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MS GROUP HOLDINGS LIMITED

萬成集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1451)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Director(s)**”) of MS Group Holdings Limited (the “**Company**”) is pleased to present the audited annual consolidated financial results of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for the corresponding period of 2024, as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

	<i>Note</i>	2025 HK\$’000	2024 HK\$’000
Revenue	2	291,503	421,091
Cost of sales		<u>(215,448)</u>	<u>(303,191)</u>
Gross profit		76,055	117,900
Selling expenses		(2,300)	(8,443)
Administrative expenses		(42,113)	(47,233)
Other income	4	301	828
Other losses, net	5	<u>(905)</u>	<u>(916)</u>
Operating profit		31,038	62,136
Finance income		2,241	4,008
Finance expenses		<u>(674)</u>	<u>(972)</u>
Finance income, net		<u>1,567</u>	<u>3,036</u>
Share of result of associates	11	<u>—</u>	<u>(1,243)</u>

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit before taxation		32,605	63,929
Taxation		<u>(6,099)</u>	<u>(14,543)</u>
Profit for the year		<u>26,506</u>	<u>49,386</u>
Attributable to:			
— Equity holders of the Company		<u>26,506</u>	<u>49,386</u>
		<i>HK cents</i>	<i>HK cents</i>
Profit per share attributable to equity holders of the Company during the year			
Basic and diluted	7	<u>13.14</u>	<u>24.69</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the year	26,506	49,386
Items that may be reclassified to consolidated income statement:		
Exchange translation differences	<u>5,754</u>	<u>(4,426)</u>
Total comprehensive income for the year attributable to:		
— Equity holders of the Company	<u>32,260</u>	<u>44,960</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		35,581	39,718
Right-of-use assets		1,799	5,901
Investment in associates	<i>11</i>	<u>—</u>	<u>—</u>
		37,380	45,619
Current assets			
Inventories		18,132	34,719
Trade and other receivables	<i>9</i>	36,664	90,543
Deposits and prepayments		1,629	3,175
Cash and cash equivalents		180,187	114,515
		236,612	242,952
Total assets		273,992	288,571
EQUITY			
Equity attributable to the Company's equity holders			
Share capital		20,440	20,000
Share premium		40,896	36,614
Other reserves		745	(4,970)
Retained earnings		128,265	172,859
Total equity		190,346	224,503

	<i>Note</i>	2025 HK\$'000	2024 HK\$'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		—	1,792
Deferred income tax liabilities		<u>6,843</u>	<u>7,568</u>
		<u>6,843</u>	<u>9,360</u>
Current liabilities			
Trade and other payables	<i>10</i>	33,306	34,472
Bills payables		8,260	8,174
Dividend payables		30,660	—
Lease liabilities		1,858	4,176
Tax payable		<u>2,719</u>	<u>7,886</u>
		<u>76,803</u>	<u>54,708</u>
Total liabilities		<u>83,646</u>	<u>64,068</u>
Total equity and liabilities		<u>273,992</u>	<u>288,571</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) (Cap. 622). The consolidated financial statements have been prepared on a historical cost basis.

(i) The adoption of amended standards and interpretation

In 2025, the Group has adopted the following amendments to standards and interpretation which are relevant to its operations:

HKAS 21 (Amendments)	Lack of Exchangeability
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The adoption of the above amendments to standards and interpretation have no material effect on the results and financial position of the Group.

(ii) New standards and amendments to existing standards and interpretation that are not yet effective

The following new standards and amendments to standards have been issued and are mandatory for the Group’s accounting periods beginning on or after 1 January 2026 and later periods and have not been early adopted:

New standards and amendments		Effective for accounting periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 (Amendments)	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HK Int 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has not early adopted the above new standards and amendments and is in the process of assessing the impact of these new standards and amendments on the Group’s accounting policies and consolidated financial statements.

2 REVENUE

The Group is principally engaged in manufacturing and sale of plastic bottles and cups for infants and toddlers and plastic and stainless steel sports bottles to OEM Business customer, and customers under its own brand. An analysis of the Group's revenue is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from OEM Business customer products	291,004	417,306
Revenue from own brand products	499	3,785
	<u>291,503</u>	<u>421,091</u>

3. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used for making strategic decisions. The chief operating decision-maker is identified as the Executive Directors of the Company. The chief operating decision-maker consider the business from a product perspective and assess the performance of the operating segments based on a measure of gross profit for the purposes of allocating resources. No analysis of segment assets or segment liabilities is regularly provided to the chief operating decision-maker.

The management has identified two operating segments based on the types of products, namely (i) production and sale of plastic infant products and plastic and stainless steel sports bottles to OEM Business customer and (ii) design, manufacture and sale of own brand infant products.

The segment information provided to the chief operating decision-maker for the year ended 31 December 2025 and 2024 is as follows:

	2025			2024		
	OEM Business customer products <i>HK\$'000</i>	Own brand products <i>HK\$'000</i>	Total <i>HK\$'000</i>	OEM Business customer products <i>HK\$'000</i>	Own brand products <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue from external customers	291,004	499	291,503	417,306	3,785	421,091
Cost of sales	(215,090)	(358)	(215,448)	(300,420)	(2,771)	(303,191)
Gross profit	75,914	141	76,055	116,886	1,014	117,900
Selling expenses			(2,300)			(8,443)
Administrative expenses			(42,113)			(47,233)
Other income			301			828
Other losses, net			(905)			(916)
Finance income, net			1,567			3,036
Share of result of associates			—			(1,243)
Profit before taxation			32,605			63,929
Taxation			(6,099)			(14,543)
Profit for the year			<u>26,506</u>			<u>49,386</u>

For the year ended 31 December 2025 and 2024, the Group recognised all revenue from contracts with customers on a point in time basis.

Geographical information

The Group's revenue is mainly derived from customers located in the United States of America ("US"), Italy and the People's Republic of China ("PRC"). The Group's revenue by the geographical location of the customers, determined based on the domicile countries of the customers, irrespective of the destinations of the goods, is detailed below:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
US	289,945	415,490
Italy	370	1,022
PRC	338	3,525
Others	850	1,054
	<u>291,503</u>	<u>421,091</u>

Major customers' information

The analysis of the Group's major customers, which a single external customer has contributed 10% or more to the Group's revenue, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
The largest customer	239,722	323,164
The second largest customer	44,798	85,436

Non-current assets information

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	1,497	2,199
PRC	35,883	43,420
	<u>37,380</u>	<u>45,619</u>

4 OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Government grant	109	382
Sundries	<u>192</u>	<u>446</u>
	<u>301</u>	<u>828</u>

5 OTHER LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Net foreign exchange (losses)/gain	(855)	901
Gains on disposal of subsidiaries and associates	7	—
Losses on disposal and write-off of property, plant and equipment	<u>(57)</u>	<u>(1,817)</u>
	<u>(905)</u>	<u>(916)</u>

6 TAXATION

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
Hong Kong Profits Tax	3,156	5,543
PRC enterprise income tax	<u>3,668</u>	<u>6,417</u>
	6,824	11,960
Deferred income tax	<u>(725)</u>	<u>2,583</u>
	<u>6,099</u>	<u>14,543</u>

For each of the years ended 31 December 2025 and 2024, Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profit for the years. PRC enterprise income tax has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the PRC.

The tax on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of the home country of the Company as follows:

	2025	2024
	HK\$'000	HK\$'000
Profit before taxation	32,605	63,929
Add: share of results of associates	<u>—</u>	<u>1,243</u>
Profit before tax and before share of results of associates	32,605	65,172
Calculated at a tax rate of 16.5% (2024: 16.5%)	5,380	10,753
Effect of different tax rates in other jurisdictions	1,376	3,098
Tax effect of expenses not deductible for tax purpose	330	1,256
Tax effect of income not taxable for tax purpose	(1,087)	(1,020)
Tax losses not recognised	<u>100</u>	<u>456</u>
Income tax expenses	<u>6,099</u>	<u>14,543</u>

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company during the year is based on the following data:

	2025	2024
Profit attributable to owners of the Company (HK\$'000)	26,506	49,386
Weighted average number of ordinary shares in issue (thousands)	201,664	200,000
Basic earnings per share (Hong Kong cents)	<u>13.14</u>	<u>24.69</u>

(b) Diluted earnings per share

Diluted earnings per share for the year ended 31 December 2025 and 2024 is equal to the basic earnings per share as the potential dilutive ordinary shares arising from exercise of the outstanding share options would be anti-dilutive.

8 DIVIDEND

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim dividend paid of nil per ordinary share (2024: HK3 cents)	—	6,000
Interim special dividend paid of nil per ordinary share (2024: HK7 cents)	—	14,000
Special dividend paid of HK15 cents per ordinary share (2024: nil)	30,660	—
Final dividend proposed of nil per ordinary share (2024: HK3 cents)	—	6,000
Final special dividend proposed of nil cents per ordinary share (2024: HK17 cents)	—	<u>34,000</u>
	<u>30,660</u>	<u>60,000</u>

The Board does not declare any final dividend and final special dividend for the year ended 31 December 2025.

9 TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	36,170	76,949
Loss allowance	<u>(1,391)</u>	<u>(1,532)</u>
	34,779	75,417
Other receivables	<u>1,885</u>	<u>15,126</u>
	<u>36,664</u>	<u>90,543</u>

The credit period for the trade receivables for the Group's business generally ranges from 30 to 90 days. The ageing analysis of trade receivables by invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–30 days	17,197	54,507
31–60 days	17,260	19,212
61–90 days	322	457
Over 90 days	—	<u>1,241</u>
	<u>34,779</u>	<u>75,417</u>

10 TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	12,224	9,468
Accruals and other payables	19,011	22,682
Contract liabilities	<u>2,071</u>	<u>2,322</u>
	<u>33,306</u>	<u>34,472</u>

The ageing analysis of trade payables based on invoice dates is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–30 days	7,044	5,559
31–60 days	2,586	2,437
61–90 days	1,405	—
Over 90 days	<u>1,189</u>	<u>1,472</u>
	<u>12,224</u>	<u>9,468</u>

11 INVESTMENT IN ASSOCIATES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Associates	<u>—</u>	<u>—</u>

The share of result recognised in the consolidated income statement for the year ended 31 December 2025 included share of operating losses amounted HK\$nil (2024: HK\$166,000) before amortisation of intangible assets identified during the acquisition amounted HK\$nil (2024: HK\$1,077,000).

The Group discontinues recognising its share of further losses when its share of loss of associates exceeds its investment in associates.

On 31 December 2025, the Group entered into a sale and purchase agreement with an independent third party to dispose of its entire equity interest in its associates, for a consideration of US\$1,000 (equivalent to HK\$7,788). Upon the completion of the disposal in December 2025, the Group no longer holds any equity interest in BRH2 Plastics, LLC. A gain on disposal of HK\$7,000 was recognised.

12 SHARE-BASED PAYMENTS

Share-based payments amounted HK\$1,691,000 (2024: HK\$1,976,000) was recognised in the consolidated income statement during the year ended 31 December 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in the manufacture and sales of plastic bottles and cups for infants and toddlers and plastic and stainless steel sports bottles. The headquarters of the Group is located in Hong Kong while the production facilities of the Group are primarily situated in the PRC. The two business segments of the Group are:

- (i) the “OEM Business” which primarily comprises the production and sales of plastic bottles and cups for infants and toddlers and plastic and stainless steel sports bottles on an original equipment manufacturer (OEM) basis predominately for the overseas markets; and
- (ii) the “Yo Yo Monkey Business” which primarily comprises the production and sales of infant and toddler products, particularly plastic bottles and cups, under the brand developed by the Group known as “Yo Yo Monkey (優優馬騮)”, principally for the PRC market.

The market environment was highly challenging to the businesses of the Group in year 2025, primarily due to the international policies of the United States administration and the fierce local competition in the PRC. Operating under such harsh conditions, the performance of both the OEM Business and the Yo Yo Monkey Business suffered a blow during the year. The total revenue of the Group recorded an annual decline of approximately 30.8% for the year ended 31 December 2025.

The OEM Business focuses on the overseas market (particularly the United States market) and was still the primary revenue and profit contributor to the Group for the year ended 31 December 2025. By nature, the OEM Business is relatively passive as its sales orders rely on the manufacturing demand of its customers from time to time. The OEM Business recorded a significant annual decline in its revenue for the year ended 31 December 2025, which was mainly attributable to the trade conflicts between the United States and the PRC. In particular, due to the announcements of tariffs by the United States administration during year 2025 (together with the unpredictability of forthcoming tariff adjustments), the major customers of the Group generally became more conservative, especially in the second half of year 2025.

The Yo Yo Monkey Business, which primarily involves own-brand products, focuses on the PRC market. In year 2025, its annual sales continued to shrink, mainly as a result of the ongoing intense local competition, which was in turn caused by, among other factors, (i) the fierce price wars persisting in the local retail industry that has been limiting growth in sales and margin; (ii) the market drift where online shopping has been gaining popularity but the Group was still not yet able to successfully capture such sales; and (iii) the low birth rate for the recent years in the PRC that has been undermining the growth foundation of the infant and toddler products market.

In year 2025, the Group completed the disposal of its entire investment in an associate (being the 40% interest in BRH2 Plastics, LLC) given it had been loss-making, and had not yet generated any profit for the Group since the Group acquired such interest in year 2021. The book value of such investment in

associate had already reduced to nil as of 31 December 2024 and such disposal did not constitute a notifiable transaction under the Listing Rules. The disposal allows the Group to better focus its management attention to the core businesses of the Group.

Overall, owing to the downturn in total revenue, mainly driven by the reduction in sale orders from the major OEM Business customers aforementioned, the net profit attributable to the Shareholders of the Group declined from approximately HK\$49.4 million for the year ended 31 December 2024 to approximately HK\$26.5 million for the year ended 31 December 2025, representing a decrease of approximately HK\$22.9 million or approximately 46.4%.

OUTLOOK AND STRATEGIC PLAN

The prospects of the industry and the businesses of the Group are very much unclear as of this point in time. In particular, the unpredictable international policies of the current United States administration have been, on a worldwide basis, creating considerable uncertainties and risks, from possible changes in trade tariffs to potential engagement in military conflicts. For the OEM Business, in the scenario where the United States administration continues its current tariff strategies or enforces even steeper tariffs covering the products of the Group, the financial performance of the business could be materially and adversely affected as the customers of the Group would likely further reduce their procurements from the Group or request the Group to bear the tariffs, which would be detrimental to the revenue and profit margin of the Group in the future. For the Yo Yo Monkey Business, the local price wars and the low birth rate trend in the PRC are likely to continue to suppress the growth of the infant and toddler products market.

Looking ahead, the management of the Group will continue to follow a very cautious approach to avoid making any mistake in respect of business development strategies, as the businesses of the Group have become more vulnerable under the currently adverse market environment. Nonetheless, the management of the Group will still closely monitor the ever-changing market and, depending on the then circumstances, make appropriate business adjustments to cope with the environmental changes. For the OEM Business, the Group strives to (i) carefully ensure the continuous provision of quality products and strengthen the business relationships with existing major customers; (ii) proactively identify and reach out to new customers with a view to diversifying the customer base on a worldwide basis to avoid over reliance on limited markets; and (iii) prudently evaluate feasible means to enhance manufacturing capabilities and broaden product mix in respect of different types of bottles, especially the possibility to strengthen its capabilities in producing stainless steel sports bottles. For the Yo Yo Monkey Business, the Group has been attempting to boost its online sales through various internet platforms, with an aim of capturing the online shopping trend in the PRC. Regarding the businesses of the Group as a whole, the management of the Group will continue to make every effort to minimise operating costs for the enhancement of profitability, such as via (i) further automatising and streamlining manufacturing cycles to minimise labour force and reduce wasted resources to the extent possible, while without jeopardising the quality of production; and (ii) carefully examining the effectiveness of administrative, selling and related expenses to eliminate unnecessary expenditures.

FINANCIAL REVIEW

Revenue

Revenue of the Group amounted to approximately HK\$291.5 million for the year ended 31 December 2025 (2024: approximately HK\$421.1 million), representing a decrease of approximately 30.8% as compared with the preceding year. The decrease was mainly attributable to the reduction in sales orders of the OEM Business.

- ***OEM Business***

For the year ended 31 December 2025, revenue generated from the OEM Business amounted to approximately HK\$291.0 million, representing a decrease of approximately 30.3%, as compared to that of approximately HK\$417.3 million for the preceding year. For the year ended 31 December 2025, the two largest customers continued to be the major contributors of revenue for the OEM Business, where (i) the revenue generated from the largest customer of the Group amounted to approximately HK\$239.7 million (2024: approximately HK\$323.2 million), representing a decrease of approximately 25.8%; and (ii) the revenue generated from the second largest customer of the Group amounted to approximately HK\$44.8 million (2024: approximately HK\$85.4 million), representing a decrease of approximately 47.5%. The decline in revenue from the largest customer was primarily driven by the decreased orders received for the production of stainless steel sports bottles, where the Group manufactured the plastic parts and procured the metallic parts to produce these products. Revenue from stainless steel sports bottles amounted to approximately HK\$154.4 million for the year 2025, representing a significant decline as compared with that of approximately HK\$212.4 million for year 2024. The overall decrement was primarily due to the announcements of tariffs by the United States administration during year 2025 (together with the unpredictability of forthcoming tariff adjustments), where the major customers of the Group generally became more conservative, especially in the second half of year 2025.

- ***Yo Yo Monkey Business***

For the year ended 31 December 2025, the Yo Yo Monkey Business recorded revenue of approximately HK\$0.5 million, representing a decline of approximately 86.8% as compared to that of approximately HK\$3.8 million for the preceding year. Such decline was mainly due to the fierce local competition, vigorous price wars in the PRC in year 2025. Moreover, along with the market drifting towards online shopping, the sales performance of the Group at offline retail stores recorded a decline, however the Group was still struggling to improve its online sales business. In addition, the low birth rate in the PRC in recent years has undermined the growth foundation of the infant and toddler products market.

Gross profit

The overall gross profit of the Group was approximately HK\$76.1 million, representing an overall gross profit margin of approximately 26.1%, for the year ended 31 December 2025 as compared to that of approximately HK\$117.9 million, representing a gross profit margin of approximately 28.0%, for the

year ended 31 December 2024. The gross profit margin of the OEM Business was approximately 26.1% for the year ended 31 December 2025 (2024: approximately 28.0%), where such annual decrease in gross profit margin was mainly attributable to the reduced economies of scale given the notably lower annual revenue recorded during the year.

Selling expenses

The Group incurred selling expenses of approximately HK\$2.3 million for the year ended 31 December 2025, representing a decrease of approximately 72.6% as compared to that of approximately HK\$8.4 million for the year ended 31 December 2024. Such decrease was mainly attributable to the reduction in employee benefit expenses, transportation expenses and marketing and promotional spending in year 2025 as part of the cost control measures of the Group.

Administrative expenses

The administrative expenses of the Group amounted to approximately HK\$42.1 million for the year ended 31 December 2025, representing a decrease of approximately 10.8% as compared to that of approximately HK\$47.2 million for the year ended 31 December 2024. The reduction in administrative expenses was mainly due to the decrease in expected credit loss adjustment on trade and other receivables by approximately HK\$1.9 million and also due to the reduction in various administrative expenses given the decline in revenue in year 2025 as compared with the preceding year.

Other income and gains/losses

The Group recorded net other income and losses of approximately HK\$604,000 for the year ended 31 December 2025, as compared to net other income and losses of approximately HK\$88,000 for the year ended 31 December 2024. The net other income and losses in year 2025 were mainly attributable to net foreign exchange losses.

Finance income, net

The Group recorded net finance income of approximately HK\$1.6 million for the year ended 31 December 2025, as compared to that of approximately HK\$3.0 million net finance income for the year ended 31 December 2024. The finance expenses were mainly interest expenses for the utilisation of bill facilities and lease liabilities, whilst the finance income was primarily interest income from time deposits placed at banks. The Group did not purchase any financial product during the year ended 31 December 2025.

Share of result of associates

The Group recorded no share of losses of associates for the year ended 31 December 2025 (2024: approximately HK\$1.2 million). No losses were attributable to share of operating loss (2024: approximately HK\$0.2 million) and there was no share of amortisation of intangible assets (2024: approximately HK\$1.0 million) and no impairment loss of associate incurred for year 2025 (2024: nil). The Group discontinues recognising its share of further losses when its share of loss of associates

exceeds its investment in associates. In year 2025, the Group completed the disposal of its entire investment in an associate (being the 40% interest in BRH2 Plastics, LLC), given it had been loss-making, and had not yet generated any profit for the Group, since the Group acquired such interest in year 2021. The book value of such investment in associate had already reduced to nil as of 31 December 2024 and such disposal did not constitute a notifiable transaction under the Listing Rules.

Net profit

Net profit attributable to equity holders of the Company decreased from approximately HK\$49.4 million for the year ended 31 December 2024 to approximately HK\$26.5 million for the year ended 31 December 2025 primarily due to the decline in revenue, which in turn was mainly attributable to the decrease in sales orders from the major OEM Business customers aforementioned.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2025, the cash and cash equivalents of the Group amounted to approximately HK\$180.2 million (2024: approximately HK\$114.5 million). The cash and cash equivalents of the Group as at 31 December 2025 were primarily denominated in Hong Kong dollars, Renminbi and United States dollars. The net increase in cash and cash equivalents from 31 December 2024 to 31 December 2025 by approximately HK\$65.7 million was mainly attributable to the net cash generated from operating activities of approximately HK\$104.2 million which was in turn driven by the profit before income tax of approximately HK\$32.6 million for the year ended 31 December 2025.

As at 31 December 2025, the Group maintained banking facilities of approximately HK\$30.0 million (2024: approximately HK\$30.0 million), which were partly utilised as bills facilities to settle payments to suppliers from time to time.

As at 31 December 2025, the gearing ratio of the Group (being total interest-bearing borrowings divided by total equity) was nil (2024: Nil).

CAPITAL COMMITMENT AND CAPITAL EXPENDITURE

As at 31 December 2025, the Group had no capital commitment (2024: Nil).

For the year ended 31 December 2025, the capital expenditure of the Group (being gross addition of property, plant and equipment) was approximately HK\$0.7 million (2024: approximately HK\$15.8 million). Such capital expenditure was primarily for the acquisition of new machinery and equipment.

FUNDING AND TREASURY POLICY

The Group had sufficient level of cash and banking facilities for the conduct of its trade in the normal course of business during the year ended 31 December 2025. The management will continue to follow a prudent policy in managing the Group's cash balances and maintain a strong and healthy liquidity to ensure that the Group is well placed to take advantage of any future growth opportunities.

EXCHANGE RATE RISK

The transactions of the Group were primarily denominated in United States dollars, Renminbi and Hong Kong dollars. In particular, sales were primarily made in United States dollars whereas payments of staff wages and salaries were in Renminbi and Hong Kong dollars. The Group was exposed to exchange rate risk, especially from the fluctuation of the value of Renminbi.

For the year ended 31 December 2025, the Group recorded a loss on foreign exchange of approximately HK\$0.9 million (2024: gain on foreign exchange of approximately HK\$0.9 million).

The Group had not used any derivatives or financial instruments for hedging its exposure to foreign exchange risk during the year ended 31 December 2025. The management of the Company will continue to monitor the Group's foreign currency risk exposure and to ensure that it is kept at an acceptable level.

CHARGE ON ASSETS

None of the assets of the Group were pledged as at 31 December 2025 (2024: nil).

MATERIAL ACQUISITION, DISPOSAL AND INVESTMENT

Save as disclosed in Note 11 to the consolidated financial statements of the Group in this announcement, the Group did not perform any material acquisition or disposal of subsidiaries, associates or joint ventures or investments during the year ended 31 December 2025. The Group did not hold any significant investment as at 31 December 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any other plans for material investments and capital assets during the year ended 31 December 2025 and up to the date of this announcement.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material contingent liabilities, nor was aware of any pending or potential material legal proceedings involving the Group.

EVENTS AFTER THE YEAR

As at the date of this annual result announcement, there is no other material change or major event required to be disclosed by the Company after 31 December 2025.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 December 2025, the Group had 441 full-time employees (2024: 818). The reduction in the number of employees as at 31 December 2025 as compared to that of 31 December 2024 was mainly because of the lower demand for production workers (non-administrative staff) for manufacturing processes, along with the decrease in the number of sales orders received in year 2025.

Employees were remunerated and granted bonuses based on their performance, work experience and prevailing market conditions. In compliance with statutory requirements in the PRC, the Group participated in a social insurance scheme and a housing provident fund. The social insurance scheme included pension insurance, medical insurance, maternity insurance, unemployment insurance and work injury insurance. For the Hong Kong employees, the Group contributed to the mandatory provident fund scheme as applicable. Employee benefit expenses of the Group in total for the year ended 31 December 2025 were approximately HK\$70.7 million (2024: approximately HK\$84.0 million).

The emoluments of the Directors were decided by the Board after recommendation from the remuneration committee of the Company, having considered factors such as the Group's financial performance and the individual performance of the Directors, etc.

The Group has adopted a share option scheme under which employees of the Group may be granted an opportunity to acquire equity interests in the Company in recognition of their contributions to the Group. On 7 June 2021, the Company granted 6,000,000 share options to the Directors, senior management and certain employees of the Group to subscribe for an aggregate of 6,000,000 Shares. On 27 May 2024, the Company granted 10,000,000 share options to the Directors and certain employees of the Group to subscribe for an aggregate of 10,000,000 Shares. For further details, please refer to the announcements of the Company dated 7 June 2021 and 27 May 2024 and Note 12 to the consolidated financial statements of the Group in this results announcement.

PROSPECTS

Under the prevailing intricate macro-economic climate, the prospects of the industry and the businesses of the Group are very much unclear as of this point in time. The Group overcame the challenging times under the pandemic period in the past, but other challenges arose afterwards. Ongoing and potential international trade tensions and military conflicts are some of the key underlying causes that are casting uncertainties and risks on the upcoming business performance of the Group. In particular, given the majority of the revenue of the Group has been relying on the United States market, a healthy trade relationship between the United States and the PRC is essential to the business performance of the Group. However, the current presidential administration in the United States has been using tariffs as a weapon and has been enforcing and altering tariffs in an unpredictable manner. Such market instability shakes the confidence of the major customers of the Group to place orders, which in turn could be devastating to the business performance of the Group. Notwithstanding the aforesaid, the Group vows to devote its best efforts to overcome one challenge after another on its journey ahead.

The OEM Business is the core business segment, generating the majority of the total revenue of the Group. Its main focus is on the overseas markets, where a majority of its revenue has been derived from customers based in the United States. Endowed with years of experience, the Group has earned prominent recognition in the market with its quality products and has established strong bonds with its major customers. However, the sustainability of product demand, the mix of product types and the profitability of the businesses of the Group are difficult to foresee as they depend on, among other matters, the then industry environment, product cycle and trade policies from time to time, where some of these factors can be risks that are beyond the control of the Group and its customers. In particular, the announcements of tariffs by the United States administration during year 2025, together with the unpredictability of forthcoming tariff adjustments, have generated considerable uncertainties and risks on a worldwide basis, where the major customers of the Group generally became more conservative. In case the United States administration continues its current tariff strategies or enforces even steeper tariffs covering the products of the Group, the financial performance of the OEM Business could be materially and adversely affected. Nevertheless, the Group remains committed to mitigating market risks and proactively reinforcing this core business segment. The key development strategies of the Group will essentially involve (i) ensuring the continuous and efficient delivery of quality products and services to existing customers, so as to strengthen the bonding relationships; (ii) leveraging on its expertise to liaise with potential customers, such as well-known bottle brands, located in different parts of the world, with a view to both broadening revenue stream and also diversifying the present focus on the United States market; and (iii) exploring possible means, such as through capital expenditure or partnership formation, to enhance the manufacturing capabilities for products, including but not limited to plastic sports bottles and stainless steel sports bottles, primarily for meeting the specific needs of existing customers and improving the margins of the relevant products.

The Yo Yo Monkey Business focuses on the local PRC market. Its core products serve the infant and toddler sector and its business performance has been, and is expected to continue to be, heavily pressured by (i) the fierce price wars in the market, which have hindered the Group from seizing or even maintaining market share; (ii) the growing trend of online shopping, where the Group historically relied on offline sales and has not yet been able to successfully grow its online sales; and (iii) the low birth rate in the PRC in recent years, which has curbed the growth potential of the infant and toddler products market in general. Although all these factors are risks hindering the development of the Yo Yo Monkey Business, the Group believes the Yo Yo Monkey Business is still well positioned in the PRC market in view of, among other things, “Yo Yo Monkey (優優馬騮)” being one of the few quality baby brand products originated from Hong Kong with established market presence in the PRC. Moreover, in order to cope with the vibrant e-commerce market in the PRC, the Group will continue to exert efforts to attempt to improve its internet business.

On top of cultivating organic growth from existing businesses, the Group also cautiously evaluates possibilities to elevate growth via exploring proper business and investment opportunities, including but not limited to (i) identifying potential acquisition targets on a global basis, especially those that are able to bring production synergies to the Group; and (ii) assessing possible cooperation with business partners to form strategic alliances to accelerate the business development of the Group, such as for the stainless steel bottle products which the Group considers to have growth potential.

Owing to the precarious international market landscape, the future path of the Group remains exceptionally challenging. Over the years, the Group has weaved a sturdy web of connections across customers, suppliers and other stakeholders. The ongoing development of the Group has been anchored in the image of the Group as a reliable partner, which has provided the Group with resilience to sail over troubled waters. The Group will continue to keep its unwavering commitment to stand firm and act decisively to make calibrations in formulating meticulous business strategies that can help to stabilise the Group in a storm. The Group will not wait around for a market the Group wishes to be, but will valiantly navigate through the market as it is.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) for the year ended 31 December 2025. As of 31 December 2025, the Company did not hold any treasury share.

DIVIDENDS

No interim dividend was declared by the Board for the six months ended 30 June 2025 (six months ended 30 June 2024: HK10 cents).

A special dividend of HK15 cents (2024: Nil) per Share was declared by passing a resolution on 3 December 2025. The special dividend was paid on Friday, 16 January 2026.

The Board did not recommend the payment of a final dividend for the year ended 31 December 2025. (2024: HK20 cents).

ANNUAL GENERAL MEETING

The AGM will be held on Monday, 8 June 2026. The notice of the AGM will be published on the websites of each of the Stock Exchange (www.hkexnews.hk) and the Company (www.mainsuccess.cn) in the manner as required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") in due course.

CLOSURE OF REGISTER OF MEMBERS

The Company will hold the AGM on Monday, 8 June 2026. The register of members of the Company will be closed from Wednesday, 3 June 2026 to Monday, 8 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. The record date to determine the entitlement of the shareholders to attend and vote at the forthcoming AGM will be Monday, 8 June 2026. In order to qualify for attendance and voting at the forthcoming AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar and transfer office of the Company, Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 2 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct regarding Directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix C3 to the Listing Rules. The Company had made specific enquiries to all Directors and they had confirmed in writing their compliance with the required standard set out in the Model Code throughout the year ended 31 December 2025.

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance. The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the “**CG Code**”) under Appendix C1 to the Listing Rules. During the year ended 31 December 2025, the Company had complied with all applicable code provisions set out in the CG Code.

REVIEW OF FINANCIAL INFORMATION

The figures in respect of the Group's consolidated statement of financial position, 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 reviewed by the Company's audit committee and 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 in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.mainsuccess.cn). The annual report of the Company for the financial year ended 31 December 2025 containing all the relevant information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course.

By order of the Board
MS Group Holdings Limited
Chau Ching
Chairman

Hong Kong, 20 March 2026

As of the date of this announcement, the executive Directors are Mr. Chau Ching, Mr. Chung Kwok Keung Peter, Mr. Chung Leonard Shing Chun, Mr. Chau Wai and Ms. Lo Siu Fun Helena; and the independent non-executive Directors are Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak.