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SIM TECHNOLOGY GROUP LIMITED

晨訊科技集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 2000)

ANNUAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2025

The board (“**Board**”) of directors (“**Directors**”) of SIM Technology group Limited (“**Company**”) hereby announces the audited consolidated results of the Company and its subsidiaries (“**Group**”) for the year ended 31 December 2025 (“**Year**”) together with the comparative figures for the corresponding period in 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	NOTES	Year ended 31 December	
		2025 HK\$'000	2024 HK\$'000
Revenue	3	398,731	429,370
Cost of sales and services		<u>(317,691)</u>	<u>(336,425)</u>
Gross profit		81,040	92,945
Other income	5	43,718	58,091
Other gains and losses	6	(71,306)	(79,814)
Reversal of impairment losses under expected credit loss model, net		4,857	894
Research and development expenses		(50,409)	(101,076)
Selling and distribution costs		(18,570)	(20,483)
Administrative expenses		(32,573)	(73,848)
Share of results of associates		12,059	4,039
Finance costs	7	<u>(903)</u>	<u>(805)</u>

		Year ended 31 December	
		2025	2024
	<i>NOTES</i>	HK\$'000	HK\$'000
Loss before taxation		(32,087)	(120,057)
Taxation	<i>8</i>	<u>16,297</u>	<u>15,940</u>
Loss for the year	<i>9</i>	<u>(15,790)</u>	<u>(104,117)</u>
Loss for the year attributable to:			
Owners of the Company		(13,302)	(94,780)
Non-controlling interests		<u>(2,488)</u>	<u>(9,337)</u>
		<u>(15,790)</u>	<u>(104,117)</u>
Loss per share (HK cents)	<i>11</i>		
Basic		<u>(0.62)</u>	<u>(4.42)</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Loss for the year	<u>(15,790)</u>	<u>(104,117)</u>
Other comprehensive income (expense)		
Item that may be subsequently reclassified to profit or loss for the year:		
Reclassification of cumulative translation reserve upon deregistration of foreign operations	–	30,764
Items that will not be subsequently reclassified to profit or loss during the year:		
Surplus on transfer of right-of-use assets and property, plant and equipment to investment properties at fair value	21,540	476
Fair value gain on investment in equity instrument at fair value through other comprehensive income (“FVTOCI”)	(8,884)	4,833
Deferred tax relating to items that will not be reclassified to profit or loss	(3,164)	(1,327)
Exchange differences arising on translation to presentation currency	<u>25,895</u>	<u>(34,172)</u>
Other comprehensive income	<u>35,387</u>	<u>574</u>
Total comprehensive income (expense) for the year	<u>19,597</u>	<u>(103,543)</u>
Total comprehensive income (expense) attributable to:		
Owners of the Company	22,085	(94,206)
Non-controlling interests	<u>(2,488)</u>	<u>(9,337)</u>
	<u>19,597</u>	<u>(103,543)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>NOTES</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current assets			
Investment properties		536,279	574,540
Property, plant and equipment		17,827	31,428
Right-of-use assets		14,356	15,658
Intangible assets		64	294
Interests in associates		85,377	49,798
Equity instruments at FVTOCI		31,555	71,726
		<u>685,458</u>	<u>743,444</u>
Current assets			
Inventories		60,958	52,720
Trade and notes receivables	12	117,837	110,823
Other receivables, deposits and prepayments		90,887	72,768
Financial assets at fair value through profit or loss ("FVTPL")		249	291
Restricted bank deposits		15,342	–
Pledged bank deposits		11,071	–
Short-term bank deposits		509,697	580,821
Cash and cash equivalent		430,473	360,313
		<u>1,236,514</u>	<u>1,177,736</u>
Current liabilities			
Trade payables	13	87,232	86,792
Deposits from tenants		2,986	2,699
Deferred income		1,124	1,097
Other payables and accruals		71,168	64,931
Contract liabilities		124,160	97,731
Bank borrowings		11,071	29,162
Lease liabilities		538	2,344
Tax payables		88,658	97,478
		<u>386,937</u>	<u>382,234</u>
Net current assets		<u>849,577</u>	<u>795,502</u>
Total assets less current liabilities		<u>1,535,035</u>	<u>1,538,946</u>

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Capital and reserves		
Share capital	211,905	214,335
Reserves	1,240,711	1,225,651
	<hr/>	<hr/>
Equity attributable to owners of the Company	1,452,616	1,439,986
Non-controlling interests	(12,558)	(10,070)
	<hr/>	<hr/>
Total equity	1,440,058	1,429,916
	<hr/>	<hr/>
Non-current liabilities		
Deposits from tenants	6,102	6,278
Lease liabilities	406	80
Deferred tax liabilities	62,019	75,748
Deferred income	26,450	26,924
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	94,977	109,030
	<hr/>	<hr/>
	1,535,035	1,538,946
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda (as amended) with limited liability.

The functional currency of the Company is Renminbi. The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), as the Directors consider that it is a more appropriate presentation for a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and for the convenience of the shareholders.

The Company is an investment holding company. The principal activities of its subsidiaries are the manufacturing, design and development and sale of intelligent terminal original design manufacturer (“ODM”) business, automotive intelligent products business and property management in the People’s Republic of China (“PRC”).

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair values at the end of each reporting periods. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards as issued by the International Accounting Standard Board (“IASB”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
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The application of the amendments to an IFRS Accounting Standards in the current year has 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.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-Dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 ²
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³
IFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to IFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 “Presentation and Disclosure in Financial Statements” (“IFRS 18”), which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 “Presentation of Financial Statements” (“IAS 1”). This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and IFRS 7 “Financial Instruments: Disclosures”. Minor amendments to IAS 7 “Statement of Cash Flows” and IAS 33 “Earnings per Share” are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. REVENUE

(i) Disaggregation of revenue from contracts with customers

Segments	For the year ended 31 December 2025			
	Intelligent terminal ODM business <i>HK\$'000</i>	Automotive intelligent products business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Total <i>HK\$'000</i>
Types of goods or services				
Sale of intelligent terminal ODM	343,089	–	–	343,089
Sale of automotive intelligent products	–	17,147	–	17,147
	<u>343,089</u>	<u>17,147</u>	<u>–</u>	<u>360,236</u>
Property rental	–	–	38,495	38,495
Total	<u>343,089</u>	<u>17,147</u>	<u>38,495</u>	<u>398,731</u>
Timing of revenue recognition				
At a point in time	343,089	17,147	N/A	
Over time	–	–	N/A	
Total	<u>343,089</u>	<u>17,147</u>	<u>N/A</u>	
For the year ended 31 December 2024				
Segments	Intelligent terminal ODM business <i>HK\$'000</i>	Automotive intelligent products business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Total <i>HK\$'000</i>
Types of goods or services				
Sale of intelligent terminal ODM	338,039	–	–	338,039
Sale of automotive intelligent products	–	46,297	–	46,297
	<u>338,039</u>	<u>46,297</u>	<u>–</u>	<u>384,336</u>
Property rental	–	–	45,034	45,034
Total	<u>338,039</u>	<u>46,297</u>	<u>45,034</u>	<u>429,370</u>
Timing of revenue recognition				
At a point in time	337,254	46,297	N/A	
Over time	785	–	N/A	
Total	<u>338,039</u>	<u>46,297</u>	<u>N/A</u>	

Geographical markets

	For the year ended 31 December 2025		
	Intelligent terminal ODM business HK\$'000	Automotive intelligent products business HK\$'000	Property management HK\$'000
The PRC	269,107	17,147	38,495
Europe	15,924	–	–
United States	30,655	–	–
Hong Kong	11,993	–	–
Other Asian countries	15,410	–	–
	343,089	17,147	38,495
	For the year ended 31 December 2024		
	Intelligent terminal ODM business HK\$'000	Automotive intelligent products business HK\$'000	Property management HK\$'000
The PRC	267,874	46,297	45,034
Europe	7,838	–	–
United States	14,747	–	–
Hong Kong	12,132	–	–
Other Asian countries	35,448	–	–
	338,039	46,297	45,034

(ii) Performance obligations for contracts with customers

Sale of intelligent terminal ODM

For the sale of intelligent terminal ODM and own-branded products manufacturing, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Following the delivery, the customer has full discretion over the manner of usage, distribution and price to sell the goods, and has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 0-90 days upon delivery. The Group typically receives a 30% – 50% deposit before the sale of goods.

For the electronics manufacturing services, revenue is recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. The normal credit term is 0-15 days. The Group typically receives a 30% – 50% deposit before the provision of services. Management considered the nature of business is similar to the own-branded products manufacturing and grouped the revenue in "Sale of intelligent terminal ODM" in last year.

Sale of automotive intelligent products

For the sale of automotive intelligent products, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). The handling activities before customers obtained control are considered as fulfilment activities. Following the delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 0 – 90 days upon delivery. The Group typically receives a 10% – 50% deposit before the sale of goods..

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

All sale of intelligent terminal ODM, own-branded products manufacturing and sale of automotive intelligent products, are for period of one year or less.

(iv) Leases

	2025	2024
	HK\$'000	HK\$'000
For operating lease:		
Lease payments that are fixed	<u>38,495</u>	<u>45,034</u>

For the year ended 31 December 2025, the Group recognised HK\$33,527,000 (2024: HK\$41,467,000) profit, being the difference between gross rental income and direct operating expenses, as a property lessor.

4. SEGMENT INFORMATION

Segment information is presented based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (“CODM”), being the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance.

During the year, the Group renamed its “Handsets and IOT terminals business” to “Intelligent terminal ODM” to better reflect its strategic focus. There was no change in the composition, management reporting, or financial performance measurement of the segment. Prior period segment information has been reclassified to conform with the current period presentation.

The following is an analysis of the Group's revenue and results by reportable and operating segment:

For the year ended 31 December 2025

	Intelligent terminal ODM business HK\$'000	Automotive intelligent products business HK\$'000	Property management HK\$'000	Consolidated HK\$'000
Revenue				
External sales	<u>343,089</u>	<u>17,147</u>	<u>38,495</u>	<u>398,731</u>
Segment profit (loss)	<u>4,981</u>	<u>(17,329)</u>	<u>(55,487)</u>	<u>(67,835)</u>
Unallocated other income and other gains and losses				30,101
Share of results of associates				12,059
Corporate expenses				(5,509)
Finance costs				<u>(903)</u>
Loss before taxation				<u>(32,087)</u>

For the year ended 31 December 2024

	Intelligent terminal ODM business HK\$'000	Automotive intelligent products business HK\$'000	Property management HK\$'000	Consolidated HK\$'000
Revenue				
External sales	<u>338,039</u>	<u>46,297</u>	<u>45,034</u>	<u>429,370</u>
Segment loss	<u>(61,488)</u>	<u>(30,774)</u>	<u>(24,376)</u>	<u>(116,638)</u>
Unallocated other income and other gains and losses				7,422
Share of results of associates				4,039
Corporate expenses				(14,170)
Finance costs				<u>(710)</u>
Loss before taxation				<u>(120,057)</u>

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies. Segment result represents the profit earned or loss incurred by each segment without allocation of interest income, unallocated exchange gain or loss, fair value change on financial assets at FVTPL, loss on deregistration of subsidiaries, certain other income and certain other gains and losses, corporate expenses, share of results of associates and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

At 31 December 2025

	Intelligent terminal ODM business HK\$'000	Automotive intelligent products business HK\$'000	Property management HK\$'000	Consolidated HK\$'000
Segment assets	263,508	6,325	536,279	806,112
Property, plant and equipment				6,642
Right-of-use assets				11,801
Interests in associates				85,377
Equity instruments at FVTOCI				31,555
Financial assets at FVTPL				249
Other receivables, deposits and prepayments				13,653
Restricted bank deposits				15,342
Pledged bank deposits				11,071
Short-term bank deposits				509,697
Cash and cash equivalent				430,473
Consolidated assets				<u>1,921,972</u>
Segment liabilities	245,475	6,396	16,451	268,322
Other payables and accruals				51,844
Bank borrowings				11,071
Tax payables				88,658
Deferred tax liabilities				62,019
Consolidated liabilities				<u>481,914</u>

At 31 December 2024

	Intelligent terminal ODM business <i>HK\$'000</i>	Automotive intelligent products business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment assets	219,210	33,878	574,540	827,628
Property, plant and equipment				6,156
Right-of-use assets				12,099
Interests in associates				49,798
Equity instruments at FVTOCI				71,726
Financial assets at FVTPL				291
Other receivables, deposits and prepayments				12,348
Short-term bank deposits				580,821
Cash and cash equivalent				<u>360,313</u>
Consolidated assets				<u><u>1,921,180</u></u>
Segment liabilities	201,686	30,274	10,133	242,093
Other payables and accruals				46,783
Bank borrowings				29,162
Tax payables				97,478
Deferred tax liabilities				<u>75,748</u>
Consolidated liabilities				<u><u>491,264</u></u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable and operating segments other than certain property, plant and equipment, certain right-of-use assets, restricted bank deposits, pledged bank deposits, short-term bank deposits, cash and cash equivalent, interests in associates, equity instruments at FVTOCI, financial assets at FVTPL, and certain other receivables, deposits and prepayments; and
- corporate liabilities include certain other payables and accruals, bank borrowings, tax payables and deferred tax liabilities.

Other segment information

For the year ended 31 December 2025

	Intelligent terminal ODM business <i>HK\$'000</i>	Automotive intelligent products business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts included in the measure of segment profit or loss or segment assets:					
Additions of property, plant and equipment	8,079	–	–	–	8,079
Additions of right-of-use assets	1,270	–	–	–	1,270
Depreciation of property, plant and equipment	18,479	332	–	4	18,815
Depreciation of right-of-use assets	1,785	–	–	188	1,973
Amortisation of intangible assets	1,027	87	–	–	1,114
Net reversal of impairment loss on consideration receivables	(1,528)	–	–	–	(1,528)
Net reversal of write-down of inventories	(5,729)	–	–	–	(5,729)
Loss on disposal of property, plant and equipment	1,887	–	–	–	1,887
Decrease in fair value of investment properties	–	–	73,931	–	73,931
	<u>–</u>	<u>–</u>	<u>73,931</u>	<u>–</u>	<u>73,931</u>

For the year ended 31 December 2024

	Intelligent terminal ODM business <i>HK\$'000</i>	Automotive intelligent products business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts included in the measure of segment profit or loss or segment assets:					
Additions of property, plant and equipment	4,193	–	–	–	4,193
Additions of right-of-use assets	–	–	–	376	376
Depreciation of property, plant and equipment	18,173	502	–	158	18,833
Depreciation of right-of-use assets	1,230	–	–	484	1,714
Amortisation of intangible assets	979	87	–	–	1,066
Net reversal of impairment loss on consideration receivables	(1,251)	–	–	–	(1,251)
Net reversal of write-down of inventories	(13,088)	–	–	–	(13,088)
Loss on disposal of property, plant and equipment	7,892	–	–	–	7,892
Decrease in fair value of investment properties	–	–	56,031	–	56,031
	<u>–</u>	<u>–</u>	<u>56,031</u>	<u>–</u>	<u>56,031</u>

Geographical information

The Group's operations are located in the PRC and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	Year ended 31 December		As at 31 December	
	2025	2024	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
The PRC	324,749	359,205	653,825	671,452
Europe	15,924	7,838	–	–
United States	30,655	14,747	–	–
Hong Kong	11,993	12,132	78	266
Other Asian Countries	15,410	35,448	–	–
	398,731	429,370	653,903	671,718

Note: Non-current assets excluded equity instruments at FVTOCI.

5. OTHER INCOME

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Refund of Value Added Tax (“VAT”)	54	1,118
Government grants	15,183	24,689
Interest income earned on bank balances	28,248	30,036
Interest income earned on consideration receivables	–	835
Others	233	1,413
	43,718	58,091

6. OTHER GAINS AND LOSSES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Write-off of trade payables	936	2,554
Loss on disposal of property, plant and equipment	(1,887)	(7,892)
Loss on early termination of right-of-use assets	(69)	–
Changes in fair values of investment properties	(73,931)	(56,031)
Loss on deregistration of subsidiaries	–	(30,764)
Net foreign exchange gain	3,687	12,496
Fair value change on financial assets at FVTPL	(42)	(177)
	<u>(71,306)</u>	<u>(79,814)</u>

7. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interests on bank borrowings	843	710
Interests on lease liabilities	60	95
	<u>903</u>	<u>805</u>

8. TAXATION

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Taxation comprises:		
PRC Enterprise Income Tax (“EIT”)	991	256
Over provision in prior years	(6,095)	(2,188)
	<u>(5,104)</u>	<u>(1,932)</u>
PRC withholding tax	7,290	–
Deferred tax charge	(18,483)	(14,008)
	<u>(16,297)</u>	<u>(15,940)</u>

No provision for Hong Kong Profits Tax has been made for both years as the Group has no assessable profits arising in Hong Kong.

EIT is calculated at the rates prevailing in the relevant districts of the PRC and taking relevant tax incentives into account.

9. LOSS FOR THE YEAR

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the year has been arrived at after charging (crediting):		
Auditor's remuneration		
– Audit services	1,900	2,420
– Non-audit services	500	500
	<u>2,400</u>	<u>2,920</u>
Amortisation of intangible assets (included in cost of sales and services)	1,114	1,066
Less: Amount capitalised in inventories	<u>(1,114)</u>	<u>(1,066)</u>
	–	–
Depreciation of property, plant and equipment	18,815	18,833
Less: Amount capitalised in inventories	<u>(13,809)</u>	<u>(10,953)</u>
	<u>5,006</u>	<u>7,880</u>
Depreciation of right-of-use assets	1,973	1,714
Net reversal of allowance of inventories (included in cost of sales and services)	(5,729)	(13,088)
Cost of inventories recognised as an expense (included in cost of sales and services)	312,013	336,025
Staff costs:		
Directors' emoluments	5,025	6,188
Other staff costs		
– Salaries and other benefits	80,834	107,718
– Retirement benefits scheme contributions	<u>15,312</u>	<u>23,801</u>
	101,171	137,707
Less: Amount capitalised in inventories	<u>(8,721)</u>	<u>(9,160)</u>
	<u>92,450</u>	<u>128,547</u>
Gross rental income from investment properties	(38,495)	(45,034)
Less: direct operating expenses incurred for investment properties	<u>4,968</u>	<u>3,567</u>
	<u>(33,527)</u>	<u>(41,467)</u>

10. DIVIDENDS

The directors do not recommend the payment of a final dividend for the years ended 31 December 2025 and 2024.

At the board meeting held on 26 March 2024, the directors proposed a special dividend of HK4 cents per ordinary share, in an aggregate amount of HK\$85,734,000. The proposed dividend was paid during the year ended 31 December 2024.

11. LOSS PER SHARE

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

	2025	2024
	HK\$'000	HK\$'000
Loss figures are calculated as follows:		
Loss for the purposes of basic loss per share	<u>(13,302)</u>	<u>(94,780)</u>
	2025	2024
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>2,140,137</u>	<u>2,143,351</u>

The weighted average number of ordinary shares for the purpose of basic loss per share has been adjusted for the impact of shares repurchased by the Company.

12. TRADE AND NOTES RECEIVABLES

The normal credit period given on sale of goods relating to intelligent terminal ODM business and automotive intelligent products business is 0 – 90 days. A longer period is granted to a few customers with whom the Group has a good business relationship and which are in sound financial condition.

The following is an aged analysis of trade receivables, net of allowance for credit losses, as well as notes receivables presented based on the invoice dates at the end of the reporting period, which approximated the revenue recognition dates:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables		
0 – 30 days	60,239	49,038
31 – 60 days	4,562	11,262
61 – 90 days	4,911	12,632
91 – 180 days	3,673	11,807
Over 180 days	25,226	27,028
	<u>98,611</u>	<u>111,767</u>
Less: Allowance for credit losses	(26,250)	(28,429)
	<u>72,361</u>	<u>83,338</u>
Trade receivables		
Notes receivables (<i>Note</i>)		
0 – 30 days	9,663	7,547
31 – 60 days	27,136	14,056
61 – 90 days	8,677	4,723
91 – 180 days	–	1,159
	<u>45,476</u>	<u>27,485</u>
	<u>117,837</u>	<u>110,823</u>

Note: Notes receivables represent the promissory notes issued by banks received from the customers.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed twice a year. The Group has policy for provision of ECL, which is based on an evaluation of the collectability and age analysis of accounts on every individual trade debtor with significant balances or credit impaired and the remaining balances are grouped based on similar credit characteristics and on management's judgement including creditworthiness, the past collection history and forward-looking information.

13. TRADE PAYABLES

The aged analysis of the Group's trade payables at the end of the reporting period is presented based on the invoice dates for trade payables is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 – 30 days	72,489	53,712
31 – 60 days	2,809	7,093
61 – 90 days	–	15,198
Over 90 days	11,934	10,789
	<hr/>	<hr/>
Trade payables	87,232	86,792
	<hr/> <hr/>	<hr/> <hr/>

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend to shareholders of the Company (“Shareholders”) for the Year.

CLOSURE OF REGISTER OF MEMBERS

For determining Shareholders’ right to attend and vote at the forthcoming annual general meeting of the Company (“AGM”):

Closure dates of register of members (both days inclusive)	2 June 2026 (Tuesday) to 5 June 2026 (Friday)
Latest time to lodge transfers	4:30 p.m. on 1 June 2026 (Monday)
Record date	5 June 2026 (Friday)
AGM	5 June 2026 (Friday)

During the period of the closure of register of members, no share transfers will be registered. For registration, all transfer documents accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before the relevant latest time to lodge transfers.

ANNUAL GENERAL MEETING

The AGM will be held at 24th Floor, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 5 June 2026. The notice of the AGM will be published on the respective websites of the Company and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) in due course.

MANAGEMENT'S DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In 2025, in the face of a complex and changing external environment, the Group remained committed to tightening cost control and optimizing organizational structure while at the same time raised the operational awareness among all employees and refined its appraisal and incentive mechanisms. Against this backdrop, despite revenue and gross profit for the Year recorded a decline over the past year, continued improvement in operational quality has resulted in the ODM business for intelligent terminals achieving a turnaround from loss to profit. Although the substantial impairment of investment properties far exceeded the profits generated by all business segments making an overall loss unavoidable, the overall loss was considered minimal.

For the Year, the Group recorded a turnover of HK\$398.7 million, representing a decrease of 7.1% as compared to HK\$429.4 million for last year. Gross profit amounted to HK\$81.0 million, representing a decrease of 12.8% as compared to HK\$92.9 million for last year. Overall, the Group recorded a loss of HK\$13.3 million for the Year (compared to a loss of HK\$94.8 million for the same period last year).

The main reason for the loss in the Year is the impairment of investment properties. Based on the market prediction of future rents and the leases signed by the Group, the valuer conducted impairment assessments of the investment properties held by the Group totalling HK\$73.9 million during the Reporting Period. Excluding the impact of such non-operating factor, the Group achieved a profit of HK\$60.6 million for the Year (for the same period last year, a loss of HK\$38.8 million was recorded on a comparable basis). The significant year-on-year improvement in operating results was primarily attributable to the Group's stringent control over costs and expenses, continuous optimization of operational efficiency, and the gradual recovery of profitability in its Core Business.

ODM business for intelligent terminals

This business segment recorded a turnover of HK\$343.1 million for the Year, representing an increase of 1.5% as compared to HK\$338.0 million for last year. Gross profit amounted to HK\$46.3 million, representing an increase of 42.9% as compared to HK\$32.4 million for last year, and gross profit margin rose to 13.5% from 9.6% last year. This segment achieved a turnaround from loss to profit for the Year, recording a profit of HK\$5.0 million (compared to a segment loss of HK\$61.5 million last year).

According to the management, the improvement in performance was primarily attributable to the following factors: First, the systematic enhancement of operational awareness among all employees, implementation of optimized appraisal and incentive mechanisms and the fact that cost-control measures continued to deliver results have led to a further reduction in labour cost compared with last year. Second, increased factory utilization has contributed to the realisation of economies of scale. Third, the proactive divestment of negative-profit and low-efficiency projects along with ongoing optimization of the product mix. However, this segment is still facing the following risks and challenges: a high degree of customer concentration such that revenue from Core Business is heavily reliant on a small number of key clients, and there is pressure in expanding new collaborations with existing clients. Furthermore, rising market prices for critical materials (such as storage chips) has posed potential impacts on operational stability, putting our supply chain material preparation and risk management capabilities to test.

Automotive intelligent products business

In view of the bruising price war within the automotive market, at the beginning of 2025, upon the delivery of some 1,000 vehicles by the Group's subsidiary, Shanghai Zhenkang Electronics Limited (“**Zhenkang**”), in respect of orders placed in the previous year, the client immediately notified Zhenkang of the cancellation of the original order plan worth hundred millions of RMB. This has resulted in a turnover of only HK\$17.1 million recorded by the business segment for the Year, representing a decrease of 63.1% as compared to HK\$46.3 million for last year. Gross profit amounted to HK\$4.0 million, representing a decrease of 79.1% as compared to HK\$19.1 million for last year. A segment loss of HK\$17.3 million was recorded for the Year (compared to a segment loss of HK\$30.8 million last year). Upon prudent evaluation, the management concluded that, given the price competition within the automotive industry and among upstream suppliers has reached a critical stage and competition has tended to be irrational, the Group has decided to suspend its automotive pre-installed operations, i.e. the OEM business for automotive manufacturers. This business will no longer be presented and disclosed as a separate segment in subsequent reporting.

Property management

The revenue from this business segment for the Year was mainly derived from the business of leasing of Block A and Block B of SIM Technology Building in Shanghai, and factory units and commercial properties in Shenyang, with total gross floor area (GFA) of approximately 78,000 square meters. This business segment recorded a turnover of HK\$38.5 million for the Year, representing a decrease of 14.4% as compared to HK\$45.0 million for last year. Gross profit margin was 79.9%, representing a decrease as compared to 92.1% for last year. A segment loss of HK\$55.5 million was recorded for the Year (compared to a segment loss of HK\$24.4 million last year).

For the Year, based on the forecasts of the future rental market and the existing lease contracts, the valuer made an impairment loss totalling HK\$73.9 million on the Group's investment properties (a total impairment amount of HK\$56.0 million was recognised for the same period last year), which has resulted in a significant loss incurred by the business segment. According to the management, due to the impact of the overall downturn in the nationwide property leasing market, the Group's property vacancy rate, particularly in Shenyang, has risen significantly compared to last year. To enhance the efficiency of resource utilization, the Company will continue to streamline and lease out idle buildings and factory to steadily advance the development of its property management business.

PROSPECTS

In 2026, the Group's development will still face multiple challenges. Considering that numerous uncertainties persist in the current macro environment as well as the intensifying overseas and domestic market competition, the management opined that the industry is in a stage of excessive competition, and it is currently not an opportune time for expansion. "Maintaining profitability while staying stable" is the most appropriate strategy to adopt at the moment instead.

As the core pillar of the Group, the ODM business for intelligent terminals will continue to drive our strategic transformation. The Group will focus on enhancing the operational quality and optimizing its business structure to solidify its core competitiveness, leveraging application of AI technologies, further diversifying its customer base, refining supply chain management and upgrading product intelligence to provide fundamental support for the robust development of the Group.

Building upon the foundation of solidifying Core Business to strengthen development, the Group will also gradually shift its development priorities to emerging segments with high potential, among which the robotics industry has been identified as a new strategic focus of the Group which shares strong synergy with our current ODM business and supply chain advantages, indicating a natural shifting of the Group's operation into this field.

The Group has formally entered the robotics business and will uphold the principle of "proactive exploration with prudent investment" to strictly control its allocation of resources and proceed with its development steadily. The business will focus on two core areas: first, the OEM mass production of humanoid robots, providing ODM services encompassing design and manufacturing outsourcing during the mass production phase for robotics manufacturers; second, building a supply chain platform for critical robot components with its decades of supply chain management expertise to offer one-stop supply chain services to robotics manufacturers. Given the fragmented nature of the segmented market within this industry and the abundance of small and medium-sized robot manufacturers, the Group will focus on the ODM business and core parts of supply chain services. The management believes that this sector will offer ample opportunities for the Group in the foreseeable future.

The management firmly believes that by the simultaneous implementation of prudent business strategies and AI technology empowerment, the Group can not only control business risks but also grasp the window period of benefits from technology, thereby striving to seize the opportunities in emerging sectors and planning ahead of time for high-speed development in the future.

FINANCIAL REVIEW

For the Year, the revenue of the Group was HK\$398.7 million (2024: HK\$429.4 million), in which the revenue from the ODM (original design manufacturer) business for intelligent terminals and automotive intelligent products business (together, "**Core Business**") decreased by 6.3% as compared with that in 2024 to HK\$360.2 million (2024: HK\$384.3 million). The revenue from property management ("**Non-core Business**") decreased by 14.4% as compared with that in 2024 to HK\$38.5 million in 2025 (2024: HK\$45.0 million).

The gross profit for Core Business of the Group for the Year was HK\$50.3 million (2024: HK\$51.5 million). The gross profit margin for Core Business was 14.0% (2024: 13.4%) and the gross profit margin for Non-core Business decreased to 79.9% (2024: 92.1%). The overall gross profit margin of the Group for the Year was 20.3% (2024: 21.7%).

The Group recorded a loss attributable to owners of the Company of HK\$13.3 million (2024: loss attributable to owners of the Company of HK\$94.8 million) for the Year. The basic loss per share for the Year was HK0.62 cent (2024: loss per share of HK4.42 cents). In 2025, in the face of a complex and changing external environment, the Group remained committed to tightening cost control and optimizing organizational structure while at the same time raised the operational awareness among all employees and refined its appraisal and incentive mechanisms. Against this backdrop, despite revenue and gross profit for the Year recorded a decline over the past year, continued improvement in operational quality has contributed to a significant narrowing of overall losses. The ODM business for intelligent terminals achieved a turnaround from loss to profit.

Segment results of Core Business

	Year ended 31 December 2025			Year ended 31 December 2024		
	Revenue <i>HK\$'M</i>	Gross profit <i>HK\$'M</i>	Gross profit margin %	Revenue <i>HK\$'M</i>	Gross profit <i>HK\$'M</i>	Gross profit margin %
ODM business for intelligent terminals	343.1	46.3	13.5	338.0	32.4	9.6
Automotive intelligent products business	17.1	4.0	23.1	46.3	19.1	41.1
Total	<u>360.2</u>	<u>50.3</u>	<u>14.0</u>	<u>384.3</u>	<u>51.5</u>	<u>13.4</u>

ODM business for intelligent terminals

This business segment recorded a turnover of HK\$343.1 million for the Year, representing an increase of 1.5% as compared to HK\$338.0 million for last year. Gross profit amounted to HK\$46.3 million, representing an increase of 42.9% as compared to HK\$32.4 million for last year, and gross profit margin rose to 13.5% from 9.6% last year. This segment achieved a turnaround from loss to profit for the Year, recording a profit of HK\$5.0 million (compared to a segment loss of HK\$61.5 million last year).

According to the management, the improvement in performance was primarily attributable to the following factors: First, the systematic enhancement of operational awareness among all employees, implementation of optimized appraisal and incentive mechanisms and effective cost-control measures have resulted in a further reduction in labour cost compared with last year. Second, increased factory utilization has contributed to the realisation of economies of scale. Third, the proactive divestment of negative-profit and low-efficiency projects along with ongoing optimization of the product mix. However, this segment is still facing the following risks and challenges: a high degree of customer concentration, such that the revenue from Core Business is heavily reliant on a small number of key clients, and there is pressure in expanding new collaborations with existing clients. Furthermore, rising market prices for critical materials (such as storage chips) has posed potential impacts on operational stability, putting our supply chain material preparation and risk management capabilities to test.

Automotive intelligent products business

This business segment recorded a turnover of HK\$17.1 million for the Year, representing a decrease of 63.1% as compared to HK\$46.3 million for last year. Gross profit amounted to HK\$4.0 million, representing a decrease of 79.1% as compared to HK\$19.1 million for last year. A segment loss of HK\$17.3 million was recorded for the Year (compared to a segment loss of HK\$30.8 million last year). Upon prudent evaluation, the management concluded that, given the price competition within the automotive industry and among upstream suppliers has reached a critical stage and competition has tended to be irrational, the Group has decided to suspend its automotive pre-installed operations, i.e. the OEM business for automotive manufacturers. This business will no longer be presented and disclosed as a separate segment in subsequent reporting.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Liquidity

As at 31 December 2025, the Group had bank balances and cash of HK\$430.5 million (31 December 2024: HK\$360.3 million), among which 55.6% was held in Renminbi, 5.5% was held in Japanese Yen, 38.8% was held in US dollars and the remaining balance was held in Hong Kong dollars, and short-term bank deposits of HK\$509.7 million (31 December 2024: HK\$580.8 million), among which 65.1% was held in US dollars and the remaining balance was held in Renminbi. As at 31 December 2025, the Group's bank deposits of HK\$11.1 million were pledged to secure its borrowings denominated in Renminbi (31 December 2024: HK\$ Nil). The Group intends to finance its working capital and capital expenditure plans from such bank balances. The total bank borrowings of the Group amounted to HK\$11.1 million as at 31 December 2025 (31 December 2024: HK\$29.2 million), all of which was denominated in Renminbi. All of the bank borrowings were at fixed interest rates and repayable within one year.

Operating Efficiency

The respective turnover period of inventory, trade and notes receivables, trade payables of the Group for the Core Business is presented below:

	2025	2024
	Days	Days
Inventory turnover period	65	75
Trade and notes receivables turnover period	105	82
Trade payables turnover period	138	105

In 2025, the Group adopted the “just-in-time” supply model and shifted to a demand-oriented “pull” production and distribution model so as to reduce the inventory level as much as possible. At the same time, the Group has enhanced the sales management by achieving more accurate forecast and response to customer demand, thereby reducing the overstock or shortage caused by forecast deviations. As a result, the inventory turnover period for the Year decreased as compared to that of year 2024.

In 2025, due to intensified market competition, in order to maintain its market share, the Group had to relax the credit policy for certain selected customers and appropriately extend the credit period. As a result, the trade and notes receivables turnover period for the Year significantly increased as compared to that in 2024.

The Group’s sales and procurement volumes saw a slight increase, leading to a corresponding rise in the balance of trade payables. By optimizing supplier payment terms and appropriately extending payment cycles, the Group extended the duration of trade payables. Therefore, the trade payables turnover period for the Year significantly increased as compared to that in 2024. As at 31 December 2025, the current ratio, calculated as current assets over current liabilities, was 3.2 times (31 December 2024: 3.1 times).

The Group reckons that inventory turnover period, trade and notes receivables turnover period, and trade payables turnover period help the Group to understand its ability to convert inventory into cash and its sales and cash conversion cycle. Through reviewing the turnover periods, the Group can improve its operational efficiency. The current ratio can help the Group to understand its ability to pay short-term and long-term obligations.

Treasury Policies

The Group adopts a prudent approach in its treasury policy. The Group’s surplus funds are mainly held under fixed and savings deposits in reputable banks to earn interest income.

Certain sales and purchases of inventories of the Group are denominated in US dollars. Furthermore, certain trade receivables, trade payables and bank balances are denominated in US dollars, thereby exposing the Group to the currency risk of US dollars. As at 31 December 2025, the Group did not use any financial instrument for hedging purpose but it will consider entering into non-deliverable foreign exchange forward contracts to eliminate the foreign exchange exposure in US dollars when necessary.

CAPITAL STRUCTURE

As at 31 December 2025, the Company had 2,119,047,300 ordinary shares of HK\$0.10 each in issue.

No shares of the Company were issued during the Year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year, with a view to enhancing the net asset value per share, the Company repurchased 24,304,000 shares of the Company on the Stock Exchange and the shares repurchased were cancelled during the Year. Details of the repurchase are as follows:

Months of repurchase	Number of shares repurchased '000	Purchase price per share		Aggregate consideration paid (before expenses)
		Highest HK\$	Lowest HK\$	HK\$'000
October 2025	2,638	0.360	0.310	920
November 2025	21,666	0.405	0.370	8,535
	<u>24,304</u>			<u>9,455</u>

Other than the shares repurchased by the Company as disclosed above, during the Year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

GEARING RATIO

As at 31 December 2025, the total assets value of the Group was HK\$1,922.0 million (31 December 2024: HK\$1,921.2 million) and the bank borrowings was HK\$11.1 million (31 December 2024: HK\$29.2 million). The gearing ratio of the Group, calculated as total bank borrowings over total assets, was 0.6% (31 December 2024: 1.5%).

Through reviewing its gearing ratio on a regular basis and based on its future capital planning needs, the Group strikes a balance between shareholder return and capital security. It also adjusts its capital structure in response to changes in the operational environment.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Year, the Group did not have any material acquisition or disposal of subsidiaries or associated companies.

FUTURE PLANS FOR MATERIAL INVESTMENT

During the Year, the Group did not have any future plans for material investment or capital assets.

SIGNIFICANT INVESTMENT

As at 31 December 2025, the Group did not have any significant investment.

CONTINGENT LIABILITIES

Subsequent to the end of the Year, a wholly-owned subsidiary of the Group (“**SHZK**”), together with another wholly-owned subsidiary (“**SH Sunrise**”), received a writ of summons together with a statement of claim from a court in the PRC in connection with a contractual dispute brought by a third-party supplier to SHZK. The claimant is claiming against SHZK and SH Sunrise to be liable for compensation in an amount of approximately RMB13.9 million, equivalent to approximately HK\$15.3 million (2024: Nil). As at 31 December 2025, SHZK has recorded a trade payable of HK\$4.5 million in respect of amounts related to the underlying transaction. The arbitration proceeding is still in its initial stage. The Group has assessed the claim and obtained PRC legal advice, and considers it too early to assess the possible liability at this stage.

CHARGE ON GROUP ASSETS

As at 31 December 2025, bank deposits of the Group in the amount of HK\$11.1 million were pledged to secure its short-term bank borrowings (31 December 2024: Nil). Save as disclosed, the Group did not have any charge on its assets as at 31 December 2025.

EMPLOYEES

As at 31 December 2025, the Group had approximately 737 (2024: 570) employees. The Group operates a Mandatory Provident Fund retirement benefits scheme for all of its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations of the PRC. The Group may also offer discretionary bonuses and grant share options under the share option scheme of the Company to its employees by reference to individual performance and the performance of the Group. Total staff costs incurred by the Group amounted to HK\$85.9 million (2024: HK\$137.7 million) during the Year.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set by the human resources department. The Group seeks to provide remuneration packages on the basis of the merit, qualifications and competence of the employees. The emoluments of the Directors and senior management of the Company are reviewed by the remuneration committee of the Board (“**Remuneration Committee**”), having regard to factors including the Group’s operating results, responsibilities of the Directors and senior management and comparable market statistics. The Company has maintained a share option scheme, the primary purpose of which is to motivate the eligible persons referred to in the scheme, which include executive Directors and employees of the Group, to optimise their future contributions to the Group and to reward them for their efforts.

EVENT AFTER THE REPORTING PERIOD

There were no significant events of the Group occurred since the end of the Year.

CORPORATE GOVERNANCE CODE

According to code provision C.2.1 of the Corporate Governance Code (“**Corporate Governance Code**”) as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”), the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. On 30 September 2022, Mr. Gao Jun resigned as an executive Director and the chief executive officer of the Group (“**CEO**”). Ever since the resignation of Mr. Gao Jun, the Company has not been able to identify a suitable candidate for the position of the CEO and the office of the CEO therefore remains vacant. This constitutes a deviation from code provision C.2.1.

However, a management team which takes up the roles and duties of the CEO has been set up by the Group since Mr. Gao Jun’s resignation. The team comprises five members, including three executive Directors, namely Mr. Wong Cho Tung, Mr. Zhu Wenhui and Mr. Zhu Qi, and two members of the management of the Company, namely Mr. Yang Hanjie (the chief marketing officer of the Group’s operational headquarters in the PRC) and Mr. Yang Feng (the General Manager of the ODM Division of the Group’s operational headquarters in the PRC). In light of the above, even though the Company has not been able to appoint an individual to take up the role of the CEO since Mr. Gao Jun’s resignation, the Board considers that such a deviation from code provision C.2.1 of the Corporate Governance Code is appropriate under such circumstances.

Save as disclosed above, the Company has complied with the code provisions laid down in the Corporate Governance Code for the Year.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (“**Model Code**”) as its own code of conduct for dealing in securities of the Company by Directors. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code for the Year.

AUDIT COMMITTEE

The audit committee of the Board (“**Audit Committee**”) has reviewed with the management the accounting principles and practice adopted by the Group and discussed auditing, internal control and financial reporting matters. The Audit Committee has also reviewed the audited consolidated financial statements of the Group for the Year and has recommended their adoption by the Board.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the respective websites of the Company (www.sim.com) and of the Stock Exchange (www.hkexnews.hk). The 2025 annual report will be available on the above websites in due course.

APPRECIATION

The Board would like to thank our Shareholders, customers, suppliers, bankers and professional advisers for their support of the Group and to extend our appreciation to all our staff for their dedication and contributions throughout the Year.

DIRECTORS

As at the date of this announcement, the executive Directors are Mr. Wong Cho Tung, Ms. Yeung Man Ying, Mr. Zhu Wenhui and Mr. Zhu Qi, the non-executive Director is Mr. Wong Hei, Simon, and the independent non-executive Directors are Ms. Lai Ka Fung May, Mr. Li Minbo and Mr. Yang Wentao.

By Order of the Board
SIM Technology Group Limited
Wong Cho Tung
Chairman

This announcement contains certain forward-looking statements. The words “intend”, “expect”, “anticipate”, “is confident”, and similar expressions are intended to identify forward-looking statements. These statements are not historical facts or guarantees of future performance. Actual results could differ materially from those expressed, implied or forecasted in such forward-looking statements. Such forward-looking statements are based on the current beliefs, assumptions, expectations, estimates and projections of the Directors and management of the Company about the business, the industry and the market in which the Group operates, and are subject to risks, uncertainties and other factors that could significantly affect expected results.

20 March 2026

* For identification purposes only