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## **SMART GLOBE HOLDINGS LIMITED**

### **竣球控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1481)**

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

|   | <b>Year ended 31 December</b>  |                 | <b>Change<br/>%</b> |
|---|--|-----------------|---------------------|
|   | <b>2025</b>  | <b>2024</b>     |                     |
|   | <b>HK\$'000</b>  | <b>HK\$'000</b> |                     |
| Revenue   | <b>204,949</b>   | 117,587         | 74.3                |
| – Supply chain management service segment           | <b>111,032</b>   | 9,520           | 1,066.3             |
| – Printing segment                                  | <b>93,917</b>  | 108,067         | (13.1)              |
| Gross profit  | <b>42,394</b>  | 13,746          | 208.4               |
| EBITDA/(LBITDA)                                     | <b>31,520</b>  | (3,442)         | N/A                 |
| Profit/(loss) attributable to owners of the Company | <b>7,890</b>   | (12,000)        | N/A                 |
| Basic earnings/(loss) per share (HK cents)          | <b>0.77</b>  | (1.18)          | N/A                 |
| –   | The turnaround in financial performance of the Group for FY2025 was primarily attributable to the Group having succeeded in tapping into the Sub-Saharan Africa market and the demand for the Group's supply chain management service, in particular logistics services, was overwhelming during FY2025. |                 |                     |
| –   | Basic earnings per share for FY2025 was approximately HK0.77 cents (FY2024: basic loss per share of approximately HK1.18 cents).   |                 |                     |
| –   | The Board does not recommend any payment of final dividend for FY2025 (FY2024: nil).   |                 |                     |

## MANAGEMENT DISCUSSION AND ANALYSIS

The board (the “**Board**”) of directors of Smart Globe Holdings Limited (the “**Company**”) (the “**Directors**”) hereby presents the Company’s annual results for the year ended 31 December 2025 (“**FY2025**”), together with the comparative figures for the year ended 31 December 2024 (“**FY2024**”).

### **Business Review**

The Company and its subsidiaries (the “**Group**”) is principally engaged in (i) supply chain management service business; and (ii) printing business.

#### *Supply Chain Management Service Segment*

During FY2025, the Group’s supply chain management service segment experienced exponential growth. It has emerged as one of the Group’s principal business activities and has contributed approximately 54.2% of the Group’s revenue during FY2025.

The aforementioned growth of the Group’s supply chain management service segment resulted from overwhelming demand for its services from commodity traders, mine owners, smelters and leaching plants in the Sub-Saharan Africa region. In order to meet these demands, in addition to utilising the Group’s leased and self-owned trucking fleets, the Group also collaborated with local strategic fleet partners to provide flexibility in fleet management.

In January 2025, the Group acquired two parcel of land (the “**Land**”) in the Republic of Zambia (“**Zambia**”) near the border of Democratic Republic of Congo (“**DRC**”) and commenced construction of the warehouse building as part of its logistics center during FY2025. In July 2025, the Group entered into a services agreement with COSCO SHIPPING Africa (Pty) Ltd (“**COSCO SHIPPING Africa**”) and a bonded warehouse was subsequently constructed and became fully operational since September 2025.

In October 2025, the Group entered into a sales and purchase contract to acquire 50 tractor trucks and 50 40-foot 3-axle semi-trailers to strengthen its supply chain management capabilities.

In November 2025, the Group leased a portion of the Land to Harmony Prosper Zambia Limited (the “**Lessee**”), an independent third party, to generate stable rental income, while retaining a contingent acquisition arrangement to expand its warehouse and production facilities upon expiry of the lease.

#### *Printing Segment*

The printing segment of the Group specialises in printing of books, novelty and packaging products, offering an extensive suite of services that encompasses the entire printing process, from pre-press to finishing and producing customised value-added printing products. Due to the difficulties and challenges encountered by the Group from the fierce market and keen competition, the Group recorded a decrease of revenue in its printing business by approximately 13.1% to approximately HK\$93.9 million for FY2025 from approximately HK\$108.1 million for FY2024.

## Financial Review

### Revenue

The following table sets forth the Group's revenue by business segments for the years indicated:

|  | Year ended<br>31 December |                         | Proportion of<br>total revenue |               |
|--|---------------------------|-------------------------|--------------------------------|---------------|
|  | 2025<br><i>HK\$'000</i>   | 2024<br><i>HK\$'000</i> | 2025                           | 2024          |
| Supply chain management service<br>segment | 111,032                   | 9,520                   | 54.2%                          | 8.1%          |
| Printing segment                           | 93,917                    | 108,067                 | 45.8%                          | 91.9%         |
| Total                                      | <u>204,949</u>            | <u>117,587</u>          | <u>100.0%</u>                  | <u>100.0%</u> |

During FY2025, revenue generated by supply chain management service segment and the printing segment accounted for approximately 54.2% and approximately 45.8% of total revenue of the Group, respectively. The increase in revenue was mainly attributable to the significant increase in revenue from the supply chain management service segment (in particular the logistics services) resulted from the overwhelming demand during FY2025.

### Gross profit and gross profit margin

The following table sets forth the Group's gross profit and gross profit margin by business segments for the years indicated:

|  | Gross profit<br>For the year ended<br>31 December |                         | Gross profit margin<br>For the year ended<br>31 December |              |
|--|---|-------------------------|--|--------------|
|  | 2025<br><i>HK\$'000</i>                           | 2024<br><i>HK\$'000</i> | 2025   | 2024         |
| Supply chain management service<br>segment | 33,075  | 617                     | 29.8%  | 6.5%         |
| Printing segment                           | 9,319   | 13,129                  | 9.9%   | 12.1%        |
| Total                                      | <u>42,394</u>                                     | <u>13,746</u>           | <u>20.7%</u>   | <u>11.7%</u> |

For FY2025, the Group's gross profit amounted to approximately HK\$42.4 million, representing a significant increase of approximately 208.4% as compared to the gross profit of approximately HK\$13.7 million in FY2024. Such increase was primarily attributable to the Group having succeeded in tapping into the Sub-Saharan Africa market and the demand for the Group's supply chain management service, in particular logistics services, was overwhelming during FY2025.

#### ***Other income/other gains and losses***

Other income increased by approximately HK\$3.0 million to approximately HK\$5.6 million in FY2025 from approximately HK\$2.6 million in FY2024, mainly due to increase in net income from logistics surcharge in FY2025 as compared with FY2024.

Other gains and losses decreased slightly by approximately HK\$0.3 million from gain of approximately HK\$1.3 million for FY2024 to gain of approximately HK\$1.0 million for FY2025, mainly due to the decrease in net exchange gain in FY2025 by approximately HK\$0.7 million.

#### ***Selling and distribution costs***

Selling and distribution costs remained relatively stable with a slight decrease from approximately HK\$6.0 million in FY2024 to approximately HK\$4.8 million in FY2025 mainly due to the decrease in transportation and freight charges and other marketing expense in FY2025.

#### ***Administrative expenses***

Administrative expenses remained relatively stable with a slight increase from approximately HK\$23.2 million in FY2024 to approximately HK\$23.4 million in FY2025.

#### ***Tax expenses***

The Group recorded tax expenses of approximately HK\$6.8 million for FY2025 (FY2024: nil) as the Group generated assessable profit during FY2025.

#### ***Profit for the year***

As a result of the above factors, the Group recorded a profit of approximately HK\$13.0 million for FY2025 (FY2024: loss of approximately HK\$12.0 million).

The above financial data were chosen to be presented in this announcement as they represent a material financial impact on the financial statements of the Group for FY2025. The Board believes that by presenting the changes of these financial data, they can effectively explain the financial performance of the Group for FY2025.

## FINAL DIVIDEND

The Board does not recommend any payment of final dividend for FY2025 (FY2024: nil).

## OUTLOOK

The Group's supply chain management service segment, focusing on Sub-Saharan Africa, is entering into a rapid growth stage supported by substantial infrastructure development and strategic partnerships. After acquiring the Land in Zambia near the DRC border in January 2025, the Group has actively broadened its sources of income and strengthened its local presence in Sub-Saharan Africa by, among other things, (i) enhancing strategic cooperation with COSCO SHIPPING Africa by signing the services agreement in July 2025, following the signing of a memorandum of understanding in November 2024; (ii) acquiring 50 tractor trucks and 50 40-foot 3-axle semi-trailers in October 2025 to strengthen its supply chain management capabilities; and (iii) leasing a portion of the Land to Lessee in November 2025, while retaining a contingent acquisition arrangement to expand its warehouse and production facilities at the end of the lease term. Furthermore, the Group has made significant progress in constructing its comprehensive logistics center during the year. This facility will include warehouses, truck parking area, and vehicle maintenance areas designed to serve as a regional logistics gateway facilitating cross-border trades. The strategic location near key trade borders is expected to increase customs clearance efficiency and reduce logistics costs, attract collaboration with both international and local logistics partners. It is expected that following completion of the development of the logistics center, the supply chain management service segment of the Group shall include provision of material sourcing, logistics service and warehousing service.

Looking toward 2026 and beyond, the Group anticipates that, upon achieving full operational capacity of its logistics center and progressively implementing additional strategic collaborations with business partners, the supply chain management services segment will solidify its position as the core engine driving the Group's revenue growth and profitability. Meanwhile, recognising the structural headwinds faced by the traditional printing industry (including rapid digital transformation, intensifying global competition, and margin compression), the Group's strategic focus for 2026 will be firmly directed toward advancing the deep development and large-scale expansion of its supply chain management services business. To this end, the Group has formulated three core strategic pillars to drive sustainable growth and market leadership:

- 1. Enhancement of operational capacity and asset upgrades:** While continuing to prioritise the development of its logistics center, the Group plans to expand its logistics capacity by, among other things, acquiring and/or leasing additional transportation vehicles to strengthen its truck fleet in order to support the development of new routes and the anticipated growth in business volume.

2. **Acceleration of network expansion:** The Group is pursuing the active development of new strategic logistics and transportation corridors across the African continent, with a focus on establishing a robust cross-border network anchored by the Zambian logistics hub and extending into neighboring markets. This initiative is expected to substantially expand the Group’s operational footprint across Sub-Saharan Africa, strengthening its competitive position and consolidating its presence within the region’s rapidly growing yet highly fragmented logistics sector.
  
3. **Optimisation of capital structure for growth:** To successfully deliver on its expansion and development agenda, the Group plans to diversify its capital structure by introducing strategic industrial investors and, in parallel, actively pursuing additional financing options, including debt instruments, in the near term.

Building on the strong performance of the Group’s supply chain management services segment in FY2025, the Board believes that adopting an integrated business strategy by combining the continued expansion of the supply chain management services segment with the optimisation of the printing segment serves the best interests of both shareholders of the Company (the “**Shareholders**”) and the Group in the long run. This strategic alignment is expected to mitigate overall business risk and enhance the Group’s resilience and adaptability amid evolving market conditions and global uncertainties. The Group maintains a disciplined and prudent financial management framework in its treasury operations and, as a result, maintains a sound liquidity position throughout FY2025. Management actively manages liquidity risk by continuously monitoring the Group’s liquidity profile and ensuring that sufficient cash and cash equivalents are available to support operational and financial commitments. In addition, management regularly reviews and maintains an appropriate level of committed credit facilities to ensure the continued availability of funding and the Group’s ability to discharge its payables as they fall due.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

The Group generally finances its operations with its internally generated cash flows and cash reserves. The Group is financially sound with healthy cash position. The Group’s cash and cash equivalents as at 31 December 2025 amounted to approximately HK\$87.9 million (as at 31 December 2024: approximately HK\$55.3 million).

|               | <b>31 December<br/>2025</b> | 31 December<br>2024 |
|---------------|-----------------------------|---------------------|
| Current ratio | <b>1.9</b>                  | 4.3                 |
| Gearing ratio | <b>16.7%</b>                | 7.1%                |

The Group's current ratio, which was calculated as current assets divided by current liabilities as at the relevant reporting date, stood at approximately 1.9 as at 31 December 2025 (as at 31 December 2024: approximately 4.3). The Group's gearing ratio, which was calculated as total interest-bearing liabilities divided by owner's equity as at the relevant reporting date, was approximately 16.7% as at 31 December 2025 (as at 31 December 2024: approximately 7.1%).

The capital structure of the Group consists of debts, which mainly include convertible bonds and equity reserves attributable to owners of the Company which comprises issued ordinary Shares and various reserves. The Board shall review the Group's cost and risks of capital on a regular basis with the aim to achieve the optimal capital structure for the Group.

## **TREASURY POLICIES**

The Group has continued to adopt a prudent and disciplined approach to financial management and treasury operations, thereby ensuring the maintenance of a sound and stable liquidity position throughout FY2025. In managing liquidity risk, the management conducts ongoing monitoring of the Group's liquidity profile and ensures that sufficient cash and cash equivalents are maintained at all times. In addition, the management reviews and oversees the Group's funding resources by maintaining an appropriate level of committed credit facilities, with a view to safeguarding the Group's ability to fulfil its financial obligations as and when they fall due.

## **EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES**

As its revenue is mainly denominated in United States dollars ("US\$") and/or Hong Kong dollars ("HK\$"), and HK\$ is pegged to US\$, the Group's exposure to fluctuations in exchange rate in relation to the Group's revenue is relatively low.

The Group is exposed to foreign exchange risks in respect of the exchange differences arising from translation between HK\$ and Renminbi ("RMB") as the Group's production for printing segment is mainly in the People's Republic of China ("PRC"). The appreciation of RMB may lead to an increase of the Group's cost of production.

In addition, following the latest changes to the regulatory requirements in Zambia, all domestic transactions of the Group's subsidiaries in Zambia must be settled in Zambian Kwacha ("ZMW"). While the transactions of the Group's subsidiaries in Zambia are mostly denominated in US\$, the Group is exposed to foreign exchange risks in respect of the exchange differences arising from translation between ZMW and US\$ for domestic expenditures in Zambia. The appreciation of ZMW may lead to an increase of our operating costs in Zambia.

Given that the financial statements of the Group's subsidiaries in Zambia are presented in US\$ (which is pegged to HK\$), the Group's exposure to fluctuations in exchange rate from translation between US\$ and HK\$ is limited.

During FY2025, the Group has neither entered into any financial instrument for hedging purposes nor other hedging instruments to hedge against foreign exchange rate risks. The Group will keep reviewing and monitoring the exchange fluctuation between RMB and HK\$ and between ZMW and US\$, and will consider entering into hedging arrangement as and when appropriate.

## **CAPITAL EXPENDITURE, CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

During FY2025, the Group acquired property, plant and equipment amounting to approximately HK\$26.7 million.

During FY2025, the Group acquired right-of-use assets amounting to approximately HK\$28.5 million because it (i) entered into of a lease agreement for an office in Hong Kong; and (ii) entered into two lease agreements for the use of leasehold land located in Zambia with the Zambian government.

As at 31 December 2025, the Group has capital commitment, which are authorised and contracted but not provided for, in respect of acquisition of property, plant and equipment amounting to approximately HK\$16.3 million. Furthermore, the Group has no material contingent liabilities as at 31 December 2025.

## **INVESTMENT PROPERTIES**

References are made to the announcements of the Company dated 26 November 2024 and 3 January 2025. On 26 November 2024, Tera Logistics Limited ("**Tera Logistics**" as purchaser), an indirect wholly owned subsidiary of the Company, Heng Qu Investment Zambia Limited ("**Heng Qu**" as vendor) and Mr. Du Chunqing ("**Mr. Du**" as guarantor of Heng Qu) entered into the sale and purchase agreement (the "**Sale and Purchase Agreement**"), pursuant to which (i) Tera Logistics has conditionally agreed to purchase, and Heng Qu has conditionally agreed to sell, the Land, at an aggregate consideration of US\$3,500,000 (equivalent to approximately HK\$27.1 million); and (ii) Mr. Du (as guarantor) has agreed to guarantee the performance of the obligations of Heng Qu under the Sale and Purchase Agreement.

On 31 October 2025, the Group entered into a lease agreement (the "**Lease Agreement**") with Lessee, pursuant to which the Group leased out a portion of the areas within the Land to the Lessee for a term of 4 years and 11 months to generate rental income. The corresponding portion of right-of-use assets was reclassified as investment property for rental purpose.

In addition, pursuant to the Lease Agreement, the Group has a contingent obligation to acquire the buildings constructed by the Lessee on the Land upon expiry of the lease term, at a maximum consideration of US\$6,000,000.

For further details, please refer to the announcement of the Company dated 31 October 2025.

## **SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES**

On 26 November 2024, Huge Cheer Limited (“**Huge Cheer**”), an indirect wholly owned subsidiary of the Company (as issuer), DCQ Holdings Limited (“**DCQ**” as subscriber) and Mr. Du (as guarantor of DCQ) entered into the share subscription agreement (the “**Share Subscription Agreement**”), pursuant to which (i) Huge Cheer has conditionally agreed to allot and issue, and DCQ has conditionally agreed to subscribe for 2,500 shares in Huge Cheer (the “**Subscription Shares**”) at the subscription price of HK\$2,170 per Subscription Share, representing 20% of the issued shares of Huge Cheer as enlarged by the Subscription Shares, at a total consideration of HK\$5,425,000 in cash (the “**Huge Cheer Share Subscription**”); and (ii) Mr. Du (as guarantor) has agreed to guarantee the performance of the obligations of DCQ under the Share Subscription Agreement. Upon completion of the allotment and issuance of the Subscription Shares, the Group’s shareholding interest in Huge Cheer will be decreased from 100% to 80%, which constitutes a deemed disposal of the Company under Rule 14.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). On 3 January 2025, the acquisition of the Land and the Huge Cheer Share Subscription were completed. For further details, please refer to the announcements of the Group dated 26 November 2024 and 3 January 2025.

Save as disclosed herein, during FY2025, the Group did not make any material acquisitions and disposals of subsidiaries, associates, joint ventures, significant investments nor capital commitment.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

The Group will continue to expand its own truck fleet and further develop its logistics center, as and when appropriate. The Group expects that internal financial resources and additional financing will be sufficient to meet the necessary funding requirements.

Save as disclosed in this announcement, as of the date of this announcement, the Group does not have other plans for material investments or purchase of capital assets.

## **CHARGE ON GROUP’S ASSETS**

The Group did not have any charges on assets as at 31 December 2025 (as at 31 December 2024: nil).

## **EMPLOYEES' INFORMATION AND EMOLUMENT POLICIES**

Our employees are based in Hong Kong, Heyuan, Guangdong Province, the PRC and Zambia. As at 31 December 2025, there were 345 (as at 31 December 2024: 438) employees in the Group. The total staff costs, including directors' emoluments, amounted to approximately HK\$38.8 million for FY2025 (FY2024: approximately HK\$38.5 million). Staff remuneration packages are determined with reference to market conditions and the performance of the individuals concerned, and are subject to review from time to time. The Group also provides other staff benefits including medical insurance, and grants discretionary incentive bonuses to eligible staff based on their performance and contributions to the Group.

The workers are mainly based at our production site located at Heyuan Hi-Tech Development Zone, Heyuan, Guangdong Province, the PRC (the "**Heyuan Factory**"). As at 31 December 2025, there were 273 (as at 31 December 2024: 406) employees in the Heyuan Factory.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES**

On 26 November 2024, the Company entered into, among others, the convertible bonds subscription agreement with DCQ and Mr. Du, pursuant to which the Company has conditionally agreed to issue, and DCQ has conditionally agreed to subscribe for, the convertible bonds in the principal amount of HK\$20,100,000 (the "**Convertible Bonds**"). The Convertible Bonds were subsequently issued on 3 January 2025 under the general mandate granted in the annual general meeting held on 27 May 2024 (the "**CB Subscription**"). The Convertible Bonds may be converted into a maximum number of 16,750,000 shares of the Company at a conversion price of HK\$1.2 per share. The conversion period shall commence on 3 July 2026 and end on 3 January 2028. The maturity date shall be three years from the date of issue, i.e. 3 January 2028. As at the date of this announcement, none of the Convertible Bonds has been converted.

The shares to be issued upon conversion of the Convertible Bonds will be issued under the general mandate granted in the annual general meeting held on 27 May 2024.

Apart from the Company's issue of the Convertible Bonds as disclosed above, there was no subsisting options convertible to securities of the Company. Neither the Company nor any of its subsidiaries had purchased, sold, or redeemed any of the securities of the Company during FY2025 and up to the date of this announcement.

## USE OF PROCEEDS IN RELATION TO THE CONVERTIBLE BONDS

The Company intends to utilise the proceeds from the CB Subscription as funding for general working capital for its supply chain management service business (including further expansion of its logistics fleet and development of own logistics center on the Land). The subscriber of the Convertible Bonds is DCQ, a company incorporated under the laws of the British Virgin Islands (the “**BVI**”) and is wholly owned by Mr. Du. DCQ is principally engaged in investment holding. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, DCQ and Mr. Du are third parties independent of and not connected with the Company and its connected person. For details of the CB Subscription, please refer to the announcements of the Company dated 26 November 2024 and 3 January 2025. As at the date of this announcement, the entire amount of the net proceeds from the CB Subscription remained unutilised and is expected to be utilised on or before 31 December 2026.

## USE OF PROCEEDS IN RELATION TO THE 2022 PLACING

References are made to the announcements of the Company respectively dated 15 July 2022, 5 August 2022, 15 August 2022, 12 October 2022, 30 November 2022, 31 January 2023, 31 March 2023, 5 July 2023 and 26 November 2024.

On 15 July 2022, the Company entered into a subscription agreement (the “**Subscription Agreement**”) with the Hubei Kang Shi Zhen Yi Yao Technology Co., Ltd.\* (湖北康時珍醫藥科技有限公司) (the “**Target Company**”), pursuant to which the Company has conditionally agreed to subscribe for 30% enlarged registered capital in the Target Company upon the completion, at the subscription price of HK\$30,000,000 (the “**Subscription**”). The completion of the Subscription is conditional upon, among other things, the Company having completed its due diligence investigation on the Target Company and in its absolute discretion satisfied with the results thereof. For further details, please refer to the announcement of the Company dated 15 July 2022.

On 5 August 2022, an aggregate of 20,000,000 placing shares of the Company were placed to an independent third party at the placing price of HK\$1.05 per placing share, raising net proceeds of approximately HK\$20.7 million for the purpose of the pharmaceutical related projects’ investment (the “**2022 Placing**”).

On 15 August 2022, the Company entered into a supplemental deed with the Target Company to advance an amount in RMB equivalent to HK\$7,000,000, at an interest rate of 5% per annum, to the Target Company for the purpose of the Target Company’s operation and future expansion plan (the “**Advancement**”). Upon satisfaction or wavier of the conditions precedent as stated in the Subscription Agreement, the Advancement will form part of the Subscription consideration. To secure the Advancement made by the Company to the Target Company, the Company requested Fuyou Pharmaceutical Technology (Suzhou) Co., Ltd (“**Fuyou Pharmaceutical**”, being substantial shareholder of the Target Company) to pledge its 10% equity interests in the Target Company in favour of the Company (or its nominee).

Due to the prolonged due diligence investigation process, the Company decided to cease to proceed with the Subscription and entered into a deed of assignment and novation with the Target Company, Riverton Holdings Limited (“**Riverton**”), CP Printing (Heyuan) Limited\* (同利紙製品(河源)有限公司) (“**Tong Li**”, being an indirect wholly-owned subsidiary of the Company) and Fuyou Pharmaceutical on 5 July 2023, whereby, among other things, (i) the Company and Tong Li assigned and transferred all their right, title, benefit, interest, property, claim, demand, covenants, undertakings, obligations and liabilities in the agreement to Riverton and (ii) Fuyou Pharmaceutical release and discharge Tong Li from all its obligations and liabilities under the share pledge agreement dated 15 August 2022 entered into between Tong Li and Fuyou Pharmaceutical, for a consideration of HK\$7,000,000 to recover the Advancement for the Group’s continued development of its core business activities.

On 26 November 2024, the Group entered into, amongst others, the Sale and Purchase Agreement and a memorandum of understanding to seize the potential business opportunity in the logistics industry in Sub-Saharan Africa. As a result, the Group expected to incur substantial upfront costs at the early stage of this investment opportunity arising from, among other things, the purchase of the Land. Given that the Group had yet to identify any pharmaceutical related projects that are worth investing in, on 26 November 2024, the Board resolved to change the use of the net proceeds from the 2022 Placing. For further details, please refer to the announcement of the Company dated 26 November 2024. As of the date of this announcement, the net proceeds of HK\$20.7 million (including the recovered Advancement) have been fully utilised as part of the consideration for the acquisition of the Land.

Details of the net proceeds allocations and remaining balance up to the date of this announcement are set out as below:

|   | <b>Allocation<br/>of the net<br/>proceeds<br/>as at<br/>1 January<br/>2025</b> | <b>Revised<br/>allocation of<br/>unutilised net<br/>proceeds</b> | <b>Amount<br/>utilised<br/>during<br/>FY2025</b> | <b>Remaining<br/>balance<br/>as at the<br/>date of this<br/>announcement</b> |
|---|--|--|--|--|
|   | <i>Approximately<br/>HK\$’ million</i>   | <i>Approximately<br/>HK\$’ million</i>                           | <i>Approximately<br/>HK\$’ million</i>           | <i>Approximately<br/>HK\$’ million</i>                                       |
| <b>Intended use of proceeds:</b>  |  |  |  |  |
| – Pharmaceutical related projects   | 13.7   | –  | –  | –  |
| – Core business activities  | 7.0  | –  | –  | –  |
| – Acquisition of the Land in<br>Zambia (approximately<br>76.3% of the total<br>consideration) | –  | 20.7   | 20.7 <sup>Note</sup>                             | –  |
| <b>Total</b>  | <b>20.7</b>  | <b>20.7</b>  | <b>20.7</b>                                      | <b>–</b>   |

*Note: On 3 January 2025, the net proceeds of HK\$20.7 million have been fully utilised.*

## EVENTS SUBSEQUENT TO END OF THE REPORTING PERIOD

There were no significant events subsequent to 31 December 2025 which would materially affect the Group's operating and financial performance as of the date of this announcement.

## UPDATE ON INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

As disclosed in the announcement of the Company dated 22 May 2025, Mr. Ng Ho Lun (“**Mr. Ng**”) ceased to be chief executive officer and remained as an executive Director and chairman, while Mr. Chu Lok Fung Barry (an executive Director) was appointed as chief executive officer.

During FY2025, save as disclosed above, there are no updates on information of directors and chief executives which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## FINANCIAL HIGHLIGHTS

### Earnings/(loss) per share

Earnings/(loss) per ordinary share attributable to owners of the Company:

|   | <b>2025</b><br><i>HK cents</i> | 2024<br><i>HK cents</i> |
|---|--------------------------------|-------------------------|
| (i) Based on weighted average number of ordinary shares | <b>0.77</b>                    | (1.18)                  |
| (ii) On a fully diluted basis                           | <b>Not applicable</b>          | Not applicable          |

The calculation of basic earnings/(loss) per share is based on the profit for the year attributable to the owners of the Company of approximately HK\$7,890,000 for FY2025 (FY2024: loss of approximately HK\$12,000,000) and on the weighted average number of 1,020,000,000 (FY2024: 1,020,000,000) ordinary shares in issue during FY2025.

The convertible bonds are not included in the calculation of diluted earnings per share because they are antidilutive since their assumed exercise would result in an increase in earnings per share for FY2025.

## Revenue

|         | Year ended 31 December |                 |                 |                 |                 |
|---------|------------------------|-----------------|-----------------|-----------------|-----------------|
|         | 2021                   | 2022            | 2023            | 2024            | 2025            |
|         | <i>HK\$'000</i>        | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Revenue | <u>167,899</u>         | <u>131,647</u>  | <u>97,241</u>   | <u>117,587</u>  | <u>204,949</u>  |

## Profit/(loss) for the year

|                            | Year ended 31 December |                 |                 |                 |                 |
|----------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|
|                            | 2021                   | 2022            | 2023            | 2024            | 2025            |
|                            | <i>HK\$'000</i>        | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Profit/(loss) for the year | <u>1,649</u>           | <u>(16,500)</u> | <u>(3,690)</u>  | <u>(12,000)</u> | <u>13,043</u>   |

## CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance to enhance its corporate value and safeguard the interests of the Shareholders. The Company has adopted the Corporate Governance Code in Appendix C1 to the Listing Rules (the “**CG Code**”) as its own code of corporate governance. During FY2025, the Company has applied the principles of good corporate governance, and has fully complied with the code provisions after the change of Chief Executive Officer as set out below and, where applicable, the recommended best practices as set out in the CG Code.

Code Provision C.2.1 of the CG Code provides that the roles of chairman and chief executive officer should not be performed by the same individual. Mr. Ng performed the roles of chairman and chief executive officer of the Company until the change of chief executive officer on 22 May 2025. Despite of the deviation from the code provision C.2.1, the Board believes that with the support of the management, vesting the roles of both chairman of the Board and chief executive officer on Mr. Ng could facilitate the execution of the Group’s business strategies and provide a strong and consistent leadership to improve the Company’s efficiency in decision-making following the review of the aforementioned items. Moreover, under the supervision of other existing members of the Board including the independent non-executive Directors, the Board was appropriately structured with balance of power to provide sufficient checks to protect the interest of the Company and its shareholders.

In order to set out clearer division of responsibilities at the board level and the management team to ensure a more proper segregation of the management of the board of the Company and the management of the Group's business as required pursuant to the code provision C.2.1 of the CG Code as set out in the Appendix C1 to the Listing Rules, as mentioned under the paragraph "UPDATE ON INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES", Mr. Ng resigned as the Chief Executive Officer with effect from 22 May 2025 while remains as an executive Director of the Company and the chairman of the Board to provide his valuable insight and perspective to the Board. Mr. CHU Lok Fung Barry ("**Mr. Chu**"), who is currently an executive Director, has been appointed as the Chief Executive Officer with effect from 22 May 2025. Mr. Chu will oversee the management of the Group's business. Upon the change of Chief Executive Officer, the Company has fully complied with all applicable code provisions of the CG Code.

The Board will continue to monitor and renew the Company's corporate governance practices to ensure compliance with the CG Code.

The Board conducted reviews of the system of risk management and internal controls of the Group to ensure an effective and adequate risk management and internal control system is in place. The Board also conducted meetings to discuss financial, operational and compliance control.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Specific enquiries have been made of all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out the Model Code during FY2025.

## **SHARE OPTION SCHEME**

The Company has conditionally adopted a share option scheme on 4 December 2017 (the "**Scheme**"). No share options have been granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2025.

## **SUFFICIENCY OF PUBLIC FLOAT**

To the best knowledge of the Directors and based on the information that is publicly available to the Company, at least 25% of the Company's issued share capital were held by the public as at the date of this announcement.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining entitlement to attend and vote at the forthcoming annual general meeting of the Company to be held on Friday, 29 May 2026 (the “AGM”), the register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the AGM, all transfer of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar and transfer office in Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 pm, on Friday 22 May 2026.

## **AUDIT COMMITTEE**

The Company established an audit committee of the Board (“**Audit Committee**”) on 4 December 2017 with written terms of reference in compliance with the Listing Rules. The Audit Committee currently comprises all three independent non-executive Directors, namely Ms. Law Ying Wai Denise, Dr. Wu Ka Chee Davy and Mr. Yiu Ho Chi Stephen. The chairperson of the Audit Committee is Ms. LAW Ying Wai Denise, who holds the appropriate professional qualifications. None of the members of the Audit Committee are former partners of the Company’s existing external auditors. The Audit Committee has adopted terms of reference which are in line with the code provisions of the CG Code.

The Audit Committee has reviewed the terms of engagement and scope of audit work of the Company’s external auditors and has also reviewed the annual results of the Group for FY2025. The Audit Committee considered that the relevant consolidated financial statements have been prepared in compliance with the applicable accounting principles and requirements of The Stock Exchange of Hong Kong Limited and disclosures have been properly made. The Audit Committee has also reviewed and discussed with the management of the Company regarding matters on risk management and internal control system and financial reporting and the effectiveness of such systems thereof.

## **ANNUAL GENERAL MEETING**

The AGM will be held on Friday, 29 May 2026. A notice convening the meeting will be issued and sent to the shareholders of the Company in due course.

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

The Board of the Company is pleased to announce the consolidated results of the Group for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024, as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**  
*FOR THE YEAR ENDED 31 DECEMBER 2025*

|   | <i>Notes</i> | <b>2025</b><br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| <b>Revenue</b>  | 3            | <b>204,949</b>                 | 117,587                 |
| Cost of sales   |              | <u>(162,555)</u>               | <u>(103,841)</u>        |
| <b>Gross profit</b>   |              | <b>42,394</b>                  | 13,746                  |
| Other income  | 4            | <b>5,607</b>                   | 2,582                   |
| Other gains and losses  | 5            | <b>1,027</b>                   | 1,293                   |
| Reversal of allowance/(allowance) for expected credit losses on trade receivables, net                              |              | <b>234</b>                     | (118)                   |
| Selling and distribution costs  |              | <b>(4,761)</b>                 | (5,961)                 |
| Administrative expenses   |              | <b>(23,358)</b>                | (23,194)                |
| Finance costs   | 6            | <u>(1,276)</u>                 | <u>(348)</u>            |
| <b>Profit/(loss) before taxation</b>  |              | <b>19,867</b>                  | (12,000)                |
| Taxation  | 7            | <u>(6,824)</u>                 | <u>–</u>                |
| <b>Profit/(loss) for the year</b>   |              | <b>13,043</b>                  | (12,000)                |
| <b>Other comprehensive income/(expense)</b><br><i>Item that may be reclassified subsequently to profit or loss:</i> |              |                                |                         |
| – Exchange differences arising on translation of foreign operations   |              | <b>1,817</b>                   | (1,444)                 |
| <b>Total comprehensive income/(expense) for the year</b>  |              | <u><b>14,860</b></u>           | <u>(13,444)</u>         |
| Profit/(loss) for the year attributable to:   |              |                                |                         |
| Owners of the Company   |              | <b>7,890</b>                   | (12,000)                |
| Non-controlling interests   |              | <b>5,153</b>                   | –                       |
|   |              | <u><b>13,043</b></u>           | <u>(12,000)</u>         |
| Total comprehensive income/(expense) attributable to:   |              |                                |                         |
| Owners of the Company   |              | <b>9,700</b>                   | (13,444)                |
| Non-controlling interests   |              | <b>5,160</b>                   | –                       |
|   |              | <u><b>14,860</b></u>           | <u>(13,444)</u>         |
|   |              | <i>HK cents</i>                | <i>HK cents</i>         |
| <b>Earnings/(loss) per share</b>  |              |                                |                         |
| – Basic and diluted   | 9            | <u><b>0.77</b></u>             | <u>(1.18)</u>           |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*AS AT 31 DECEMBER 2025*

|  | <i>Notes</i> | <b>2025</b><br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|--------------|--------------------------------|-------------------------|
| <b>Non-current assets</b>                    |              |                                |                         |
| Property, plant and equipment                |              | <b>46,954</b>                  | 25,575                  |
| Right-of-use assets                          |              | <b>23,850</b>                  | 7,852                   |
| Investment properties                        |              | <b>5,866</b>                   | –                       |
| Deposits                                     | <i>10</i>    | <b>4,405</b>                   | 2,041                   |
|  |              | <b>81,075</b>                  | 35,468                  |
| <b>Current assets</b>                        |              |                                |                         |
| Inventories                                  |              | <b>13,822</b>                  | 17,504                  |
| Trade and other receivables                  | <i>10</i>    | <b>56,149</b>                  | 34,237                  |
| Cash and cash equivalents                    |              | <b>87,943</b>                  | 55,284                  |
|  |              | <b>157,914</b>                 | 107,025                 |
| <b>Current liabilities</b>                   |              |                                |                         |
| Trade and other payables                     | <i>11</i>    | <b>59,329</b>                  | 20,410                  |
| Contract liabilities                         |              | <b>15,122</b>                  | 926                     |
| Lease liabilities                            |              | <b>2,355</b>                   | 3,584                   |
| Tax payable                                  |              | <b>6,793</b>                   | –                       |
|  |              | <b>83,599</b>                  | 24,920                  |
| <b>Net current assets</b>                    |              | <b>74,315</b>                  | 82,105                  |
| <b>Total assets less current liabilities</b> |              | <b>155,390</b>                 | 117,573                 |
| <b>Non-current liabilities</b>               |              |                                |                         |
| Lease liabilities                            |              | <b>578</b>                     | 4,414                   |
| Convertible bonds                            | <i>12</i>    | <b>18,035</b>                  | –                       |
| Other payable                                | <i>11</i>    | <b>316</b>                     | –                       |
|  |              | <b>18,929</b>                  | 4,414                   |
| <b>NET ASSETS</b>                            |              | <b>136,461</b>                 | 113,159                 |
| <b>Capital and reserves</b>                  |              |                                |                         |
| Share capital                                | <i>13</i>    | <b>10,200</b>                  | 10,200                  |
| Reserves                                     |              | <b>115,676</b>                 | 102,959                 |
| Equity attributable to owners of the Company |              | <b>125,876</b>                 | 113,159                 |
| Non-controlling interests                    |              | <b>10,585</b>                  | –                       |
| <b>TOTAL EQUITY</b>                          |              | <b>136,461</b>                 | 113,159                 |

## NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

*For the year ended 31 December 2025*

### 1 GENERAL INFORMATION

The Group is principally engaged in (i) supply chain management services business; and (ii) printing business.

The Company is a limited liability company incorporated in the Cayman Islands and the ordinary shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in 2017. On 11 December 2020, the ordinary shares of the Company transferred and listed on the Main Board of the Stock Exchange. The immediate holding company and ultimate holding company is TeraMetal Holdings Limited, a company incorporated in the BVI, which is ultimately controlled by Mr. Ng.

### 2 APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

#### **Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

|                       |                         |
|-----------------------|-------------------------|
| Amendments to HKAS 21 | Lack of Exchangeability |
|-----------------------|-------------------------|

The application of the amendments to an HKFRS Accounting Standard 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.

### 3 REVENUE AND SEGMENT INFORMATION

#### Revenue

Revenue represents amounts received or receivable from printing products, and supply chain management service, which included material sourcing, logistics service and warehousing service.

#### Disaggregation of revenue from contracts with customers under HKFRS 15

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Revenue recognised at a point in time:</b> |                         |                         |
| Printing products                             | 93,917                  | 108,067                 |
| Material sourcing                             | 2,922                   | —                       |
|   | <u>96,839</u>           | <u>108,067</u>          |
| <b>Revenue recognised over time:</b>          |                         |                         |
| Logistics service                             | 107,009                 | 9,520                   |
| Warehousing service                           | 1,101                   | —                       |
|   | <u>108,110</u>          | <u>9,520</u>            |
| Total revenue                                 | <u><u>204,949</u></u>   | <u><u>117,587</u></u>   |

### ***Revenue from printing products***

The Group's contracts with customers for printing products (including books, novelty and packaging products) are based on customer's specification with no alternative use to the Group. Taking into consideration for contract terms and the relevant legal and regulatory environment that apply to those relevant contracts, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specified location. Transporting and handling activities that occur before customer obtain control are considered as fulfilment activities. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 90 days upon delivery.

### ***Revenue from supply chain management service***

The supply chain management service included the following services:

- *Material sourcing*  
The Group's contracts with customers for material sourcing comprise an integrated service to procure the required goods and deliver them to the customer across countries in Sub-Saharan Africa. Taking into consideration the contract terms and the relevant legal and regulatory environment that applies to those contracts, revenue is recognised when control of the goods are transferred, being when the goods are delivered to the customer's specified location. Transporting and handling activities that occur before customer obtaining control are considered as fulfilment activities. The normal credit term is 30 to 60 days upon issuance of invoices.
- *Logistics service*  
Logistics service involves handling of cargoes transported by trucks across countries in Sub-Saharan Africa. Revenue is recognised over the transit time from the points of departure to the agreed off-loading points, as performance obligations are satisfied over time. The standard credit term is 30 to 60 days upon issuance of invoices.
- *Warehousing service*  
Warehousing service involves the provision of warehousing service on the products or cargoes of the customers at the warehouse of the Group in the Sub-Saharan Africa. Revenue is recognised when warehousing service are rendered. The standard credit term is 30 to 60 days upon issuance of invoices.

***Transaction price allocated to the remaining performance obligation for contracts with customers***

All sales/service contracts are for periods of one year or less. As permitted under HKFRS 15 “Revenue from contracts with customers”, the transaction price allocated to unsatisfied performance obligations is not disclosed.

**Segment information**

Information reported to the board of directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

In the second half of 2024, the Group commenced the business of supply chain management service along with the establishment of companies in Zambia and it is considered as a new operating and reportable segment by the CODM.

The Group’s reportable segments under HKFRS 8 “Operating Segments” are as follows:

| <b>Operating segments</b>               | <b>Nature of business activities</b>                                       |
|---|--|
| Printing segment                        | Printing and sales of books, novelty and packaging products                |
| Supply chain management service segment | Provision of material sourcing, logistics service and warehousing services |

## Segment revenues and results

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

### For the year ended 31 December 2025

|   | Supply chain<br>management<br>service<br>segment<br><i>HK\$'000</i> | Printing<br>segment<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
|---|---|--|--------------------------|
| Segment revenue                                     |   |  |                          |
| External sales                                      | <u>111,032</u>  | <u>93,917</u>                          | <u>204,949</u>           |
| Segment profit/(loss)                               | <u>30,780</u>   | <u>(7,927)</u>                         | <u>22,853</u>            |
| Unallocated other income,<br>other gains and losses |   |  | 17                       |
| Unallocated administration expenses                 |   |  | <u>(3,003)</u>           |
| Profit before taxation                              |   |  | <u>19,867</u>            |

### For the year ended 31 December 2024

|   | Supply chain<br>management<br>service<br>segment<br><i>HK\$'000</i> | Printing<br>segment<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
|---|---|--|--------------------------|
| Segment revenue                                     |   |  |                          |
| External sales                                      | <u>9,520</u>  | <u>108,067</u>                         | <u>117,587</u>           |
| Segment profit/(loss)                               | <u>361</u>  | <u>(5,608)</u>                         | <u>(5,247)</u>           |
| Unallocated other income, other gains<br>and losses |   |  | 98                       |
| Unallocated administration expenses                 |   |  | <u>(6,851)</u>           |
| Loss before taxation                                |   |  | <u>(12,000)</u>          |

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent profit/(loss) before taxation earned by each segment without allocation of certain administration expenses, other income, other gains and losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

#### 4 OTHER INCOME

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Government grants ( <i>note (i)</i> )    | 784                     | 1,021                   |
| Bank interest income                     | 650                     | 1,493                   |
| Logistics surcharge ( <i>note (ii)</i> ) | 4,119                   | –                       |
| Sundry income                            | 54                      | 68                      |
|  | <u>5,607</u>            | <u>2,582</u>            |

*Note:*

- (i) Government grants represent export incentive and other incentive payments received or receivable by the Group from the relevant government department. There are no unfulfilled conditions attached to those grants.
- (ii) Logistics surcharge mainly represents the net amount of demurrage and other logistics costs recharged to customers during the provision of logistics service, after deducting the related charges paid by the Group.

#### 5 OTHER GAINS AND LOSSES

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Net exchange gain  | 629                     | 1,300                   |
| Changes in fair value of investment properties                   | 293                     | –                       |
| Gain/(loss) on disposal of property,<br>plant and equipment, net | 7                       | (7)                     |
| Gain on lease modification                                       | 98                      | –                       |
|  | <u>1,027</u>            | <u>1,293</u>            |

#### 6 FINANCE COSTS

|                               | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|-------------------------------|-------------------------|-------------------------|
| Interest on convertible bonds | 952                     | –                       |
| Interest on lease liabilities | 324                     | 348                     |
|                               | <u>1,276</u>            | <u>348</u>              |

## 7 TAXATION

|                             | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|-----------------------------|-------------------------|-------------------------|
| Current tax                 |                         |                         |
| Zambia Corporate Income Tax | <u>6,824</u>            | <u>–</u>                |

No provision for Hong Kong Profits Tax has been made for the years ended 31 December 2025 and 2024 as the relevant group entities did not have assessable profits subject to Hong Kong Profits Tax for both years.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% for the year ended 31 December 2025 and 2024. No provision for the PRC Enterprise Income Tax has been made for the years ended 31 December 2025 and 2024 as the PRC subsidiary did not have assessable profits subject to the PRC Enterprise Income Tax for both years.

Under the Zambia Income Tax Act, Chapter 323 of the Laws of Zambia, the general corporate income tax rate applicable to the Zambia subsidiaries is 30% for the year ended 31 December 2025 (2024: no provision for Zambia Corporate Income Tax has been made for the year as the group entities did not have any assessable profit subject to Zambia Corporate Income Tax).

On 9 December 2022, the United Arab Emirates Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (“**CT Law**”) to implement a new Federal Corporate Tax (“**CT**”) regime in the United Arab Emirates (“**UAE**”). The CT Law is considered enacted for reporting purposes. Generally, UAE businesses are subject to a 9% CT rate, however, a 0% CT rate applies to taxable income not exceeding AED 375,000. The 0% CT rate also applies to the Qualifying Income of Free Zone entities derived from transactions in respect of Qualifying Activities, as such no provision for UAE Corporate Income Tax is required to be made for the year ended 31 December 2025 (2024: no provision for UAE CT has been made for the year as the group entities did not have any assessable profit subject to UAE CT).

## 8 DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 December 2025 and 2024, nor has been proposed since the end of the reporting period.

## 9 EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share for the year is based on the following data:

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Profit/(loss) for the year attributable to owners of the Company                              | <u>7,890</u>            | <u>(12,000)</u>         |
|   | Number of shares        |                         |
|   | 2025<br>'000            | 2024<br>'000            |
| Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share | <u>1,020,000</u>        | <u>1,020,000</u>        |

The convertible bonds are not included in the calculation of diluted earnings per share because they are antidilutive since their assumed exercise would result in an increase in earnings per share for the year ended 31 December 2025 (2024: no diluted loss per share is presented as there were no potential ordinary shares in issue during the year).

## 10 TRADE AND OTHER RECEIVABLES

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>Non-current</b>                             |                         |                         |
| Deposit paid for property, plant and equipment | 3,720                   | 2,041                   |
| Deposit paid for intangible assets             | 685                     | –                       |
|  | <u>4,405</u>            | <u>2,041</u>            |
| <b>Current</b>                                 |                         |                         |
| Trade receivables                              | 42,058                  | 33,515                  |
| Less: Allowance for expected credit losses     | (1,529)                 | (1,763)                 |
|  | <u>40,529</u>           | <u>31,752</u>           |
| Rental and other deposits                      | 169                     | 139                     |
| Other receivables                              | 12,961                  | –                       |
|  | <u>53,659</u>           | <u>31,891</u>           |
| Financial assets at amortised cost             | 53,659                  | 31,891                  |
| Prepayments                                    | 2,490                   | 2,346                   |
|  | <u>56,149</u>           | <u>34,237</u>           |
| Total trade and other receivables              | <u>60,554</u>           | <u>36,278</u>           |

The Group allows credit period ranging from 30 to 90 days. The following ageing analysis of trade receivables, net of allowance for expected credit losses, is presented based on invoice date:

|                | <b>2025</b><br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|----------------|--------------------------------|-------------------------|
| Within 30 days | <b>14,065</b>                  | 13,638                  |
| 31 to 60 days  | <b>17,798</b>                  | 7,873                   |
| 61 to 90 days  | <b>3,265</b>                   | 5,024                   |
| Over 90 days   | <b>5,401</b>                   | 5,217                   |
|                | <u><b>40,529</b></u>           | <u>31,752</u>           |

## 11 TRADE AND OTHER PAYABLES

|                                | <b>2025</b><br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--------------------------------|--------------------------------|-------------------------|
| <b>Non-current</b>             |                                |                         |
| Other payable                  | <b>316</b>                     | –                       |
| <b>Current</b>                 |                                |                         |
| Trade payables                 | <b>29,859</b>                  | 11,125                  |
| Accrued expense                | <b>6,852</b>                   | 7,996                   |
| Construction payables          | <b>11,195</b>                  | –                       |
| Deferred government grants     | <b>1,277</b>                   | –                       |
| Other payables                 | <b>10,146</b>                  | 1,289                   |
|                                | <u><b>59,329</b></u>           | <u>20,410</u>           |
| Total trade and other payables | <u><b>59,645</b></u>           | <u>20,410</u>           |

The credit period of trade payables is 30 to 90 days.

The following ageing analysis of trade payables is presented based on the invoice date:

|                | <b>2025</b>          | 2024            |
|----------------|----------------------|-----------------|
|                | <i>HK\$'000</i>      | <i>HK\$'000</i> |
| Within 30 days | <b>26,081</b>        | 8,040           |
| 31 to 60 days  | <b>1,763</b>         | 2,827           |
| 61 to 90 days  | <b>853</b>           | 166             |
| Over 90 days   | <b>1,162</b>         | 92              |
|                | <u><b>29,859</b></u> | <u>11,125</u>   |

## 12 CONVERTIBLE BONDS

The Company issued HK\$20,100,000 zero coupon interest convertible bonds at a par value of HK\$100,000 each on 3 January 2025 to DCQ Holdings Limited (“**DCQ**”), an independent third party. The issuance of the convertible bonds was part of the financing arrangements for the Group’s acquisition of two pieces of leasehold land located in Zambia. The convertible bonds are denominated in Hong Kong dollars and are unsecured. The convertible bonds entitle the holder to convert them into ordinary shares of the Company at any time between 18 months from the issue date and the third anniversary of the issue date and at a conversion price of HK\$1.20 per share.

The Company has the option (the “**Call Option**”) to redeem the outstanding convertible bonds in full at par at any time prior to maturity. If the convertible bonds have not been converted or redeemed earlier, they will be redeemed on the third anniversary of the issue date at par.

At initial recognition, the equity component of the convertible bonds was separated from the liability component. The equity component is presented in equity under the heading “convertible bonds equity reserve”. The Call Option is considered as closely related to the host debt, and therefore not separately accounted for. The effective interest rate of the liability component is 5.43%.

The movement of the liability component of the convertible bonds for the year ended 31 December 2025 is set out below:

|  | <b>2025</b><br><i>HK\$'000</i> |
|--|--------------------------------|
| Carrying amount at initial recognition | 17,083                         |
| Interest charged                       | <u>952</u>                     |
| Carrying amount at 31 December 2025    | <u><u>18,035</u></u>           |

### 13 SHARE CAPITAL

|  | <b>Number of<br/>shares<br/>'000</b> | <b>Share<br/>capital<br/>HK\$'000</b> |
|--|--------------------------------------|---------------------------------------|
| Authorised:  |                                      |                                       |
| <i>Ordinary shares of HK\$0.01 each</i>  |                                      |                                       |
| As at 1 January 2024, 31 December 2024,<br>1 January 2025 and 31 December 2025 | <u>2,000,000</u>                     | <u>20,000</u>                         |
| Issued and fully paid:   |                                      |                                       |
| <i>Ordinary shares of HK\$0.01 each</i>  |                                      |                                       |
| As at 1 January 2024, 31 December 2024,<br>1 January 2025 and 31 December 2025 | <u>1,020,000</u>                     | <u>10,200</u>                         |

## **PRELIMINARY ANNOUNCEMENT OF THE RESULTS**

### **Scope of work of Baker Tilly Hong Kong Limited**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Baker Tilly Hong Kong Limited, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Baker Tilly Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Baker Tilly Hong Kong Limited on the preliminary announcement.

### **APPRECIATION**

On behalf of the Board, I would like to extend my sincere gratitude to our business partners, shareholders, staff and management for their continuous dedication, commitment and support.

### **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.smartglobehk.com](http://www.smartglobehk.com)). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be disseminated to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board  
**Smart Globe Holdings Limited**  
**NG Ho Lun**  
*Chairman*

Hong Kong, 26 March 2026

*As at the date of this announcement, the executive Directors are Mr. NG Ho Lun, Mr. CHU Lok Fung Barry, Mr. CHEN Kun and Mr. LAM Tak Ling Derek; and the independent non-executive Directors are Dr. WU Ka Chee Davy, Mr. YIU Ho Chi Stephen and Ms. LAW Ying Wai Denise.*