for the year ended 31 December 2024. The decrease was primarily driven by the one-off increase in provision for obsolete inventories and direct written off of obsolete inventories.

Other Income

Other income comprises primarily interest income, government subsidies, value-added tax refunds and other service income from a joint venture. It decreased by 31.8% to HK\$58.2 million for the year ended 31 December 2025 from HK\$85.4 million for the year ended 31 December 2024, mainly due to the decrease in other service income from a joint venture.

Selling Expenses

Selling expenses decreased by 17.8% to HK\$634.9 million for the year ended 31 December 2025 from HK\$772.4 million for the year ended 31 December 2024. The decrease was mainly driven by the decrease in transportation costs arising from distribution of goods and advertising and promotional expenses.

Administrative Expenses

Administrative expenses decreased by 17.0% to HK\$1,093.7 million for the year ended 31 December 2025 from HK\$1,318.0 million for the year ended 31 December 2024. The decrease was primarily due to the decrease in employee benefit expenses (including share-based payment expenses) and favourable foreign exchange impacts, for instance, European dollar, Renminbi and Korean Won.

Net (Impairment Losses)/Reversal of Impairment Losses on Financial Assets

The Group recognised net impairment losses on financial assets of HK\$6.8 million and net reversal of impairment losses on financial assets of HK\$7.0 million for the years ended 31 December 2025 and 2024 respectively. The amount recognised consisted of the expected credit losses assessed on both individual and collective basis.

Profit for the Year and Profit Attributable to the Owners of the Company

As a result of the foregoing, profit for the year was HK\$756.2 million, representing an increase of 4.9% compared to HK\$720.9 million for the year ended 31 December 2024. Profit for the year attributable to the owners of the Company increased by 5.6% to HK\$753.6 million for the year ended 31 December 2025 from HK\$713.4 million for the year ended 31 December 2024.

Liquidity and Financial Resources

During the years of 2025 and 2024, the main source of funding to the Group was the proceeds generated from operating activities in the Group's usual course of business. Certain financial data is summarised as follows:

	As at 31 December	
	2025	2024
Current ratio (times)	4.5	5.0
Quick ratio (times)	3.8	4.0

As at 31 December 2025, the Group had cash and cash equivalents of HK\$3,907.2 million (2024: HK\$3,083.6 million), United States dollar denominated short-term bank deposits of HK\$169.3 million (2024: HK\$162.5 million) and no borrowing (2024: same). As at 31 December 2025, the Group reported net current assets of HK\$6,637.1 million (2024: HK\$6,131.0 million). For the year ended 31 December 2025, net cash generated from operating activities was HK\$1,304.5 million (2024: HK\$1,162.7 million). As at 31 December 2025, the Group had no borrowing, therefore the gearing ratio is not applicable (2024: same).

Capital Structure and Details of Charges

As at 31 December 2025, the Group had no significant borrowing and banking facility (2024: same) and no charge on any assets (2024: same).

As at 31 December 2025 and 2024, the Group's cash and cash equivalents were denominated in the following currencies:

	As at 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Renminbi ("RMB")	2,647,069	1,726,723
United States dollar ("US\$")	875,774	982,728
European dollar ("EUR")	98,435	113,772
Hong Kong dollar ("HK\$")	78,178	138,012
Indian Rupee ("INR")	72,908	53,517
Japanese Yen ("JPY")	56,796	36,171
Australian dollar ("AUD")	56,136	7,098
Others	21,949	25,577
	<u>3,907,245</u>	<u>3,083,598</u>

Significant Investment

The Group had no significant investment held as at 31 December 2025 (2024: Nil).

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

Save as disclosed in this announcement, the Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2025 (2024: same).

Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, there was no specific plan for material investments or capital assets as at 31 December 2025 (2024: same).

Exchange Rates Exposure

The Group derives its revenue, makes purchases and incurs expenses denominated mainly in RMB, HK\$, US\$, EUR, INR and JPY. The majority of assets and liabilities are denominated in RMB, HK\$, US\$, EUR, INR and JPY, and there are no significant assets and liabilities that are denominated in other currencies. Currently, the Group has not entered into agreements or purchased instruments to hedge the majority of the Group's exchange rate risks. Any material fluctuation in the exchange rates of HK\$ or RMB may have an impact on the operating results of the Group.

The management considers the foreign exchange risk with respect to US\$ is not significant as HK\$ is pegged to US\$ and transactions denominated in US\$ are mainly carried out by entities with the functional currency of HK\$ or US\$.

The Group manages foreign exchange risk by closely monitoring the movement of the foreign currency rates.

Contingent Liabilities

The Group had no material contingent liabilities as at 31 December 2025 (2024: Nil).

Human Resources and Remuneration Policies

The total number of employees of the Group as at 31 December 2025 was 1,445 (2024: 1,509). The following table shows a breakdown of employees of the Group by functions as at 31 December 2025 and 2024:

	As at 31 December	
	2025	2024
Management	11	12
Sales and after-sales services and marketing	289	292
Research and development	834	881
Quality assurance	92	89
Administration and human resources	74	93
Accounting	44	41
Production, procurement and inventory control	101	101
	<u>1,445</u>	<u>1,509</u>

The Group ensures that its remuneration packages are comprehensive and competitive. Directors are entitled to a fixed director's fee, discretionary bonus and other benefits, which are determined with reference to the performance of the individual and the Company, market practice and conditions as well as the Group's corporate goals and objectives in accordance with the remuneration policy of the Company. Employees are remunerated with a fixed monthly income plus discretionary annual performance related bonuses. Share options are granted to certain Directors and employees of the Group as long-term incentives to reward their contributions under the share option scheme of the Company. The Group also sponsors selected employees to attend external training courses that suit the needs of the Group's businesses.

Disclaimer:

Non-GAAP measures

Certain non-GAAP (generally accepted accounting principles) measures are used for assessing the Group's performance. These non-GAAP measures are not expressly permitted measures under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group current financial performance. Additionally because the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in our financial reporting.

CONSOLIDATED INCOME STATEMENT

	Notes	Year ended 31 December	
		2025 HK\$'000	2024 HK\$'000
Revenue	3	5,872,540	6,044,878
Cost of sales	5	<u>(3,312,517)</u>	<u>(3,191,489)</u>
Gross profit		2,560,023	2,853,389
Other income	3	58,227	85,372
Other gains, net	3	32,909	861
Selling expenses	5	(634,862)	(772,428)
Administrative expenses	5	(1,093,667)	(1,317,994)
Net (impairment losses)/reversal of impairment losses on financial assets	5	<u>(6,836)</u>	<u>6,963</u>
Operating profit		915,794	856,163
Finance costs		(3,966)	(5,556)
Share of results of investments accounted for using the equity method		<u>(1,897)</u>	<u>10,638</u>
Profit before income tax		909,931	861,245
Income tax expense	6	<u>(153,713)</u>	<u>(140,323)</u>
Profit for the year		<u>756,218</u>	<u>720,922</u>
Profit attributable to:			
Owners of the Company		753,587	713,427
Non-controlling interests		<u>2,631</u>	<u>7,495</u>
		<u>756,218</u>	<u>720,922</u>
		HK\$ per share	HK\$ per share
Earnings per share for profit attributable to the owners of the Company:			
– Basic	7(a)	<u>0.711</u>	<u>0.669</u>
– Diluted	7(b)	<u>0.700</u>	<u>0.658</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2025	2024
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year	756,218	720,922
Other comprehensive income/(loss), net of tax		
<i><u>Item that may be subsequently reclassified to profit or loss</u></i>		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	182,246	(121,931)
<i><u>Items that will not be reclassified to profit or loss</u></i>		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	4,309	(1,192)
Remeasurement of post-employment benefit obligation	249	(433)
Total comprehensive income for the year, net of tax	<u>943,022</u>	<u>597,366</u>
Total comprehensive income attributable to:		
Owners of the Company	936,082	591,063
Non-controlling interests	6,940	6,303
	<u>943,022</u>	<u>597,366</u>

CONSOLIDATED BALANCE SHEET

		As at 31 December	
		2025	2024
	Notes	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		946,326	939,396
Right-of-use assets		183,631	207,281
Intangible assets		131,043	117,832
Financial asset measured at fair value		74,117	88,242
Investments accounted for using the equity method		18,370	44,838
Other non-current assets		3,382	3,940
Deferred income tax assets		90,676	121,857
Total non-current assets		1,447,545	1,523,386
Current assets			
Inventories		1,404,306	1,587,039
Other current assets		78,882	90,273
Other financial assets at amortised cost	9	61,240	58,581
Trade and bills receivables	9	2,804,738	2,543,884
Current tax assets		69,635	96,042
Restricted cash		36,343	24,212
Short-term bank deposits		169,260	162,490
Cash and cash equivalents		3,907,245	3,083,598
Total current assets		8,531,649	7,646,119
Total assets		9,979,194	9,169,505

		As at 31 December	
		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
EQUITY			
Equity attributable to the owners of the Company			
Share capital		106,082	106,170
Reserves		7,824,864	7,423,883
		7,930,946	7,530,053
Non-controlling interests		41,474	34,534
Total equity		7,972,420	7,564,587
LIABILITIES			
Non-current liabilities			
Lease liabilities		46,146	69,606
Current tax liabilities		40,714	–
Deferred income tax liabilities		21,631	15,462
Other non-current liabilities		3,684	4,691
Total non-current liabilities		112,175	89,759
Current liabilities			
Trade payables	<i>10</i>	1,198,883	937,211
Other payables and accruals	<i>10</i>	663,519	540,768
Current tax liabilities		16,876	18,961
Lease liabilities		15,321	18,219
Total current liabilities		1,894,599	1,515,159
Total liabilities		2,006,774	1,604,918
Total equity and liabilities		9,979,194	9,169,505

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

PAX Global Technology Limited (the “Company”) is an investment holding company and together with its subsidiaries (collectively referred to as the “Group”) are principally engaged in the development and sales of electronic funds transfer point-of-sale (“E-payment Terminals”) products, provision of maintenance and installation and payment solution services (collectively, referred to as the “E-payment Terminals solutions business”).

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 20 December 2010.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$’000), unless otherwise stated.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, except for financial asset measured at fair value, contingent consideration payable and post-employment benefit obligation, which are measured at fair values.

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

2.2 Changes in accounting policies

(a) *Amended standards adopted by the Group*

The Group has applied the following amended standards for its annual reporting period commencing 1 January 2025:

- Lack of Exchangeability – Amendments to HKAS 21 and HKFRS 1

The amended standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) *New and amended standards and interpretation not yet adopted by the Group*

Certain new accounting standards and amendments to accounting standards and interpretation have been published that are not mandatory for this reporting period and have not been early adopted by the Group.

HKFRS 18 will replace HKAS 1 “Presentation of Financial Statements”, introducing new requirements that will help to achieve comparability of financial performance of similar entities and provide more relevant information and transparency to users. These include:

- (i) all income and expenses in the consolidated income statement are required to be classified into one of the five categories, namely operating, investing, financing, income taxes and discontinued operations;
- (ii) two newly-defined subtotals “operating profit” and “profit before financing and income taxes” are required to be presented in the consolidated income statement to increase comparability;
- (iii) management-defined performance measures, which are often non-HKFRS measures, are required to be disclosed in a single note in the consolidated financial statements;
- (iv) enhanced guidance on the principles of aggregation and disaggregation of information is provided; and
- (v) operating profit subtotal is required to be used as the starting point for the consolidated cash flow statement when presenting operating cash flows under the indirect method, and each of interest income, interest expense and dividend income should be classified under a single category.

The Group is currently in the process of assessing the impact of HKFRS 18 on the Group’s consolidated financial statements, particularly with respect to the categorisation of income and expenses in the Group’s consolidated income statement, and the structure of the Group’s consolidated income statement and consolidated cash flow statement, and the additional disclosure required for management-defined performance measures. The adoption of HKFRS 18 would not have any impact on the Group’s profit attributable to the owners of the Company, but is expected to trigger certain changes in the presentation of the consolidated income statement.

The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

In addition to the abovementioned changes in presentation and disclosures, the Group is in the process of assessing the impact of adopting other new accounting standards and amendments to accounting standards and interpretation on its current or future reporting periods and on foreseeable future transactions.

3 REVENUE, OTHER INCOME AND OTHER GAINS, NET

The Group is principally engaged in the development and sales of E-payment Terminals products, provision of maintenance and installation and payment solution services. Revenue, other income and other gains, net recognised during the year are as follows:

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Revenue		
Sales of E-payment Terminals products	5,485,340	5,706,490
Provision of services	387,200	338,388
	<u>5,872,540</u>	<u>6,044,878</u>
Other income		
Interest income	16,825	20,661
Government subsidies (<i>note (i)</i>)	2,797	5,800
Value-added tax refunds (<i>note (ii)</i>)	19,542	21,951
Others	19,063	36,960
	<u>58,227</u>	<u>85,372</u>
Other gains, net		
Refund received (<i>note (iii)</i>)	52,581	–
Fair value loss on an investment at fair value through profit or loss	(17,974)	(3,701)
Fair value (loss)/gain on a contingent consideration payable	(1,698)	4,562
	<u>32,909</u>	<u>861</u>

Notes:

- (i) The amounts mainly represent the Group's entitlement to government subsidies in relation to sales and research and development of self-developed software products in the People's Republic of China (the "PRC"). There are no unfulfilled conditions or other contingencies attaching to these government subsidies.
- (ii) The amounts mainly represent the Group's entitlement to value-added tax refunds from the tax bureaus of the PRC. There are no unfulfilled conditions or other contingencies attaching to these value-added tax refunds.
- (iii) The amount represents a refund received in December 2025 in relation to PAX Technology Australia Pty Ltd. ("PAX Australia"). The acquisition of PAX Australia constituted a connected transaction as defined in Chapter 14A of the Listing Rules. For details of the acquisition, please refer to the Company's announcements dated 5 August 2024 and 12 December 2025.

4 SEGMENT INFORMATION

The chief operating decision maker reviews the Group's internal reporting in order to assess performance and allocate resources. The Group has determined the operating segments based on the internal reports reviewed by the chief operating decision maker to make strategic decisions. The Group is principally engaged in the E-payment Terminals solutions business and considers that it operates in one single business segment.

The chief operating decision maker assesses the performance of the Group from a geographic perspective based on the locations of the subsidiaries in which revenues are generated and the performance of the operating segments is assessed based on the measurement of segmental operating profit/(loss).

The Group primarily operates in Hong Kong, the PRC (excluding Hong Kong, Macau and Taiwan), the United States of America (the "US") and Italy.

An analysis of the Group's revenue and results for the year by segment is as follows:

	Year ended 31 December 2025					
	PRC, excluding Hong Kong, Macau and Taiwan <i>HK\$'000</i>	Hong Kong and others <i>HK\$'000</i>	US <i>HK\$'000</i>	Italy <i>HK\$'000</i>	Elimination and corporate expenses <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from external customers	446,614	3,895,733	1,100,738	429,455	-	5,872,540
Inter-segment revenue	3,295,220	564,153	-	-	(3,859,373)	-
Total revenue	3,741,834	4,459,886	1,100,738	429,455	(3,859,373)	5,872,540
Segmental earnings/(losses) before interest expense, taxes, depreciation and amortisation ("EBITDA"/"LBITDA")	388,302	419,041	(123,910)	33,683	311,048	1,028,164
Depreciation (<i>Note 5</i>)	(58,530)	(10,834)	(15,107)	(16,709)	-	(101,180)
Amortisation (<i>Note 5</i>)	-	(10,015)	-	(1,175)	-	(11,190)
Segmental operating profit/(loss)	329,772	398,192	(139,017)	15,799	311,048	915,794
Finance costs						(3,966)
Share of results of investments accounted for using the equity method						(1,897)
Profit before income tax						909,931
Income tax expense						(153,713)
Profit for the year						756,218

Year ended 31 December 2024

	PRC, excluding Hong Kong, Macau and Taiwan <i>HK\$'000</i>	Hong Kong and others <i>HK\$'000</i>	US <i>HK\$'000</i>	Italy <i>HK\$'000</i>	Elimination and corporate expenses <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue from external customers	509,096	4,024,073	883,514	628,195	–	6,044,878
Inter-segment revenue	3,624,997	546,075	–	–	(4,171,072)	–
Total revenue	4,134,093	4,570,148	883,514	628,195	(4,171,072)	6,044,878
Segmental earnings/(losses) before interest expense, taxes, depreciation and amortisation ("EBITDA"/"LBITDA")	596,351	401,093	(230,868)	47,525	140,101	954,202
Depreciation (<i>Note 5</i>)	(49,534)	(16,740)	(17,909)	(8,602)	–	(92,785)
Amortisation (<i>Note 5</i>)	–	(3,792)	–	(1,462)	–	(5,254)
Segmental operating profit/(loss)	546,817	380,561	(248,777)	37,461	140,101	856,163
Finance costs						(5,556)
Share of results of investments accounted for using the equity method						10,638
Profit before income tax						861,245
Income tax expense						(140,323)
Profit for the year						720,922

The segment assets and liabilities as at 31 December 2025 and additions to non-current assets for the year ended 31 December 2025 are as follows:

	As at 31 December 2025					
	PRC, excluding Hong Kong, Macau and Taiwan <i>HK\$'000</i>	Hong Kong and others <i>HK\$'000</i>	US <i>HK\$'000</i>	Italy <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	8,784,191	5,264,143	687,823	340,244	(5,097,207)	9,979,194
Segment liabilities	1,967,477	3,303,505	1,584,571	205,328	(5,054,107)	2,006,774
	Year ended 31 December 2025					
	PRC, excluding Hong Kong, Macau and Taiwan <i>HK\$'000</i>	Hong Kong and others <i>HK\$'000</i>	US <i>HK\$'000</i>	Italy <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to non-current assets (excluding financial instruments and deferred income tax assets)	12,351	21,821	5,155	24,252	–	63,579

The segment assets and liabilities as at 31 December 2024 and additions to non-current assets for the year ended 31 December 2024 are as follows:

	As at 31 December 2024					
	PRC, excluding Hong Kong, Macau and Taiwan <i>HK\$'000</i>	Hong Kong and others <i>HK\$'000</i>	US <i>HK\$'000</i>	Italy <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets	<u>7,625,984</u>	<u>5,608,909</u>	<u>1,191,934</u>	<u>447,990</u>	<u>(5,705,312)</u>	<u>9,169,505</u>
Segment liabilities	<u>1,420,252</u>	<u>3,489,007</u>	<u>1,904,796</u>	<u>336,890</u>	<u>(5,546,027)</u>	<u>1,604,918</u>
	Year ended 31 December 2024					
	PRC, excluding Hong Kong, Macau and Taiwan <i>HK\$'000</i>	Hong Kong and others <i>HK\$'000</i>	US <i>HK\$'000</i>	Italy <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to non-current assets (excluding financial instruments and deferred income tax assets)	<u>51,224</u>	<u>115,215</u>	<u>11,600</u>	<u>20,404</u>	<u>-</u>	<u>198,443</u>

In 2025, additions to non-current assets mainly comprise additions to property, plant and equipment, right-of-use assets and intangible assets (2024: same).

In 2025, revenue of approximately HK\$560,958,000 (2024: HK\$647,610,000) is derived from the largest customer, representing 9.6% (2024: 10.7%) of the total revenue, which is attributable to the Hong Kong operating segment (2024: same); revenue of approximately HK\$383,705,000 (2024: HK\$287,152,000) is derived from the second largest customer, representing 6.5% (2024: 4.8%) of the total revenue, which is attributable to the US operating segment (2024: same).

Information provided to the Executive Directors is measured in a manner consistent with that in the consolidated financial statements.

The Group is mainly domiciled in Hong Kong, the PRC, the US and Italy.

The Group's non-current assets by geographical location, which is determined by the geographical location in which the assets are located, are as follows:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Non-current assets		
PRC, excluding Hong Kong, Macau and Taiwan	1,190,474	1,177,473
Hong Kong and others	170,923	245,116
US	13,148	41,837
Italy	73,000	58,960
	1,447,545	1,523,386

5 EXPENSES BY NATURE

Expenses included in cost of sales, selling expenses, administrative expenses and net impairment losses/ (reversal of impairment losses) on financial assets are analysed as follows:

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Costs of inventories sold	2,984,651	3,022,572
Provision for obsolete inventories	142,181	20,115
Direct written off of obsolete inventories	64,819	–
Employee benefit expenses (including directors' emoluments)	843,213	922,989
Research and development costs	614,677	683,513
Sales commission	163,989	157,330
Depreciation of property, plant and equipment	74,342	63,673
Depreciation of right-of-use assets	26,838	29,112
Short-term lease expenses	11,938	11,391
Amortisation of intangible assets	11,190	5,254
Remuneration to the Company's auditor		
– Group's annual audit and other audit related services	2,800	2,500
– non-audit services	540	668
Remuneration to other auditors	1,184	1,190
Losses on disposals of property, plant and equipment	651	258
Gain on early termination of a lease	(6,234)	–
Net foreign exchange (gains)/losses	(18,029)	36,556
Net impairment losses/(reversal of impairment losses) on financial assets (<i>Note 9(b)</i>)	6,836	(6,963)

6 INCOME TAX EXPENSE

	Year ended 31 December	
	2025 HK\$'000	2024 HK\$'000
Current income tax on profit for the year		
– China corporate income tax	93,744	107,400
– Hong Kong profits tax and Pillar Two income taxes (<i>note (a)</i>)	64,183	38,486
– Overseas profits tax	18,879	25,258
Tax incentives for research and development expenses available for the subsidiaries incorporated in the PRC (<i>note (b)</i>)	(63,796)	(67,907)
Under/(over) provision in prior years, net	193	(159)
	<hr/>	<hr/>
Total current income tax	113,203	103,078
Deferred income tax	40,510	37,245
	<hr/>	<hr/>
Income tax expense	153,713	140,323

Hong Kong profits tax has been provided for at the rate of 16.5% (2024: same) on the estimated assessable profit for the year ended 31 December 2025.

Taxes on overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Notes:

- (a) The Group is within the scope of the OECD Pillar Two Model Rules. A top-up tax arises in relation to the Group's operations in the PRC, where the jurisdictional effective tax rate was below 15% for the year ended 31 December 2025. As a result, the Group recognised a current tax charge of HK\$40,714,000 in respect of the top-up tax for the year ended 31 December 2025 (2024: Nil). The Group applies the HKAS 12 exception to the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes.
- (b) The Group obtained an incentive from the PRC tax authority relating to the research and development expenses of the subsidiaries in the PRC. Under such tax incentive rule, the Group may claim an additional tax deduction up to 100% of the relevant research and development expenses incurred ("R&D Tax Incentive").
- (c) Pursuant to the Corporate Income Tax Law of the PRC effective from 1 January 2008 (the "CIT Law"), companies in the PRC are subject to income tax of 25% unless preferential rate is applicable.

Pursuant to Caishui Circular 49 of 2016 jointly released by the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission and the Ministry of Industry and Information Technology of the PRC and the amendments of the relevant tax rules and requirements of the eligibility for the tax incentives, management performed self-assessment for Pax Computer Technology (Shenzhen) Co., Ltd. ("Pax Computer Shenzhen"), a wholly-owned subsidiary of the Group located in the Shenzhen Special Economic Zone, on the eligibility for the tax incentives. Pax Computer Shenzhen was accredited as High and New Technology Enterprises ("HNTE") and is entitled to a preferential tax rate of 15%. As such, the applicable corporate income tax rate of Pax Computer Shenzhen was 15% for the year ended 31 December 2025 (2024: same).

7 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the year.

	Year ended 31 December	
	2025	2024
Profit attributable to the owners of the Company (<i>HK\$'000</i>)	<u>753,587</u>	<u>713,427</u>
Weighted average number of ordinary shares outstanding (<i>thousand shares</i>)	<u>1,060,294</u>	<u>1,066,117</u>
Basic earnings per share attributable to the owners of the Company (<i>HK\$ per share</i>)	<u>0.711</u>	<u>0.669</u>

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive ordinary shares. The Company has one category of potentially dilutive ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

For the years ended 31 December 2025 and 2024, the calculation of diluted earnings per share was based on the profit attributable to the owners of the Company and the adjusted weighted average number of ordinary shares outstanding assuming the conversion of all potentially dilutive ordinary shares, which was calculated as follows:

	Year ended 31 December	
	2025	2024
Profit attributable to the owners of the Company (<i>HK\$'000</i>)	<u>753,587</u>	<u>713,427</u>
Weighted average number of ordinary shares outstanding (<i>thousand shares</i>)	<u>1,060,294</u>	<u>1,066,117</u>
Adjustments for share options (<i>thousand shares</i>)	<u>16,533</u>	<u>18,390</u>
Weighted average number of ordinary shares for diluted earnings per share (<i>thousand shares</i>)	<u>1,076,827</u>	<u>1,084,507</u>
Diluted earnings per share attributable to the owners of the Company (<i>HK\$ per share</i>)	<u>0.700</u>	<u>0.658</u>

8 DIVIDENDS

In 2025, an interim dividend of HK\$0.25 per ordinary share (2024: HK\$0.24 per ordinary share) was declared, amounting to approximately HK\$264,961,000 (2024: HK\$254,809,000). The Board has resolved not to recommend a final dividend for the year ended 31 December 2025 (2024: HK\$0.25 per ordinary share, assuming there will be no change in the number of shares in issue on or before the record date for determining the entitlement of final dividend, amounting to approximately HK\$265,426,000).

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Interim dividend declared of HK\$0.25 (2024: HK\$0.24) per ordinary share	264,961	254,809
Proposed final dividend – Nil (2024: HK\$0.25) per ordinary share	–	265,426
	<u>264,961</u>	<u>520,235</u>

9 TRADE AND BILLS RECEIVABLES AND OTHER FINANCIAL ASSETS AT AMORTISED COST

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Trade receivables (<i>note (a)</i>)	2,893,851	2,625,573
Less: provision for impairment of trade receivables (<i>note (b)</i>)	<u>(89,113)</u>	<u>(81,959)</u>
Trade receivables, net	2,804,738	2,543,614
Bills receivables (<i>note (c)</i>)	–	270
Trade and bills receivables	<u>2,804,738</u>	<u>2,543,884</u>
Other financial assets at amortised cost	<u>61,240</u>	<u>58,581</u>
	<u>2,865,978</u>	<u>2,602,465</u>

The fair values of trade and bills receivables and other financial assets at amortised cost approximate their carrying values as at 31 December 2025 and 2024.

(a) **Trade receivables**

The Group's credit terms to trade debtors range generally from 0 to 180 days. However, credit terms of more than 180 days may be granted to customers on a case-by-case basis upon negotiation. As at 31 December 2025 and 2024, the ageing analysis of the trade receivables based on invoice date is as follows:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Up to 90 days	1,587,487	1,242,756
91 to 180 days	520,107	430,039
181 to 365 days	547,339	714,843
Over 365 days	238,918	237,935
	<u>2,893,851</u>	<u>2,625,573</u>

As at 31 December 2025, trade receivables included retention money receivables of HK\$4,496,000 (2024: HK\$16,989,000), which represents approximately 2% to 5% (2024: same) of the relevant contract sum granted to certain number of the customers in the PRC that has a retention period of three to seven years (2024: same). As at 31 December 2025, retention money receivables aged over 365 days amounted to HK\$3,897,000 (2024: HK\$16,426,000).

(b) **Provision for impairment of trade receivables**

Based on the assessment of the expected credit losses, the movement on the provision for impairment of trade receivables is as follows:

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
At beginning of the year	81,959	89,777
Net impairment losses/(reversal of impairment losses) for the year	6,836	(6,963)
Exchange realignment	318	(855)
At end of the year	<u>89,113</u>	<u>81,959</u>

(c) **Bills receivables**

The balance represents bank acceptance notes with the maturity profile as follows:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Up to 90 days	<u>-</u>	<u>270</u>

10 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Trade payables (note (a))		
Trade payables	1,198,883	935,193
Amount due to a related party	–	2,018
	<u>1,198,883</u>	<u>937,211</u>
Other payables and accruals		
Other accrued expenses and payables	333,744	310,287
Receipt in advance from customers (note (b))	267,016	136,249
Other tax payables	19,448	42,949
Payables for constructions	12,220	21,890
Contingent consideration payable (note (c))	31,091	29,393
	<u>663,519</u>	<u>540,768</u>

(a) Trade payables

The ageing analysis of trade payables and amount due to a related party based on invoice date is as follows:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Up to 90 days	942,013	787,430
91 to 180 days	253,550	145,394
181 to 365 days	3,320	4,387
	<u>1,198,883</u>	<u>937,211</u>

The average credit period granted by the Group's suppliers ranges from 0 to 180 days.

(b) Receipt in advance from customers

Revenue recognised during the year ended 31 December 2025 that was included in the contract liability balance at the beginning of the year amounted to HK\$63,540,000 (2024: HK\$58,590,000). The Group expects to deliver the goods to satisfy the remaining performance obligations of these contract liabilities within one year or less.

(c) **Contingent consideration payable**

The contingent consideration payable related to the acquisition of PAX Australia is measured at FVPL and is denominated in AUD. The following table presents the changes in the contingent consideration payable for the years ended 31 December 2025 and 2024:

	Year ended 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January	29,393	–
Acquisition of a subsidiary	–	77,977
Fair value loss/(gain) on revaluation recognised in profit or loss	1,698	(4,562)
Settlement	–	(44,022)
	<hr/>	<hr/>
At 31 December	31,091	29,393
	<hr/> <hr/>	<hr/> <hr/>
Unrealised loss/(gain) recognised in the profit or loss attributable to balance held at the end of the reporting period	1,698	(2,845)
	<hr/> <hr/>	<hr/> <hr/>

11 CAPITAL COMMITMENT

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities are as follows:

	As at 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Property, plant and equipment in the PRC	3,738	8,110
	<hr/> <hr/>	<hr/> <hr/>

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year, the Company repurchased an aggregate of 2,162,000 ordinary shares at an aggregate consideration of approximately HK\$9,863,740 on the Stock Exchange as follows:

Date of repurchase	Number of shares repurchased	Consideration per share		Total consideration paid HK\$
		Highest HK\$	Lowest HK\$	
24 March 2025	392,000	5.01	4.92	1,946,710
7 April 2025	<u>1,770,000</u>	4.50	4.33	<u>7,917,030</u>
Total	<u><u>2,162,000</u></u>			<u><u>9,863,740</u></u>

The Board considers that the share repurchases were in the best interests of the Company and its shareholders and would lead to an enhancement of the net assets value per share and/or earnings per share of the Company. As at the date of this announcement, all of the above repurchased shares were cancelled and the issued share capital of the Company was reduced by the nominal value of these shares accordingly and the balance of consideration was charged against the share premium account.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares or other listed securities (including sale of treasury shares) during the year.

DIVIDEND

During the year,

- a final dividend of HK\$0.25 per ordinary share for the year ended 31 December 2024, amounting to approximately HK\$265.4 million, was declared and paid to the shareholders of the Company; and
- an interim dividend of HK\$0.25 per ordinary share for the six months ended 30 June 2025 (2024: HK\$0.24 per ordinary share), amounting to approximately HK\$265.0 million (2024: HK\$254.8 million), was declared and paid to the shareholders of the Company.

The Board has resolved not to recommend a final dividend for the year ended 31 December 2025 (2024: HK\$0.25 per ordinary share). For the year ended 31 December 2025, the total dividend per ordinary share amounted to HK\$0.25 (2024: HK\$0.49).

RECORD DATE FOR DETERMINING ELIGIBILITY TO ATTEND AND VOTE AT THE AGM

The annual general meeting of the Company (the “AGM”) will be held on Wednesday, 20 May 2026. The notice of the AGM will be published in due course. Record date (being the last date for registration of any share transfer given there will be no book closure) for determining the entitlement of the shareholders of the Company to attend and vote at the AGM will be Thursday, 14 May 2026. All transfer documents accompanied by the relevant share certificates must be lodged with the Share Registrar, for registration no later than 4:30 p.m. on Thursday, 14 May 2026.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Group has adopted a written code regulating the securities transactions of Directors and executive officers named in this announcement (the “Securities Transaction Code”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in Appendix C3 to the Listing Rules.

Specific enquiry had been made to all Directors, whereas each of them has confirmed compliance with the required standard set out in the Model Code and the Securities Transaction Code throughout the year and up to the date of this announcement.

The Company has also established written guidelines on terms no less exacting than the Model Code regulating the Directors, senior management and employees, who because of his/her office or employment is likely to possess inside information in relation to the Company or its securities, in respect of their transactions of securities of the Company.

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles (the "Principles") and code provisions (the "Code Provisions") in the Corporate Governance Code (the "CG Code") set out in Appendix C1 to the Listing Rules.

In formulating and implementing its corporate governance practices, the Company has applied the Principles and complied with all applicable Code Provisions for the year, except for the following deviation.

Code provision C.2.1

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company deviated from the code provision C.2.1 of the CG Code in that Mr. Nie Guoming was both the Chairman and the CEO following the resignation of Mr. Lu Jie as the CEO with effect from 3 July 2025, until Mr. Nie Guoming's resignation from all positions with the Group with effect from 12 December 2025. The Board believed that vesting the two roles in the same person could facilitate the execution of the Group's business strategies and boost the effectiveness of its operation and considered it appropriate in the circumstances. The deviation was rectified upon the appointment of Mr. Xu Changjun as the Chairman and Mr. Luo Shaowen as the CEO, effective from 12 December 2025. Going forward, the Board will periodically review the Board's structure in light of the evolving needs of the Group.

The Board periodically reviews and monitors the Company's policies and practices on corporate governance or compliance with legal and regulatory requirements and employees' compliance manual to ensure that the Group's operations are conducted in accordance with the standards of the CG Code and applicable disclosure requirements. Directors and senior management are provided with appropriate ongoing training, continuing professional development for regular updates of the legal and regulatory requirements relevant to their duties.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The Company's Audit Committee has reviewed the accounting policies adopted by the Group and the audited consolidated financial statements for the year ended 31 December 2025.

Scope of Work of PricewaterhouseCoopers

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of 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, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, the Directors confirm that the Company has maintained at all times sufficient public float as prescribed by the Listing Rules.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the Company's website at www.paxglobal.com.hk and the website of the Stock Exchange at www.hkexnews.hk. The Company's 2025 annual report will be despatched to shareholders of the Company upon request and available on the above websites in due course.

The financial information set out above does not constitute the Group's statutory financial statements for the financial year ended 31 December 2025. Instead, it has been derived from the Group's audited consolidated financial statements for the financial year ended 31 December 2025, which will be included in the Company's 2025 annual report.

RESIGNATION OF COMPANY SECRETARY AND ALTERNATE AUTHORISED REPRESENTATIVE

The Board announces that Mr. Chan Yiu Kwong ("Mr. Chan") has resigned as the joint company secretary of the Company and an alternate authorised representative of the Company with effect from 19 March 2026 due to his decision to devote more time to other commitments and engagements.

Mr. Chan has confirmed that he has no disagreement with the Board and there is no matter that needs to be brought to the attention of the Stock Exchange and the shareholder of the Company in relation to his resignation. The Board would like to take this opportunity to express its sincere gratitude to Mr. Chan for his valuable contributions to the Company throughout his tenure.

Following Mr. Chan's resignation, Mr. Cheung Shi Yeung will continue to serve as the company secretary and an authorised representative of the Company, and Mr. Li Wenjin will continue to serve as an Authorised Representative.

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

Hong Kong, 19 March 2026

As at the date of this announcement, the Board comprises five Executive Directors, namely Mr. Xu Changjun, Mr. Luo Shaowen, Mr. Li Wenjin, Mr. Li Heguo and Mr. Zhang Hui 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.