

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

APEX ACE

APEX ACE HOLDING LIMITED

光麗科技控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6036)

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

RESULTS HIGHLIGHT

- Revenue amounted to approximately HK\$5,722.7 million in the Year 2025, representing an increase of 87.5% as compared to the Year 2024
- Gross profit amounted to approximately HK\$413.9 million in the Year 2025, representing a growth of 132.9% as compared to the Year 2024
- The net profit attributable to owners of the Company for the Year 2025 amounted to HK\$66.6 million (Year 2024: HK\$6.7 million)
- Basic earnings per share for the Year 2025 was 6.31 HK cents (Year 2024: 0.63 HK cents)

Note: Rounding adjustments have been made to the amounts and percentage figures included in this announcement, including information presented in thousands or millions of units.

ANNUAL RESULTS

The board of directors of Apex Ace Holding Limited (the “**Company**”, the “**Directors**” and the “**Board**”, respectively) is pleased to present the audited consolidated financial results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2025 (the “**Year 2025**”) together with the comparative figures for the year ended 31 December 2024 (the “**Year 2024**”). These audited financial results for the Year 2025 have been reviewed by the audit committee of the Board (the “**Audit Committee**”).

* *For identification purpose only*

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Note</i>	Year 2025 HK\$'000	Year 2024 <i>HK\$'000</i>
Revenue	3	5,722,667	3,051,943
Cost of sales		(5,308,802)	<u>(2,874,234)</u>
Gross profit		413,865	177,709
Other income and other gain	4	6,923	14,942
Increase/(decrease) in fair value of investment property		500	(1,800)
Decrease in fair value of property, plant and equipment		(6,758)	–
Reversal of impairment loss on trade receivables		418	5,710
Impairment loss on loan and other receivables, net		(2,454)	(470)
Fair value gain in financial instrument at fair value through profit or loss		365	356
Fair value gain/(loss) in derivative asset		1,375	(1,467)
Distribution and selling expenses		(152,857)	(73,295)
Administrative expenses		(86,829)	(72,288)
Finance costs	5	(45,768)	<u>(45,738)</u>
Profit before tax	6	128,780	3,659
Income tax (expense)/credit	7	(28,864)	<u>2,563</u>
Profit for the year		99,916	6,222

	<i>Note</i>	Year 2025 HK\$'000	Year 2024 <i>HK\$'000</i>
Other comprehensive income/(expense)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		4,110	(2,417)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Deficit on revaluation of leasehold land and buildings		(9,624)	(4,248)
Deferred tax arising on revaluation of leasehold and buildings		1,914	625
		<u> </u>	<u> </u>
Other comprehensive expense for the year, net of tax		(3,600)	(6,040)
		<u> </u>	<u> </u>
Total comprehensive income for the year		96,316	182
		<u> </u>	<u> </u>
Profit/(loss) for the year attributable to:			
— Owners of the Company		66,555	6,721
— Non-controlling interests		33,361	(499)
		<u> </u>	<u> </u>
		99,916	6,222
		<u> </u>	<u> </u>
Total comprehensive income/(expenses) for the year attributable to:			
— Owners of the Company		62,529	817
— Non-controlling interests		33,787	(635)
		<u> </u>	<u> </u>
		96,316	182
		<u> </u>	<u> </u>
Earnings per share attributable to owners of the Company			
— Basic	8	6.31 HK cents	0.63 HK cents
		<u> </u>	<u> </u>
— Diluted		6.08 HK cents	0.48 HK cents
		<u> </u>	<u> </u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

		As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000
Non-current assets			
Property, plant and equipment		69,743	78,043
Right-of-use assets		6,913	5,670
Investment property	10	46,900	46,400
Financial instrument at fair value through profit or loss		13,846	13,481
Intangible assets		–	2,334
Deferred tax assets		8,350	15,977
		145,752	161,905
		145,752	161,905
Current assets			
Derivative asset		1,637	262
Inventories		247,780	379,349
Trade and bills receivables	11	1,140,461	513,249
Other receivables, deposits and prepayments		128,997	94,983
Income tax recoverable		200	1,216
Bank balances, pledged and restricted balance and cash		239,879	141,697
		239,879	141,697
		1,758,954	1,130,756
Current liabilities			
Trade payables	12	334,653	216,078
Other payables, accruals and deposits received		157,365	76,343
Lease liabilities — current portion		2,974	4,268
Loan from controlling shareholder, unsecured		72,803	19,188
Loan from a related company, unsecured		17,164	–
Bank borrowings, secured		865,102	629,601
Income tax payable		18,847	165
		18,847	165
		1,468,908	945,643

		As at 31 December 2025 <i>HK\$'000</i>	As at 31 December 2024 <i>HK\$'000</i>
Net current assets		290,046	185,113
Total assets less current liabilities		435,798	347,018
Non-current liabilities			
Convertible bond	<i>13</i>	17,996	17,073
Lease liabilities — non-current portion		4,558	2,316
Deferred tax liabilities		2,264	3,672
		24,818	23,061
Net assets		410,980	323,957
Capital and reserves			
Share capital	<i>14</i>	10,751	10,751
Reserves		331,189	268,562
Equity attributable to owners of the Company		341,940	279,313
Perpetual subordinated convertible securities		10,000	10,000
Non-controlling interests		59,040	34,644
Total equity		410,980	323,957

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 4 July 2012 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the address of its principal place of business is Units 2-3, 1/F., Sun Cheong Industrial Building, 1 Cheung Shun Street, Kowloon, Hong Kong. The Company is an investment holding company and the principal activities of its subsidiaries are sales and integration of semiconductors, electronic components and storage systems.

The shares of the Company (the “**Shares**”) in issue were initially listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 March 2018.

The consolidated financial statements are presented in Hong Kong dollar (“**HK\$**”) which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

(a) Application of amendments to a HKFRS Accounting Standard

In the current year, the Group has applied, for the first time, the following amendments to a HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) which are effective for the Group’s financial year beginning on 1 January 2025:

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

The application of the amendments to HKAS 21 in the current year has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

(b) New and amendments to HKFRS Accounting Standards issued but not yet effective

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

HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ²
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹

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

² Effective for annual periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

The directors of the Company anticipate that, except as described below, the application of the new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

HKFRS 18 — Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of HKFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of HKFRS 18 on the consolidated financial statements of the Group.

3. REVENUE AND SEGMENT INFORMATION

Segment information reported internally was analysed on the basis of the type of products sold and activities carried out by the Group's operating division. The Group is currently operating in two operating segments as follows:

- (a) Digital storage products; and
- (b) General components.

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
SEGMENT REVENUE		
Digital storage products	4,754,124	2,078,988
General components	968,543	972,955
	<hr/>	<hr/>
Total reportable segment revenue	<u>5,722,667</u>	<u>3,051,943</u>

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
SEGMENT RESULTS		
Digital storage products	346,073	92,532
General components	67,792	85,177
	<hr/>	<hr/>
Total reportable segment profit	413,865	177,709
Unallocated income and expenses		
Other income and other gain	6,923	14,942
Increase/(decrease) in fair value of investment property	500	(1,800)
Decrease in fair value of property, plant and equipment	(6,758)	–
Fair value gain in financial instrument at fair value through profit or loss	365	356
Fair value gain/(loss) in derivative asset	1,375	(1,467)
Finance costs	(45,768)	(45,738)
Depreciation of property, plant and equipment	(5,354)	(5,640)
Depreciation of right-of-use assets	(3,982)	(4,161)
Amortisation of intangible assets	(2,394)	(4,780)
Reversal of impairment loss on trade receivables	418	5,710
Impairment loss on loan and other receivables	(2,454)	(470)
Other corporate expenses	(227,956)	(131,002)
	<hr/>	<hr/>
Profit before tax	128,780	3,659
Income tax (expense)/credit	(28,864)	2,563
	<hr/>	<hr/>
Profit for the year	99,916	6,222
	<hr/> <hr/>	<hr/> <hr/>

Geographical information

The Group is domiciled in Hong Kong. The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's non-current assets. The geographical location of customers is based on the location of the customers. The geographical location of the non-current assets other than financial instrument at fair value through profit or loss, and deferred tax assets is based on the physical location of the assets in case of property, plant and equipment, investment property and right-of-use assets, and the location of operations to which they are allocated in case of intangible assets.

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
Revenue from external customers		
Hong Kong	1,528,472	860,659
The People's Republic of China ("PRC")	4,042,632	2,141,718
Others	151,563	49,566
	<u>5,722,667</u>	<u>3,051,943</u>
	As at 31 December 2025 <i>HK\$'000</i>	As at 31 December 2024 <i>HK\$'000</i>
Non-current assets		
Hong Kong	111,056	116,069
The PRC	12,422	16,304
Others	78	74
	<u>123,556</u>	<u>132,447</u>

Information about major customers

The Group's revenue from customers which accounted for 10% or more of the Group's total revenue are as follows:

		Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
	Segment		
Customer A	Digital storage products	N/A*	313,313

* The corresponding revenue did not account for over 10% of the total revenue of the Group for that year.

4. OTHER INCOME AND OTHER GAIN

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
OTHER INCOME		
Interest income	1,109	1,483
Rental income	1,401	1,408
Rebate income	–	4,680
Sundry income	2,301	5,703
	<u>4,811</u>	<u>13,274</u>
OTHER GAIN		
Reversal of share-based payment expenses for the subsequently forfeited share awards (<i>note</i>)	–	1,482
Write-back of trade payables	457	–
Write-back of other payables	1,655	186
	<u>2,112</u>	<u>1,668</u>
	<u><u>6,923</u></u>	<u><u>14,942</u></u>

Note: The reversal represents the adjustment to share-based payment expenses arising from change in forfeiture estimate as the vesting condition had not been fulfilled before the relevant vesting dates.

5. FINANCE COSTS

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
Discounting charges on factoring loans	12,716	13,757
Interest on convertible bond (“CB”)	1,023	1,023
Interests on bank borrowings — bank instalment loans — supplier finance arrangement and others	27,365	28,849
Interest expense on lease liabilities	289	427
Interest expense on loan from a controlling shareholder	4,215	1,682
Interest expense on loan from a related company	160	–
	<u>45,768</u>	<u>45,738</u>

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging/(crediting):

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
Cost of inventories recognised as an expenses	5,305,187	2,874,234
Write-down of inventories	3,615	–
Auditor's remuneration	1,000	1,453
Depreciation of property, plant and equipment	5,354	5,640
Depreciation — right-of-use assets	3,982	4,161
Amortisation of intangible assets (<i>note 1</i>)	2,394	4,780
Net foreign exchange loss	2,779	2,181
Short term leases expenses in respect of land and buildings	–	415
Commission and promotion expenses	104,731	43,629
Research and development expenses (<i>note 2</i>)	2,379	3,599
Staff costs including director's emoluments		
— Basic salaries and allowance	72,079	45,243
— Share-based payments	–	83
— Reversal of share-based payment expenses for the subsequently forfeited share awards	–	(1,482)
— Contributions to defined contribution retirement plans	5,211	3,231
— Messing and welfare	1,188	932
— Long service payment	138	361
Loss on disposal of property, plant and equipment	–	49
	<u> </u>	<u> </u>

Notes:

1. Amortisation of intangible assets was included in administrative expenses.
2. Staff costs of approximately HK\$1,968,000 (2024: HK\$2,981,000) were included in research and development expenses for the Year 2025.

7. INCOME TAX EXPENSE/(CREDIT)

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
Current tax —		
Hong Kong Profits Tax	19,370	324
PRC tax	1,085	1
(Over)/under-provision in prior years		
— Hong Kong profits tax	(13)	238
— PRC tax	2	—
	<u>20,444</u>	<u>563</u>
Deferred tax	<u>8,420</u>	<u>(3,126)</u>
Total income tax expense/(credit) recognised in profit or loss for the year	<u><u>28,864</u></u>	<u><u>(2,563)</u></u>

Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits of the qualifying group entity and at 16.5% on the estimated assessable profits above HK\$2 million. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

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 subsidiaries is 25%.

For qualified small and thin-profit enterprises in the PRC, the effective Enterprise Income Tax rate for the Year 2025 is 5% (Year 2024: 5%) on the annual taxable income up to Renminbi (“**RMB**”) 3 million (inclusive). Certain PRC subsidiaries of the Company enjoy this preferential income tax treatment for the years.

8. EARNINGS PER SHARE

Basic earnings per share

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

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
Profit for the year attributable to owners of the Company	66,555	6,721
Dividend on perpetual subordinated convertible securities (“PSCS”)	<u>(50)</u>	<u>(50)</u>
Earnings used in the calculation of basic earnings per share	<u>66,505</u>	<u>6,671</u>
	As at 31 December 2025	As at 31 December 2024
Number of ordinary shares		
Weighted average number of ordinary shares in issue for the purpose of basic earnings per share	<u>1,054,005,000</u>	<u>1,054,564,508</u>

For the Year 2025 and Year 2024, the weighted average number of ordinary shares for the purpose of calculation of basic earnings per share has been adjusted for the effect of Shares held by the custodian (the “**Custodian**”) for the restricted share award scheme adopted by the Company on 30 August 2019 (the “**Restricted Share Award Scheme**”).

Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows:

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
Earnings used in the calculation of basic earnings per share	66,505	6,671
Reversal of share-based payment expenses for the subsequently forfeited share awards	–	(1,482)
Dividend on PSCS	50	50
Interest on CB	<u>1,023</u>	<u>–</u>
Earnings used in the calculation of diluted earnings per share	<u>67,578</u>	<u>5,239</u>

	Year 2025	Year 2024
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,054,005,000	1,054,564,508
Unvested shares under Restricted Share Award Scheme	581,973	4,854,000
PSCS	28,570,000	28,570,000
CB	27,762,500	–
	<u>1,110,919,473</u>	<u>1,087,988,508</u>
Weighted average number of ordinary shares in issue for the purpose of diluted earnings per share	1,110,919,473	1,087,988,508
	<u>6.08 HK cents</u>	<u>0.48 HK cents</u>

During the Year 2025, the Group excluded 29,377,500 shares arising from conversion of CB as such conversion might trigger insufficient public float of the Company's shares.

During Year 2024, the Group excluded potential shares arising from conversion of the CB from the computation of diluted earnings per share due to anti-dilutive effect.

9. DIVIDENDS

The Board did not recommend any dividend for the Year 2025 (Year 2024: Nil).

For the Year 2025, a subsidiary of the Company made the following distributions to its then controlling shareholder:

	Year 2025 <i>HK\$'000</i>	Year 2024 <i>HK\$'000</i>
Dividend declared and paid to non-controlling shareholder by Data Star Inc.	9,391	2,730
	<u>9,391</u>	<u>2,730</u>

10. INVESTMENT PROPERTY

	31 December 2025 <i>HK\$'000</i>	31 December 2024 <i>HK\$'000</i>
At fair value		
At 1 January	46,400	48,200
Increase/(decrease) in fair value	500	(1,800)
	<u>46,900</u>	<u>46,400</u>
At 31 December	46,900	46,400

The Group's investment property is a commercial property situated in Hong Kong and leased out to a third party. The investment property was revalued by independent professional property valuers, as at 31 December 2025 and 31 December 2024 on an open market value basis.

11. TRADE AND BILLS RECEIVABLES

	As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000
Trade receivables	1,194,687	577,021
Bills receivable	11,324	1,938
	1,206,011	578,959
Less: allowance for impairment	(65,550)	(65,710)
At 31 December	<u>1,140,461</u>	<u>513,249</u>

The following is an ageing analysis of trade receivables based on the invoice date:

	As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000
0–30 days	672,418	234,371
31–60 days	253,299	136,421
61–90 days	160,289	93,091
More than 90 days	108,681	113,138
Total trade receivables before impairment	1,194,687	577,021
Bills receivables	11,324	1,938
Less: Allowance for impairment	(65,550)	(65,710)
	<u>1,140,461</u>	<u>513,249</u>

The Group's trading terms with its customers are mainly on open account terms, except for new customers, where payment in advance is normally required. The balance of the trade receivables is on open account terms, which is normally covered by customers' letters of credit or factored to external financial institutions. The credit terms vary from 1 day to 120 days after the monthly statement. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by management. Trade receivables are non-interest-bearing and their carrying amounts approximate to their fair values.

12. TRADE PAYABLES

An ageing analysis of the Group's trade payables presented, based on the invoice date at the end of each reporting date, is as follows,

	As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000
Trade payables:		
0–30 days	232,757	112,514
31–60 days	81,830	49,773
61–90 days	10,037	26,805
More than 90 days	10,029	26,986
	334,653	216,078

13. CONVERTIBLE BOND

	As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000
Liability component:		
— Non-current liabilities	17,996	17,073

Movement of liability component is as follows:

	Year 2025 HK\$'000	Year 2024 HK\$'000
At 1 January	17,073	16,150
Add: effective interest expenses	1,023	1,023
Less: coupon payment	(100)	(100)
At 31 December	17,996	17,073

The Company issued the CB with principal amount of HK\$20,000,000 to Nicegoal Limited on 23 February 2022 convertible into 57,140,000 Shares at any time up to and including the date falling on the seventh day immediately prior to the Maturity Date at the bondholder’s option at the conversion price of HK\$0.35 per Share. The coupon rate of the CB is 0.5% per annum and will mature in the fifth anniversary of the issue date, i.e. 23 February 2027 (the “**Maturity Date**”). At any time prior to the Maturity Date, the Company shall have the right to partly or fully redeem the CB, by giving 10 business days’ prior notice in writing to the bondholder. Up to 31 December 2025, bondholder has no intention to convert the CB into shares before the Maturity Date.

The CB comprises a liability component, an equity conversion component and an early redemption option. The Group appointed a professional valuer to estimate the fair values of the CB and its components and option at 31 December 2025 and 31 December 2024.

14. SHARE CAPITAL

	<i>Note</i>	Number of shares	Amount HK\$
The Company			
Ordinary shares of HK\$0.01 each			
Authorised:			
As at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025		<u>2,000,000,000</u>	<u>20,000,000</u>
Issued and fully paid:			
As at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025		<u>1,075,110,000</u>	<u>10,751,100</u>

Note:

- During the Year 2024, the Company caused the Custodian to purchase on the Stock Exchange the following number of Shares for the Restricted Share Award Scheme:

Month of purchase	Number of ordinary shares	Price per share		Aggregate consideration paid HK\$’000
		Highest (HK\$)	Lowest (HK\$)	
April 2024	1,950,000	0.410	0.405	797

No Shares had been purchased by the Custodian on the Stock Exchange during the Year 2025. As at 31 December 2025, an aggregate of 21,105,000 Shares are held by the Custodian (2024: 21,105,000).

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRIAL OVERVIEW

The Group is a Hong Kong-based distributor of semiconductors and other electronic components and is engaged in the supply of digital storage products and general electronic components along with the provision of complementary technical support. It focuses on identifying, sourcing, selling and distributing quality electronic components produced by branded upstream manufacturers to downstream manufacturers within the technology, media, telecommunications and new energy sector in Mainland China, Hong Kong and Taiwan.

In 2025, the global semiconductor market continued its structural growth trend, with AI-driven demand for high-performance computing and the supply-demand imbalance in traditional memory chips emerging as the two core growth drivers. According to data from the Semiconductor Industry Association (SIA), global semiconductor sales are expected to reach US\$791.7 billion in 2025, representing a 25.6% increase compared with US\$630.5 billion in 2024. Growth is primarily driven by the memory and logic chip segments. The memory market recorded significant price increases as a result of supply-side adjustments, while logic chips continued to benefit from robust demand generated by AI computing power and cloud infrastructure. In 2025, sales in both segments are expected to record year-on-year growth of over 30%. Markets for sensors and analog chips maintained moderate growth, whereas categories such as discrete semiconductors and optoelectronic devices experienced slight fluctuations due to uncertainties in the global trade environment.

The memory chip market became the most notable highlight of the industry in 2025. Major memory manufacturers including Samsung, SK hynix and Micron adjusted their capacity strategies by reallocating advanced production capacity toward high-margin segments such as High Bandwidth Memory (“**HBM**”) and Double Data Rate 5 (“**DDR5**”), which are widely used in AI servers and high-end mobile devices. As a result, production capacity for traditional memory products — particularly Dynamic Random Access Memory (“**DRAM**”) (especially DDR4) and mid-to-low-end NOT-AND (“**NAND**”) flash — contracted significantly. This led to persistent supply tightness in the global mainstream memory market throughout the year, driving a sharp surge in product prices, with prices of certain general-purpose memory products increasing by more than threefold. From a regional perspective, markets in China, the Asia-Pacific region, the Americas and Europe all recorded growth, while Japan experienced a decline.

The power semiconductor market is currently at a critical stage where cyclical adjustment and technological innovation are progressing simultaneously. From a cyclical perspective, the industry is transitioning from the inventory digestion phase of 2022 to 2024 toward a demand recovery phase. Demand from three key sectors — consumer electronics, new energy vehicles, and photovoltaic energy storage — continues to expand, improving the supply-demand balance for power semiconductors and driving the industry into a new growth cycle. In terms of technology development, third-generation semiconductor materials, represented by silicon carbide (SiC) and gallium nitride (GaN), are rapidly increasing their market penetration. In the new energy vehicle sector, demand for SiC Metal Oxide — Semi Conductor Field-Effect Transistor (“MOSFETs”) remains strong, while in the photovoltaic and energy storage sector, the penetration rate of SiC devices is rising rapidly, thereby driving demand for high-end power devices.

Against the backdrop of escalating China-U.S. trade frictions in 2025, Chinese regulators have imposed stricter restrictions on semiconductor imports from the United States. While such measures have posed challenges to progress in advanced fabless design and leading-edge manufacturing, they have also unexpectedly accelerated the domestic substitution process in several key segments, including semiconductor equipment, mature-process logic manufacturing and analog chips. As a result, China’s semiconductor industry is transitioning from “mature-node substitution” toward “breakthroughs in high-end technologies”. From a policy perspective, China has required state-funded data centres to adopt domestically produced chips, transforming domestic substitution from an optional choice into a mandatory requirement. At the same time, the restructuring of domestic computing-power infrastructure is accelerating the improvement of China’s chip self-sufficiency rate, creating new market opportunities for local electronic component distributors.

BUSINESS REVIEW

As a stable supplier of digital storage products and general electronic components, the Group has actively seized structural growth opportunities in the industry by continuously advancing business diversification, expanding customer types, broadening its customer base and enhancing risk resilience, thereby achieving strong business growth. In the Year 2025, the Group recorded revenue of approximately HK\$5.7 billion, representing a year-on-year increase of 87.5%. The gross profit margin reached

7.2%, representing an increase of 1.4 percentage points year-on-year. Profit attributable to owners of the Company was approximately HK\$66.6 million, representing an increase of 890.3% as compared with the profit of approximately HK\$6.7 million in the Year 2024.

By Product Type

Digital Storage Products

The Group's digital storage products include DRAM, flash and Multi Clip Package (“MCP”) memory products, which are widely applied to multimedia and mobile devices such as set-top boxes, smart TVs, wearable devices, mobile phones, etc. These products also include optical and mass storage products, which are mainly used in enterprise-level storage and server systems.

In 2025, revenue generated from this product segment increased by 128.7% to approximately HK\$4,754.1 million (Year 2024: HK\$2,079.0 million), primarily driven by the increase in sales volume resulting from the significant rise in electronic product prices and the expansion of the customer base. Gross profit of the segment increased to approximately HK\$346.1 million for the Year 2025 (Year 2024: HK\$92.5 million), representing a year-on-year increase of 274.0%. Gross profit margin of this segment increased to 7.3% for the Year 2025 (Year 2024: 4.5%), which was mainly due to the increase in gross profit driven by the significant rise in product prices during the Year 2025, economies of scale resulting from increased production capacity, and the reduction in unit costs attributable to refined cost control.

General Components

General components include switches, connectors, passive components, main chips, sensors, power semiconductors and analog-to-digital converters, which are mainly designed for use in mobile and multimedia devices.

The revenue of this segment for the Year 2025 slightly decreased by 0.5% year-on-year to approximately HK\$968.5 million (Year 2024: HK\$973.0 million). The gross profit of this segment decreased by 20.4% to approximately HK\$67.8 million for the Year 2025 (Year 2024: HK\$85.2 million), with a gross profit margin of 7.0% (Year 2024: 8.8%).

FINANCIAL REVIEW

Revenue

The two major product segments, namely digital storage products and general components, contributed 83.1% and 16.9% of the Group's total revenue during the Year 2025, respectively.

For the Year 2025, the Group's revenue amounted to approximately HK\$5,722.7 million (Year 2024: HK\$3,051.9 million), representing a year-on-year increase of approximately 87.5%. The increase in revenue was mainly attributable to: (i) a significant rise in product prices, which drove higher revenue from core products; (ii) the timely capture of the upward market price trend, enhancing the Group's product procurement and supply capabilities; and (iii) the accelerated optimisation of the customer mix, enabling the Group to penetrate high-demand sectors such as new energy and servers, thereby achieving growth in both sales volume and prices.

Gross profit and gross profit margin

For the Year 2025, the Group's gross profit amounted to approximately HK\$413.9 million (Year 2024: HK\$177.7 million), representing a year-on-year increase of 132.9%. The gross profit margin for the Year 2025 was 7.2% (Year 2024: 5.8%). The increase in gross profit margin was mainly attributable to: (i) a substantial increase in product prices, which expanded the overall profit margin of the Group's products; (ii) economies of scale arising from the expansion of production capacity, resulting in lower unit procurement and operating costs; and (iii) the implementation of refined cost control measures, which optimised the expense structure and further enhanced profitability.

Increase/decrease in fair value of investment property, other income and other gain

For the Year 2025, the fair value of an investment property of the Group was increased by HK\$0.5 million to HK\$46.9 million (Year 2024: a decrease of HK\$1.8 million to HK\$46.4 million). Other income and other gain decreased from HK\$14.9 million for the Year 2024 to HK\$6.9 million for the Year 2025, which was mainly due to rebate income and reversal of share-based payment expenses for the subsequently forfeited share awards in the Year 2024 which did not exist in the Year 2025.

Reversal of impairment loss on trade receivables

A reversal of impairment loss on trade receivables of approximately HK\$0.4 million had been recognised in 2025 (Year 2024: reversal of impairment loss of approximately HK\$5.7 million) which arose from the recent settlements of certain trade receivables for which provision of impairment were recognised in previous years.

In respect of trade receivables, the Group has put in place a credit policy and will perform credit evaluations on all customers requiring credit over a certain amount. Certain trade receivable balances on open account terms are covered by customers' letters of credit or are factored to external financial institutions.

As at 31 December 2024, trade receivables past due over one year amounted to approximately HK\$68.7 million, of which approximately HK\$5.9 million (the “**Settled Sum**”) had been settled during the Year 2025.

As at 31 December 2025, trade receivables past due over one year amounted to HK\$63.9 million (31 December 2024: HK\$68.7 million) and provision for impairment loss of HK\$63.9 million had been made (31 December 2024: HK\$63.1 million). Substantial part of which was brought forward from 31 December 2024. To the best knowledge of the Directors, the past due over one year as at 31 December 2025 was mainly attributable to the business deterioration of several customers as a result of COVID-19 pandemic. Up to the date of this announcement, no settlement has been made by these customers save for the Settled Sum.

The Group has been negotiating various repayment schedules with customers taking into account their respective circumstances. Contemporaneous to the negotiations and rescheduling, we have also sought legal advice from our Hong Kong legal advisor and PRC legal advisor on the procedures for taking legal actions against the relevant customers and/or their guarantors (if any).

For the customers who have been making partial repayments from time to time, we have not taken any legal action. The Group will pay close attention to their business development and continue monitoring their progress of repayment. If they cease to make any further repayment or if the amount of their further repayment is not to the Group's satisfaction, the Group shall take necessary legal actions.

The Group aims to maintain healthy business relationships with these customers while taking all reasonable steps to recover the trade receivables.

Distribution and selling expenses

The distribution and selling expenses mainly include salaries of marketing and sales staff, commission expenses, promotion expenses, transportation fees, freight charges, declarations and sample expenses. For the Year 2025, distribution and selling expenses increased to approximately HK\$152.9 million (Year 2024: HK\$73.3 million), mainly resulting from increased salaries of marketing and sales staff, commission and promotion expenses.

Administrative expenses

Administrative expenses primarily comprise salaries and benefits (including emoluments to executive Directors), legal and professional fees, insurance, short-term lease expenses and other premises fees, foreign exchange differences, bank charges and depreciation expenses. The Group's administrative expenses increased by approximately HK\$14.5 million to approximately HK\$86.8 million for the Year 2025 (Year 2024: HK\$72.3 million), which was mainly attributable to increase in salaries.

Finance costs

The Group's finance costs mainly represented interest expenses on its bank borrowings, with such bank borrowings having been obtained by the Group for general working capital needs. For the Year 2025, the Group's finance costs amounted to approximately HK\$45.8 million (Year 2024: HK\$45.7 million), the increase is immaterial compared with the sales growth, which was attributable to improved efficiency in bank facilities utilisation and decrease in market interest rate.

Net profit

For the Year 2025, the Group recorded a net profit of HK\$99.9 million (Year 2024: net profit of approximately HK\$6.2 million). The improvement was mainly attributable to: (i) a substantial increase in product prices, which drove growth in both revenue and gross profit; and (ii) refined cost control measures, which enhanced the utilisation efficiency of selling and administrative expenses and finance costs.

Net profit attributable to the owners of the Company

The net profit attributable to the owners of the Company for the Year 2025 was approximately HK\$66.6 million, compared with HK\$6.7 million for the Year 2024. The increase was mainly attributable to (i) the significant increase in product prices which drove growth in both revenue and gross profit; and (ii) the enhancement in the utilisation efficiency of selling and administrative expenses and finance costs through refined cost control.

LIQUIDITY AND FINANCIAL RESOURCES

During the Year 2025, the Group met its liquidity requirements principally through a combination of internal resources, loans from the controlling shareholder and bank borrowings. The Group's cash resources as at 31 December 2025 were approximately HK\$239.9 million (31 December 2024: HK\$141.7 million) and were mainly denominated in RMB, Hong Kong dollars (“**HK\$**”) and United States dollars (“**US\$**”).

As at 31 December 2025, the Group's total outstanding bank borrowings amounted to approximately HK\$865.1 million (31 December 2024: HK\$629.6 million), which mainly comprised bank factoring loans, import loans, trust receipts loans, instalment loans and revolving loans. The Group's bank borrowings that were unrestricted and carried at amortised cost with a clause of repayment on demand are classified as current liabilities. The gearing ratio increased from 207.6% as at 31 December 2024 to 238.6% as at 31 December 2025 as a result of higher utilization of usage of banking facilities due to increase revenue. Gearing ratio is calculated based on total external loans and borrowings divided by total equity at the respective reporting dates.

The Group's financial statements are presented in HK\$. The Group carried out its business transactions mainly in HK\$, RMB and US\$. As the HK\$ remained pegged to the US\$, there was no material exchange risk in this respect. As the portion of RMB revenue is insignificant, there is no material exchange risk in this respect. The Group currently does not have any interest rate hedging policies. However, the management monitors the Group's exposure to interest rate risk on an ongoing basis and will consider hedging that risk should the need arise. Credit risk was mainly hedged through credit policy and factored into external financial institutions.

PSCS and CB

On 21 October 2021, I-Sky Electronic Limited as purchaser, a wholly-owned subsidiary of the Company (the “**Purchaser**”), the Company and Nicegoal as vendor (the “**Vendor**”), which is ultimately wholly-owned by Mr. Lee, a controlling shareholder, an executive Director, the chairman of the Board and chief executive officer of the Company, entered into a sale and purchase agreement (as supplemented on 25 November 2021) (the “**Agreement**”), pursuant to which the Vendor agreed to sell, and the Purchaser has conditionally agreed to purchase, a landed property in Hong Kong (the “**Target Property**”) at the consideration of HK\$30.0 million. The consideration was settled by the issue of the PSCS and the CB.

On 23 February 2022, pursuant to the terms of the Agreement, the Company issued the CB and the PSCS to the Vendor in connection with the acquisition of the Target Property. Details of which are set out in the circular of the Company dated 13 January 2022. The PSCS was issued without maturity date. It bears a distribution rate of 0.5% per annum and carries rights to convert the principal amount into Shares at a conversion price of HK\$0.35 per Share (to be rounded down to the nearest board lot of 5,000 Shares as per the deed poll constituting the PSCS), convertible into 28,570,000 conversion Shares, representing 2.66% of the issued Shares as at 31 December 2025 and at the date of this announcement or 2.59% as enlarged by the underlying conversion Shares of the PSCS. The Company has the option to redeem the PSCS in full at any time or 50% of the principal amount plus any accrued but unpaid distribution.

The CB was issued with a maturity of five years from the date of issue (i.e. 23 February 2022). It bears an interest rate of 0.5% per annum and carries rights to convert the outstanding principal amount into Shares at a conversion price of HK\$0.35 per Share subject to adjustment (to be rounded down to the nearest board lot of 5,000 Shares as per the instrument constituting the CB), convertible into 57,140,000 conversion Shares, representing 5.31% of the issued Shares as at 31 December 2025 and at the date of this announcement or 5.05% as enlarged by the underlying conversion Shares of the CB. The Company has the option to redeem the CB at any time before their maturity in whole or in part (in the minimum amount of HK\$1,000,000 or an integral multiple thereof) plus any accrued but unpaid interest.

The aggregate underlying conversion Shares of the CB and the PSCS represent 7.97% of the issued Shares as at 31 December 2025 and at the date of this announcement or 7.38% as enlarged by the underlying conversion Shares. Since the issue of the PSCS and the CB, none of them has been converted into Shares.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities (31 December 2024: nil).

CHARGES ON ASSETS

As at 31 December 2025, the banking facilities of the Group were secured by its trade receivables with an aggregate carrying amount of approximately HK\$725.3 million (31 December 2024: HK\$221.8 million), the legal charge over the investment property of the Group of approximately HK\$46.9 million (31 December 2024: HK\$46.4 million), the Group's leasehold land and buildings valued at approximately HK\$50.4 million (31 December 2024: HK\$67.8 million), the deposit placed for life insurance policy of the Group of approximately HK\$13.8 million (31 December 2024: HK\$13.5 million), bank deposit of the Group of approximately HK\$62.3 million (31 December 2024: HK\$39.8 million), personal guarantee executed by Mr. Bai Yilin, a director and non-controlling shareholder of a subsidiary of the Company, and corporate guarantees executed by the Group.

DIVIDEND

The Board has resolved not to recommend any final dividend for the Year 2025 (Year 2024: nil).

EMPLOYMENT AND REMUNERATION POLICY

As at 31 December 2025, the Group had 132 employees (31 December 2024: 141) in Hong Kong and the PRC. The Group consistently adheres to an equal, performance-oriented remuneration management philosophy, and strives to build a remuneration system that is competitive in the market. Employee compensation includes basic salary, mandatory provident fund contributions, medical insurance and other basic benefits, as well as the performance-based bonuses. At the same time, the Group continues to improve its long-term incentive mechanisms by implementing a restricted share award

scheme and a share option scheme, encouraging core employees to grow together with the enterprise. In addition, the Group has established a regular professional training system to enhance employees' practical sales skills and product technical expertise, supporting the coordinated growth of both employees and the Company.

USE OF NET PROCEEDS FROM LISTING

The net proceeds received by the Company from the global offering of the Shares (the “**Global Offering**”) in March 2018 was approximately HK\$116.9 million. The applications of the net proceeds received under the Global Offering from 16 March 2018 up to 31 December 2025 are as follows:

	Application of net proceeds as stated in the prospectus of the Global Offering HK\$'000	Actual use of net proceeds from Global Offering up to 31 December 2025 HK\$'000	Actual use of net proceeds during the Year 2025 HK\$'000	Unused net proceeds HK\$'000	Unused net proceeds %	Expected timeframe of full utilisation of unused net proceeds
Under the Global Offering						
Repayment of bank loans	39,045	39,045*	–	–	–	–
Establishing a new product and development department	2,810	2,810*	–	–	–	–
Strengthening sales and marketing and technical support team by recruiting staff and providing trainings	10,750	10,750*	–	–	–	–
Enhancing warehouse and office in HK	4,600	3,492*	1,108	–	–	–
Installing ERP and supporting software	7,090	6,543*	547	–	–	–
Establishing new offices in the PRC	5,027	5,027*	–	–	–	–
Acquisition and establishment of Shenzhen head office	35,888	–	–	35,888	100	(note)
Working capital for general corporate purpose	11,690	11,690*	–	–	–	–

* Such net proceeds had been used as intended.

Note: The unused net proceeds of HK\$35.9 million (the “**Unused Proceeds**”) were mainly intended to be applied to the acquisition and establishment of Shenzhen head office. However, due to slower-than-expected development, on 30 January 2026, the Board resolved to reallocate the Unused Proceeds to finance the aggregate consideration for the purchase of 396,000 ordinary shares (the “**Sale Shares**”) of Data Star Inc. (the “**Target Company**”), a company incorporated in the British Virgin Islands with limited liability and a non-wholly owned subsidiary of the Company, from Mr. Pai Yi Lin (白逸霖) (“**Mr. Pai**”), a director of the Target Company. The Sale Shares represent 18% of the entire issued share capital of the Target Company. The Board is of the view that the acquisition will allow the Group to use its financial resources more efficiently and take advantage of investment opportunities that could enhance the Company’s profits for its equity shareholders. Immediately prior to the acquisition, the Target Company was owned as to 28% by Mr. Pai and 72% by Apex Team Limited, a wholly-owned subsidiary of the Company.

Completion of the acquisition took place on 9 February 2026. As at the date of this announcement, the net proceeds raised under the Global Offering have been fully utilised.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Year 2025.

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have any significant investments held as at 31 December 2025 and did not have any future plans for material investments or capital assets as of the date of this announcement.

SUBSEQUENT EVENTS

Subscription of Key Man Insurance Policy

On 5 January 2026, an indirect wholly-owned subsidiary of the Company, AVT International Limited (“**AVTI**”), took out a life insurance policy with HSBC Life (“**Policy**”) and placed an initial single premium of US\$3,500,000 (equivalent to approximately HK\$27,300,000) thereunder with HSBC Life. The Policy is a life insurance of Mr. Lee Bing Kwong (“**Mr. Lee**”), an executive Director, the chairman of the Board and the chief executive officer of the Group, as the insured person and AVTI is the policyholder and the beneficiary. The subscription of the Policy (“**Subscription**”) was made pursuant to the terms of the facility letter issued by The Hongkong and Shanghai Banking Corporation Limited (“**Facility Letter**”) on 11 December 2025 that the Group was required to procure a key man insurance policy in favour of the policyholder regarding a revolving trade loan facility of an amount up to HK\$215,800,000 to insure the Group against any potential loss or damage that may arise from the unfortunate event of the loss of Mr. Lee. Details of the Subscription was set out in the announcement of the Company dated 6 January 2026.

Acquisition of 18% of Issued Share Capital of Data Star Inc.

On 30 January 2026, Apex Team Limited, a wholly-owned subsidiary of the Company as purchaser (“**DS Purchaser**”), entered into a sale and purchase agreement with Mr. Pai, a director of the Target Company, in relation to the acquisition of the Sale Shares, representing 18% of the issued share capital of the Target Company, for a total consideration of HK\$65,296,000 (“**Consideration**”), which has been satisfied partly in cash in the sum of HK\$46,800,000 and partly by way of a 0% promissory note in the principal amount of HK\$18,496,000 issued by the DS Purchaser. The acquisition was completed on 9 February 2026 and hence the Target Company is owned as to 90% by the Group. Details of the acquisition were set out in the announcement of the Company dated 30 January 2026.

Save as disclosed above, the Board is not aware of any significant event affecting the Group which took place after 31 December 2025.

PROSPECTS

In 2026, the global semiconductor industry is expected to continue its growth momentum. Artificial intelligence will remain the core driving force for the growth of the semiconductor industry, and the expansion of the industrial chain will focus on AI computing power, AI storage capacity, and AI-related supporting sectors such as equipment, materials and advanced packing. Driven by the launch of new products including HBM4, High Bandwidth Flash (“**HBF**”), AI DRAM/NAND and the extremely tight supply of DDR, the storage market is expected to maintain a trend of “shortage in volume and rising prices” throughout the year. The transmission effect resulting from the memory shortage will significantly impact consumer electronics markets such as mobile phones and PCs, while the automotive, industrial and telecommunications markets will also experience certain fluctuations. According to the latest forecast by SIA, the total sales of the semiconductor industry are expected to increase by 26% year-on-year in 2026.

In the new energy market, the electrification and automation of automobiles are accelerating. Data from the China Association of Automobile Manufacturers (CAAM) show that in 2025, both the production and sales volume of automobiles in China exceeded 34 million units, reaching a new historical high. The production and sales volume of new energy vehicles both surpassed 16 million units, and their share in domestic new vehicle sales exceeded 50%. As the penetration rate of intelligent

vehicles continues to rise, the demand for automotive-grade chips from domain controllers such as body control, chassis management and intelligent driving continues to grow. The number of chips per vehicle has surged from 600 to 800 units in traditional fuel vehicles to over 1,000 units in electric vehicles, driving the steady growth in demand for silicon wafers in power devices, sensors and other sectors. Furthermore, amid the global trend of energy transition, the photovoltaic and energy storage industries continue to expand, boosting the sustained increase in demand for chips related to photovoltaics and energy storage.

At the same time, domestic substitution will continue to serve as a key driver of growth for the semiconductor industry. The Recommendations for Formulating the “15th Five-Year Plan” emphasize accelerating sci-tech self-reliance and self-strengthening at higher levels, enhancing original innovation, and stepping up efforts to achieve breakthroughs in core technologies in key fields, so as to drive the in-depth integration of scientific and technological innovation with industrial innovation. As a critical pathway to achieving independent and controllable supply chains, the semiconductor industry is poised to seize strategic development opportunities under the dual impetus of policy support and demand pull, emerging as a pivotal pillar for elevating China’s national technological competitiveness. For segments that have already attained basic substitution capabilities at the technical level, China is likely to introduce more targeted guidance and support across policy, capital, and market dimensions. This will facilitate leading enterprises in building the capacity to supply large-volume, high-stability, and high-quality products in both domestic and global markets, promote upstream-downstream collaboration within the domestic semiconductor industry chain, and foster the development of an indigenous innovation ecosystem. It is expected that the rate of localization will see a steeper upward trajectory going forward, with equipment manufacturers also accelerating the localisation of their supply chains. Local semiconductor distribution enterprises will continue to benefit from the ongoing wave of domestic substitution.

Based on industry development trends, the Group adopts a cautiously optimistic outlook towards its 2026 operations. In 2025, the Group continued to advance the optimization of its customer structure and the upgrading of its business layout; by deeply engaging in high value industry scenarios and developing key enterprise customers, it further consolidated its market competitiveness and achieved breakthrough progress in multiple sectors. In the industrial manufacturing sector, the Group continued to strengthen cooperation with high-end manufacturing enterprises at home and abroad and deeply integrated industrial-grade chip solutions into intelligent

manufacturing production lines. In the new energy vehicle sector, the Group further deepened collaboration with leading automakers and achieved stable supply of various products. In the AI sector, focusing on the three core areas of computing power, storage and energy, the Group provided customized products and solutions to continuously meet the demand of the AI industry. In addition, the Group is accelerating its full-scale layout in emerging sectors such as automotive new energy and servers, establishing diversified growth engines driven by high-value customers and high value-added products, so as to drive the sustained growth of the Group's performance.

Looking ahead to 2026, driven by factors including the upgrading of industrial demand, accelerated domestic substitution and the emergence of opportunities in new sectors, the Group's customer orders are expected to continue to grow, providing strong support for the sales of the Group's core businesses. The Group will continue to deepen cooperation with leading industry customers and establish a more resilient supply chain system and refined delivery management mechanism to underpin the expansion of its business scale.

Automotive new energy and servers, as two core growth potential sectors, are of great significance to the Group's strategic development. In 2026, the Group will continue to deepen its layout around the two core sectors of automotive new energy and servers as well as key segments of the AI industrial chain to further seize market opportunities. In the automotive new energy sector, the Group will continuously optimise its product supply system, provide products that meet the demand for intelligent driving and Internet of Vehicles in new energy vehicles, and expand its market share. In the server sector, the Group will step up research and development and supply of enterprise grade large capacity storage and high end general components, improve its product layout in the server industrial chain, and meet the stringent requirements of server manufacturers for high stability and high performance products. In the AI industrial chain, the Group will continue to focus on the three core areas of computing power, storage and energy, continuously optimise high performance computing solutions and energy consumption management solutions, and consolidate its cooperation foundation with AI industry customers. With the rapid development of the automotive new energy and server industries, the Group expects to attract more leading industry customers and boost its revenue level.

Although uncertainties remain in the global economic and trade environment in 2026, and risks such as U.S. technology restrictions and global interest rate volatility continue to affect the market, the Group is fully prepared. The Group will closely monitor cost pressures and exchange rate risks arising from changes in the international trade environment, and enhance its resilience to risks by improving supply chain flexibility, increasing the proportion of localised procurement, and optimizing the layout of the domestic market. Meanwhile, the cost control and workforce optimisation measures implemented by the Group in the early stage will continue to take effect, further improving operational efficiency and profitability. Furthermore, amid the accelerating trend of domestic substitution, the Group is optimistic about the robust demand in the domestic new energy vehicle, server and industrial manufacturing sectors, which is expected to further drive the growth of domestic sales, effectively offsetting the impact from potential volatility in overseas markets, thereby delivering improved performance to shareholders.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is dedicated to adopting, maintaining and ensuring high standards of corporate governance practices and principles in the best interest of the Group and the Shareholders. The Company has adopted the applicable code provisions and, where appropriate, adopted certain recommended best practices as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules (“**CG Code**”). Save as disclosed below, the Board considered that the Company had complied with all applicable code provisions set out in the CG Code during the Year 2025.

Under code provision C.2.1 of the CG Code, the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Mr. Lee, who has considerable experience in the semiconductor and other electronic components industry, is the chairman of the Board (the “**Chairman**”) and the chief executive officer of the Company (the “**CEO**”). The Board believes that vesting the roles of both the Chairman and the CEO in Mr. Lee has the benefit of ensuring

consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group. The Board considers that this structure will not impair the balance of power between the Board and the management of the Company. The balance of power is further enhanced by the audit committee of the Board (the “**Audit Committee**”), which comprises all independent non-executive Directors and is responsible for overseeing the internal control procedures of our Group. The independent non-executive Directors have free and direct access to the Company’s independent auditor and independent professional advisers when considered necessary. The Board will, nevertheless, review the structure from time to time and separate the roles of the Chairman and the CEO to two individuals, if appropriate.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as the code for dealing in securities of the Company by the Directors. A specific enquiry was made by the Company with each of the Directors and all the Directors confirmed that they had complied with the requirements set out in the Model Code throughout the Year 2025.

REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed and confirmed the accounting principles and practices adopted by the Group, and the Group’s audited annual results for the Year 2025 and discussed auditing, internal control, risk management systems and financial reporting matters of the Group.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Yim Kwok Man (chairman), Mr. Cheung Siu Kui and Dr. Chow Terence. None of them is employed by or otherwise affiliated with the former or current independent auditor of the Company.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the Year 2025 as set out in the this preliminary announcement have been agreed by the Company’s independent auditor, CCTH CPA Ltd. (“**Auditor**”), to

the amounts set out in the Group's audited consolidated financial statements for the Year 2025. The work performed by the Auditor 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 Engagement issued by the HKICPA and consequently, no assurance has been expressed by the Auditor on this preliminary announcement.

PUBLICATION OF THE ANNUAL REPORT

The annual report of the Company for the Year 2025 containing all the information required by Appendix 16 to the Listing Rules will be published on the respective websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.apexace.com>) in the manner as required by the Listing Rules and will be despatched to the Shareholders around the end of April 2026.

On behalf of the Board

Apex Ace Holding Limited

Lee Bing Kwong

Executive Director, Chairman and Chief Executive Officer

Hong Kong, 26 March 2026

As at the date of this announcement, the executive Directors are Mr. Lee Bing Kwong (Chairman and Chief Executive Officer) and Ms. Lo Yuen Lai; the non-executive Director is Mr. Lo Yuen Kin and the independent non-executive Directors are Mr. Cheung Siu Kui, Mr. Yim Kwok Man, Dr. Chow Terence and Mr. Cheung Hung Kwong.