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MBV INTERNATIONAL LIMITED

中國大人國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1957)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of MBV International Limited (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Year**”).

FINANCIAL HIGHLIGHTS

- Revenue for the Year decreased by approximately 3.9% year-to-year to approximately RM193.1 million, as compared with revenue of approximately RM200.9 million for the year ended 31 December 2024 (the “**Last Year**”);
- Loss for the Year attributable to owners of the Company to approximately RM0.7 million;
- Basic losses per share for the Year was RM0.11 cents as compared with basic earnings per share of RM3.57 cents for the Last Year; and
- The Board does not recommend the declaration of any dividend to shareholders of the Company for the Year (2024: Nil).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
Revenue	4	193,081	200,929
Cost of sales		<u>(131,231)</u>	<u>(138,327)</u>
Gross profit		61,850	62,602
Other income	5	2,798	2,420
Selling and distribution expenses		(10,537)	(9,720)
Administrative and other operating expenses	6	(26,001)	(25,303)
Reversal of impairment loss of trade receivables, net		388	192
Share of results of associates		46	2,536
Impairment loss of investment in associates		(18,659)	—
Finance costs	6	<u>(168)</u>	<u>(74)</u>
Profit before tax	6	9,717	32,653
Income tax expenses	7	<u>(8,424)</u>	<u>(8,413)</u>
Profit for the year		<u>1,293</u>	<u>24,240</u>
Other comprehensive (loss) income:			
<i>Item that will not be reclassified to profit or loss</i>			
Exchange differences on translation of the Company's financial statements to presentation currency		(1,901)	(550)
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on consolidation		<u>3,755</u>	<u>(676)</u>
Other comprehensive income (loss) for the year		<u>1,854</u>	<u>(1,226)</u>
Total comprehensive income for the year		<u>3,147</u>	<u>23,014</u>
(Loss) Profit for the year attributable to:			
Owners of the Company		(707)	22,407
Non-controlling interests		<u>2,000</u>	<u>1,833</u>
		<u>1,293</u>	<u>24,240</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		1,147	21,181
Non-controlling interests		<u>2,000</u>	<u>1,833</u>
		<u>3,147</u>	<u>23,014</u>
		<i>RM cents</i>	<i>RM cents</i>
(Losses) Earnings per share attributable to owners of the Company			
Basic and diluted	8	<u>(0.11)</u>	<u>3.57</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 RM'000	2024 RM'000
Non-current assets			
Property, plant and equipment		55,892	54,516
Intangible assets		279	644
Investment in associates	10	16,076	34,689
Deferred tax assets		2,343	2,075
		<u>74,590</u>	<u>91,924</u>
Current assets			
Financial assets at fair value through profit or loss ("FVPL")		—	720
Inventories		40,488	36,921
Trade and other receivables	11	12,122	15,521
Fixed deposit with a licensed bank		4,644	106
Bank balances and cash		130,419	116,506
		<u>187,673</u>	<u>169,774</u>
Current liabilities			
Trade and other payables	12	8,734	8,640
Consideration payable	13	22,176	26,156
Interest-bearing borrowings		771	977
Lease liabilities		1,277	777
Tax payable		2,450	1,041
		<u>35,408</u>	<u>37,591</u>
Net current assets		<u>152,265</u>	<u>132,183</u>
Total assets less current liabilities		<u>226,855</u>	<u>224,107</u>
Non-current liabilities			
Interest-bearing borrowings		3,439	3,944
Lease liabilities		709	603
		<u>4,148</u>	<u>4,547</u>
NET ASSETS		<u>222,707</u>	<u>219,560</u>

	<i>Note</i>	2025 RM'000	2024 <i>RM'000</i>
Capital and reserves			
Share capital	<i>14</i>	3,379	3,379
Reserves		210,574	209,427
		<hr/>	<hr/>
Equity attributable to owners of the Company		213,953	212,806
Non-controlling interests		8,754	6,754
		<hr/>	<hr/>
TOTAL EQUITY		222,707	219,560
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

MBV International Limited (the “**Company**”, together with its subsidiaries are collectively referred to as the “**Group**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 3 January 2019. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 July 2020 (the “**Listing**”). The registered office of the Company is situated at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company’s principal place of business is situated at Unit B, 23/F, Yue Hing Building, 103 Hennessy Road, Wan Chai, Hong Kong and the Group’s headquarter is situated at No. 58–66, Jalan Seroja 39, Taman Johor Jaya, 81100 Johor Bahru, Johor, Malaysia.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of imprintable apparel and gift products in Malaysia and Singapore.

The immediate and ultimate holding company of the Company is MBV Capital Limited, which is incorporated in the British Virgin Islands (the “**BVI**”). In the opinion of the directors of the Company, the ultimate controlling parties are Dato’ Tan Meng Seng, Dato’ Tan Mein Kwang and Mr. Tan Beng Sen (together, the “**Ultimate Controlling Party**”), who have been acting-in-concert over the course of the Group’s business history.

2. PRINCIPAL ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the “**IASB**”), which collective term includes all applicable individual IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by the IASB. The consolidated financial statements also complies with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The consolidated financial statements are presented in Malaysian Ringgit (“**RM**”) and all amounts have been rounded to the nearest thousand (“**RM’000**”), unless otherwise indicated.

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024 consolidated financial statements except for the adoption of the revised IFRS Accounting Standards that are relevant to the Group and effective from the current period.

Changes in accounting policies

The Group has applied, for the first time, the following revised IFRS Accounting Standard that is relevant to the Group:

Amendments to IAS 21 Lack of Exchangeability

Amendments to IAS 21: Lack of Exchangeability

The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for the listed equity securities classified as “Financial assets at FVPL” which is measured at fair value.

Basis of consolidations

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree’s net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments’ proportionate share in the recognised amounts of the acquiree’s identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by IFRS Accounting Standards.

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. No operating segments identified by the CODM have been aggregated in arriving at the reportable operating segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- 1) Wholesaling of imprintable apparel and gift products.
- 2) Manufacturing of imprintable apparel.

Segment revenue and results

Segment revenue represents revenue derived from wholesaling of imprintable apparel and gift products and manufacturing of imprintable apparel.

Segment results represent the gross profit reported by each segment. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

	Wholesaling <i>RM'000</i>	Manufacturing <i>RM'000</i>	Total <i>RM'000</i>
<i>Year ended 31 December 2025</i>			
Segment revenue	177,129	15,952	193,081
Segment cost of sales	<u>(120,954)</u>	<u>(10,277)</u>	<u>(131,231)</u>
Segment results	<u>56,175</u>	<u>5,675</u>	61,850
Other income			2,798
Selling and distribution expenses			(10,537)
Administrative and other operating expenses			(26,001)
Reversal of impairment loss of trade receivables, net			388
Share of results of associates			46
Impairment loss of investment in associates			(18,659)
Finance costs			<u>(168)</u>
Profit before tax			<u>9,717</u>
Income tax expenses			<u>(8,424)</u>
Profit for the year			<u>1,293</u>
<i>Other information</i>			
Depreciation	(3,093)	(60)	(3,153)
Amortisation	(322)	–	(322)
Provision for write-down of inventories, net	(927)	–	(927)
Reversal of impairment loss of trade receivables, net	<u>388</u>	<u>–</u>	<u>388</u>

	Wholesaling <i>RM'000</i>	Manufacturing <i>RM'000</i>	Total <i>RM'000</i>
<i>Year ended 31 December 2024</i>			
Segment revenue	184,448	16,481	200,929
Segment cost of sales	<u>(127,324)</u>	<u>(11,003)</u>	<u>(138,327)</u>
Segment results	<u>57,124</u>	<u>5,478</u>	62,602
Other income			2,420
Selling and distribution expenses			(9,720)
Administrative and other operating expenses			(25,303)
Reversal of impairment loss of trade receivables, net			192
Share of results of associates			2,536
Finance costs			<u>(74)</u>
Profit before tax			<u>32,653</u>
Income tax expenses			<u>(8,413)</u>
Profit for the year			<u>24,240</u>
<i>Other information</i>			
Depreciation	(2,480)	(60)	(2,540)
Amortisation	(343)	–	(343)
Provision for write-down of inventories, net	(1,004)	–	(1,004)
Reversal of impairment loss of trade receivables, net	<u>192</u>	<u>–</u>	<u>192</u>

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

	Wholesaling <i>RM'000</i>	Manufacturing <i>RM'000</i>	Unallocated <i>RM'000</i>	Total <i>RM'000</i>
<i>At 31 December 2025</i>				
Assets				
Reportable segment assets	<u>79,973</u>	<u>4,275</u>	<u>178,015</u>	<u>262,263</u>
Liabilities				
Reportable segment liabilities	<u>7,340</u>	<u>1,394</u>	<u>30,822</u>	<u>39,556</u>
Other information				
Capital expenditures	<u>4,310</u>	<u>690</u>	<u>–</u>	<u>5,000</u>
<i>At 31 December 2024</i>				
Assets				
Reportable segment assets	<u>79,039</u>	<u>3,627</u>	<u>179,032</u>	<u>261,698</u>
Liabilities				
Reportable segment liabilities	<u>7,513</u>	<u>1,127</u>	<u>33,498</u>	<u>42,138</u>
Other information				
Capital expenditures	<u>2,352</u>	<u>110</u>	<u>–</u>	<u>2,462</u>

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

- segment assets include property, plant and equipment, inventories and certain trade and other receivables. Other assets are not allocated to operating segments as these assets are managed on a corporate basis; and
- segment liabilities include certain trade and other payables. Other liabilities are not allocated to operating segments as these liabilities are managed on a corporate basis.

Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets (the "Specified Non-current Assets"). The geographical location of the revenue is presented based on the entity's countries of domicile for the provision of imprintable apparel and gift products. The geographical location of the Specified Non-current Assets is presented based on the location of the assets.

(a) Location of revenue

	Wholesaling <i>RM'000</i>	Manufacturing <i>RM'000</i>	Total <i>RM'000</i>
<i><u>Year ended 31 December 2025</u></i>			
Malaysia	151,982	12,128	164,110
Singapore	25,147	3,824	28,971
	<u>177,129</u>	<u>15,952</u>	<u>193,081</u>
<i><u>Year ended 31 December 2024</u></i>			
Malaysia	155,274	11,546	166,820
Singapore	29,174	4,935	34,109
	<u>184,448</u>	<u>16,481</u>	<u>200,929</u>

(b) Location of the Specified Non-current Assets

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Malaysia	55,819	54,584
Singapore	352	576
	<u>56,171</u>	<u>55,160</u>

Information about major customers

The Group's revenue from any single external customer did not contribute 10% or more of the total revenue of the Group during the reporting periods.

4. REVENUE

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Revenue from contracts with customers within IFRS 15 – at a point in time		
Wholesaling		
– Imprintable apparel	134,354	143,808
– Gift products	42,775	40,640
Manufacturing	<u>15,952</u>	<u>16,481</u>
	<u>193,081</u>	<u>200,929</u>

5. OTHER INCOME

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Interest income	1,749	1,986
Exchange gain, net	431	–
Government grants (<i>Note</i>)	61	108
Rental income	137	87
Net fair value gain on financial assets at FVPL	80	–
Gain on disposal of property, plant and equipment	140	76
Sundry income	<u>200</u>	<u>163</u>
	<u>2,798</u>	<u>2,420</u>

Note:

During the years ended 31 December 2025 and 2024, government grants primarily consist of subsidy for transitional wage support for employers in Singapore.

There was no unfulfilled condition or contingency relating to the government grants.

6. PROFIT BEFORE TAX

This is stated after (crediting) charging:

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
<i>Finance costs</i>		
Interest on interest-bearing borrowings	10	9
Interest on lease liabilities	158	65
	<u>168</u>	<u>74</u>
<i>Staff costs (including directors' emoluments)</i>		
Salaries, discretionary bonus, allowances and other benefits in kind	29,700	27,691
Contributions to defined contribution plans	3,036	3,007
	<u>32,736</u>	<u>30,698</u>
	2025 <i>RM'000</i>	2024 <i>RM'000</i>
<i>Other items</i>		
Cost of inventories sold (<i>Note</i>)	131,231	138,327
Auditor's remuneration		
– Audit services	912	971
– Non-audit services	161	114
Amortisation (charged to “administrative and other operating expenses”)	322	343
Depreciation (charged to “cost of sales” and “administrative and other operating expenses”, as appropriate)	3,153	2,540
Exchange (gain) loss, net	(431)	1,874
Lease payments on premises recognised as short-term lease	32	243
Gain on disposal of property, plant and equipment	(140)	(76)
Net fair value (gain) loss on financial assets at FVPL	(80)	130
Provision for write-down of inventories, net (included in cost of inventories sold)	927	1,004
	<u>927</u>	<u>1,004</u>

Note:

During the year ended 31 December 2025, cost of inventories sold included approximately RM9,681,000 (2024: RM9,246,000) relating to the aggregate amount of certain staff costs and depreciation of property, plant and equipment, which were included in the respective amounts as disclosed above.

7. TAXATION

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Current tax		
<i>Malaysia corporate income tax</i>		
Current year	7,693	8,111
Under (Over)-provision in prior year	654	(428)
	<u>8,347</u>	<u>7,683</u>
<i>Singapore corporate income tax</i>		
Current year	469	937
Over-provision in prior year	(124)	(29)
	<u>345</u>	<u>908</u>
	<u>8,692</u>	<u>8,591</u>
Deferred tax		
Changes in temporary differences	(268)	(178)
Total income tax expenses for the year	<u><u>8,424</u></u>	<u><u>8,413</u></u>

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong for the reporting periods.

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax (“CIT”) therein.

For the years ended 31 December 2025 and 2024, Malaysia CIT is calculated at 24% of the estimated assessable profits. Malaysia incorporated entities with paid-up capital of RM2.5 million or less and having gross business income of not more than RM50 million enjoy tax rate of 15% on the first RM150,000 and 17% on the next RM450,000 of the estimated assessable profits and remaining balance at tax rate of 24%.

For the years ended 31 December 2025 and 2024, Singapore CIT is calculated at 17% of the assessable profits. The Group’s entities incorporated in Singapore can also enjoy 75% tax exemption on the first Singapore dollars (“S\$”) 10,000 of normal chargeable income and a further 50% tax exemption on the next S\$190,000 of normal chargeable income for the years ended 31 December 2025 and 2024.

Reconciliation of income tax expenses

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Profit before tax	<u>9,717</u>	<u>32,653</u>
Income tax at statutory tax rate applicable in respective territories	2,078	7,646
Non-deductible expenses	5,928	1,341
Tax concessions	(112)	(117)
Under (Over)-provision in prior year	<u>530</u>	<u>(457)</u>
Income tax expenses	<u>8,424</u>	<u>8,413</u>

8. (LOSSES) EARNINGS PER SHARE

The calculation of basic and diluted (losses) earnings per share attributable to owners of the Company is based on the following information:

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
(Loss) Profit for the year attributable to owners of the Company, used in basic and diluted (losses) earnings per share calculation	<u>(707)</u>	<u>22,407</u>
	'000	'000
Weighted average number of ordinary shares for basic and diluted (losses) earnings per share calculation	<u>628,000</u>	<u>628,000</u>

Diluted (losses) earnings per share are same as the basic (losses) earnings per share as there are no potential dilutive ordinary shares in existence for the years ended 31 December 2025 and 2024.

9. DIVIDEND

The directors of the Company did not recommend payment of any dividend for the years ended 31 December 2025 and 2024.

10. INVESTMENT IN ASSOCIATES

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Unlisted shares, at cost	<u>16,076</u>	<u>34,689</u>

Details of the principal associates at the end of the reporting period are as follows:

Name of associates	Principal place of business and place of incorporation	Class of shares held	Proportion of value of issued/ registered capital held by the Company		Principal activities
			Directly	Indirectly	
Lordan Group Ltd. (“ Lordan ”, together with its subsidiaries, “ Lordan Group ”)	The Cayman Islands	Ordinary	–	40% (2024: 40%)	Investment holding
China Daren Group Limited (“ China Daren ”)	Hong Kong	Ordinary	–	40% (2024: 40%)	Investment holding
大仁科技(深圳)有限公司 Daren Technology (Shenzhen) Co., Ltd.* (“ Daren Technology ”)	The People’s Republic of China (the “ PRC ”)	Paid-up capital	–	40% (2024: 40%)	Investment holding
大人數科(北京)科技集團有限公司 Daren Digital Science (Beijing) Technology Co., Ltd.* (“ Daren Digital ”)	The PRC	Paid-up capital	–	40% (2024: 40%)	Service provider in digitalisation and e-commerce transformation of physical businesses
北京首科迅達科技有公司 Beijing Shoukexunda Technology Co., Ltd.* (“ Shouke Xunda ”)	The PRC	Paid-up capital	–	20.4% (2024: 20.4%)	Inactive
宇游國際旅行社(海南經濟特區)有限公司 Yuyou International Travel Agency (Hainan Special Economic Zone) Co., Ltd.* (“ Yuyou International ”)	The PRC	Paid-up capital	–	40% (2024: 40%)	Travel agency and tour guide services

* *English translation for identification purposes only.*

All of the above associates are accounted for using the equity method in the consolidated financial statements.

Relationship with associates

Lordan is an exempted company incorporated in the Cayman Islands with limited liability. It is an investment holding company.

China Daren is a private company incorporated in Hong Kong with limited liability. It is an investment holding company and a wholly owned subsidiary of Lordan.

Daren Technology as a wholly foreign-owned enterprise in the PRC. it is an investment holding company and a wholly owned subsidiary of China Daren.

Daren Digital is a company established in the PRC with limited liability and principally engaged in the business of provision of services in digitalisation and e-commerce transformation of physical businesses in the PRC. Daren Digital is wholly owned by Daren Digital registered shareholders but beneficially owned and controlled by Daren Technology pursuant to certain contractual arrangements signed between Daren Technology and Daren Digital registered shareholders.

Shouke Xunda is a company established in the PRC with limited liability. Shouke Xunda does not have any operations during the financial years ended 31 December 2025 and 2024, it intends to engage in the business of technical development, technical services, e-commerce, supply chain and online marketing services for clients engaged in the upstream supply chain sector in the PRC. Shouke Xunda is a non-wholly owned subsidiary of Daren Digital.

Yuyou International is a company established in the PRC with limited liability and principally engaged in the business of travel agency and tour guide services in the PRC.

Fair Value of investments

At the end of the reporting period, the Group's associates are private companies and there is no quoted market price available for the investments.

Impairment testing

The Group has engaged an independent professional valuer, Peak Vision Appraisals Limited (“**Peak Vision**”), to perform appraisal of the valuation of the investment in associates for the purpose of impairment assessment. At 31 December 2025 and 2024, based on the valuation report prepared by Peak Vision, the enterprise value of investment in associates was determined based on fair value less cost of disposal (“**FVLCD**”) by the Group's management.

In determining the FVLCD of the associate, the Group's has adopted market approach (level 3 fair value measurements). Several companies with business scopes and operations similar to the investment in associates were adopted as comparable companies. The comparable companies were selected mainly with reference to the following selection criteria:

- (i) companies that are actively traded and publicly listed in Hong Kong and the PRC;
- (ii) companies primarily engaged in providing online services, software solutions, and other digitalisation and e-commerce transformation related services to merchants;
- (iii) companies that are loss making;
- (iv) over 70% of the revenue are derived from the provision of e-commerce services and solutions to merchants;
- (v) over 70% of the revenue are generated in the PRC and/or Hong Kong; and
- (vi) shares of the comparable companies are listed for more than 1 year.

Key assumptions used for FVLCD calculations for investment in associates are as follows:

	2025	2024
	RM'000	RM'000
Enterprise value ("EV") divided by sales ratio ("S") ("EV/S" ratio)	2.40~13.38	0.33~20.23
Discounts for lack of marketability ("DLOM")	20.4%	20.4%

At the end of the reporting period, the Group assessed the recoverable amount of its investment in associates after identifying indicators of impairment arising from the associates' financial performance. The associates were adversely affected by weaker market demand and intensified competition in their respective industries, which led to a significant decline in revenue. The directors of the Company are of the opinion that based on the impairment assessment, the recoverable amount of investment in associates was approximately RM16,076,000 which was lower than its then carrying value and impairment loss of approximately RM18,659,000 was recognised for the year ended 31 December 2025. (2024: exceeded carrying value by approximately RM25,834,000 ("**headroom**"), and no impairment on the investment in associates was recognised).

The following table indicates how the recoverable amount or headroom would have decreased if certain key assumptions used in the FVLCD calculations had changed, assuming all other assumptions remained constant for the years ended 31 December 2025 and 2024:

Recoverable amount would have decreased by	2025 RM'000
If EV/S decreases by 0.5%	87
If DLOM increases by 0.5%	<u>22</u>
Headroom would have decreased by	2024 RM'000
If EV/S decreases by 0.5%	311
If DLOM increases by 0.5%	<u>80</u>

Financial information of associates

Summarised financial information of the Lordan Group is set out below, which represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

Lordan Group	2025 RM'000	2024 RM'000
<u>Gross amount</u>		
Current assets	27,638	32,943
Non-current assets	14,162	19,919
Current liabilities	(42,051)	(57,153)
Non-controlling interests	<u>(704)</u>	<u>3,220</u>
	<u>(955)</u>	<u>(1,071)</u>
Group's ownership interests	<u>40%</u>	<u>40%</u>
Group's share of equity	(382)	(428)
Goodwill	35,117	35,117
Impairment of investment in associates	<u>(18,659)</u>	<u>—</u>
Carrying amount of the Group's interests	<u>16,076</u>	<u>34,689</u>

	2025	2024
	RM'000	RM'000
<u>Gross amount</u>		
Revenue	17,524	248,898
Net Profit	115	6,340
Other comprehensive income	—	—
Total comprehensive Income	115	6,340
Group's ownership interests	40%	40%
Group's share of results	46	2,536

On 16 February 2026, the Group and the 2026 Purchaser (as defined in Note 15) entered into a share purchase agreement, pursuant to which, the Group conditionally agreed to sell, and the 2026 Purchaser conditionally agreed to purchase, 20,000 ordinary shares held by the Group, representing 40% of the issued share capital of Lordan, at the consideration of HK\$31,411,000 (equivalent to approximately RM16,076,000). Further details are set out in Note 15.

11. TRADE AND OTHER RECEIVABLES

	2025	2024
<i>Note</i>	RM'000	RM'000
Trade receivables		
From a related party	205	—
From third parties	8,170	8,101
Less: Loss allowances	(517)	(905)
	7,858	7,196
Other receivables		
Prepayments	776	617
Deposits paid to suppliers (<i>Note</i>)	2,869	5,940
Other deposits and receivables	619	1,768
	4,264	8,325
	12,122	15,521

Note:

The balances at 31 December 2025 and 2024 included payment in advance to certain suppliers for the ordered apparels and gifts products to be delivered, upon completion, to the Group.

(a) Trade receivable from a related party

The trade receivable from a related party is unsecured, interest-free and with normal credit terms up to 60 days.

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
MYSUB Sdn. Bhd. (“MYSUB”) (<i>Note</i>)	205	–

Note: At 31 December 2025, close members of the Ultimate Controlling Party have significant influence over MYSUB.

(b) Trade receivables

The ageing of trade receivables, net of loss allowances, based on invoice date at the end of each reporting period is as follows:

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Within 30 days	6,031	5,858
31 to 60 days	1,498	1,127
61 to 90 days	329	211
	7,858	7,196

At the end of each reporting period, the ageing analysis of the trade receivables, net of loss allowances, by due date is as follows:

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Not yet due	6,818	6,857
Past due:		
Within 30 days	898	339
31 to 60 days	142	–
	7,858	7,196

The Group normally grants credit terms up to 60 days (*2024: up to 60 days*) from the date of issuance of invoices.

12. TRADE AND OTHER PAYABLES

	<i>Note</i>	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Trade payables			
To related parties	<i>12(a)</i>	460	418
To third parties		1,091	1,235
		<hr/>	<hr/>
	<i>12(b)</i>	1,551	1,653
		<hr/>	<hr/>
Other payables			
Salary payables		4,132	4,184
Other accruals and other payables		3,051	2,803
		<hr/>	<hr/>
		7,183	6,987
		<hr/>	<hr/>
		8,734	8,640
		<hr/> <hr/>	<hr/> <hr/>

(a) Trade payables to related parties

The trade payables to related parties are unsecured, interest-free and with normal credit terms up to 30 days (2024: *Up to 30 days*).

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Forever Silkscreen & Embroidery Sdn. Bhd. (“Forever Silkscreen”) (<i>Note</i>)	453	418
MYSUB	7	–
	<hr/>	<hr/>
	460	418
	<hr/> <hr/>	<hr/> <hr/>

Note: At 31 December 2025 and 2024, the Ultimate Controlling Party held 50% equity interests of Forever Silkscreen.

(b) Trade payables

The trade payables are interest-free and with normal credit terms up to 30 days (2024: up to 30 days).

At the end of each reporting period, the ageing analysis of the trade payables based on invoice date is as follows:

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Within 30 days	1,102	1,408
31 to 60 days	449	239
61 to 90 days	—	6
	<u>1,551</u>	<u>1,653</u>

13. CONSIDERATION PAYABLE

	2025 <i>RM'000</i>	2024 <i>RM'000</i>
At the end of the reporting period	<u>22,176</u>	<u>26,156</u>

On 6 November 2023, the Group and Belcher Ventures Investment Ltd., an independent third party incorporated in the BVI (the “**2023 Vendor**”), entered into a conditional share purchase agreement in relation to the proposed acquisition (the “**2023 Share Purchase Agreement**”). Pursuant to which, the Group conditionally agreed to acquire, and the 2023 Vendor conditionally agreed to sell 20,000 shares in Lordan held by the 2023 Vendor, representing 40% of the issued share capital of Lordan at the consideration of HK\$57,218,250 (equivalent to approximately RM34,139,000). All the conditions precedent set out in the Share Purchase Agreement have been fulfilled and the completion took place on 29 November 2023. Upon Completion, the Group holds 40% of the issued share capital of Lordan, and it had become an associate of the Group.

In connection with the acquisition of Lordan Group during the year ended 31 December 2023, the total consideration of HK\$57,218,250 (equivalent to approximately RM34,139,000) shall be settled by the Group in cash, initial cash consideration of HK\$5,000,000 (equivalent to approximately RM2,983,000) was paid during the year ended 31 December 2023 and the Group shall pay HK\$52,218,250 (equivalent to approximately RM31,156,000), being the balance of the consideration to the 2023 Vendor on or before 30 April 2024.

During the year ended 31 December 2024, the Group has partially settled HK\$8,500,000 (equivalent to approximately RM5,000,000) to the 2023 Vendor. The remaining balance of the consideration of HK\$43,718,250 (equivalent to approximately RM26,156,000), was mutually agreed by the Group and the 2023 Vendor to extend the settlement on or before 31 March 2025.

During the year ended 31 December 2025, the remaining balance of the consideration of HK\$43,718,250 (equivalent to approximately RM RM22,176,000) was mutually agreed by the Group and the 2023 Vendor to extend the settlement on or before 30 September 2025 and further extended to on or before 30 September 2026.

On 5 February 2026, the 2023 Vendor agreed to waive part of the remaining balance of the consideration amounting to HK\$12,307,250 (equivalent to approximately RM6,100,000). The waiver was granted in recognition of the operational and managerial support the Group has extended to the associates since the acquisition. Accordingly, the remaining balance of the consideration amounted to HK\$31,411,000 (equivalent to approximately RM16,076,000) at the date of the waiver.

14. SHARE CAPITAL

	Number of shares		Equivalent to RM
	'000	HK\$ '000	<i>approximately</i> RM'000
Ordinary shares of HK\$0.01 each			
Authorised:			
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>5,000,000</u>	<u>50,000</u>	<u>25,636</u>
Issued and fully paid:			
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>628,000</u>	<u>6,280</u>	<u>3,379</u>

15. EVENTS AFTER THE REPORTING PERIOD

The Group evaluated subsequent events through 27 March 2026. Subsequent to 31 December 2025, save as disclosed elsewhere in the consolidated financial statements, the Group has the following subsequent events:

On 16 February 2026, The Group and Belcher Ventures Investment Ltd. (the “**2026 Purchaser**”), entered into a share purchase agreement (the “**2026 Share Purchase Agreement**”), pursuant to which, the Group conditionally agreed to sell, and the 2026 Purchaser conditionally agreed to purchase 20,000 ordinary shares held by the Group, representing 40% of the issued share capital of Lordan at the consideration of HK\$31,411,000 (equivalent to approximately RM16,076,000) (the “**Consideration**”).

The completion of the disposal (the “**Completion**”) is subject to the fulfilment or (where applicable) waiver of the following conditions on or before 16 June 2026 (being the date falling four months after the date of the 2026 Share Purchase Agreement) (the “**Long Stop Date**”) or such other date as the 2026 Purchaser and the Group may agree in writing:

- (a) the 2026 Purchaser having obtained necessary consent and approval required for the transactions contemplated under the 2026 Share Purchase Agreement;
- (b) the Group having obtained necessary consent and approval required for the transactions contemplated under the 2026 Share Purchase Agreement;

- (c) the representations and warranties of the Group remaining true, accurate and complete and not misleading in all material respects at all times throughout the period from the date of the 2026 Share Purchase Agreement to the completion date.

The 2026 Purchaser may at any time waive in writing the condition set forth in paragraph (c) above.

If any of the conditions has not been fulfilled or waived (where applicable) on or before the Long Stop Date, then the 2026 Share Purchase Agreement and any matters thereunder, and rights and obligations of the parties shall lapse, without prejudice to any party's right to claim against other parties' antecedent breach of any obligations under the 2026 Share Purchase Agreement.

All the conditions precedent set out in the 2026 Share Purchase Agreement have been fulfilled and Completion took place on 24 March 2026. Upon Completion, the Group ceases to hold any share in Lordan and Lordan ceases to be an associate of the Group.

The Consideration shall be offset against the entire amount of the remaining balance of the consideration payable to the 2026 Purchaser (who is also the 2023 Vendor) as set out in Note 13.

The Consideration was arrived at after arm's length negotiations between the Group and the 2026 Purchaser taking into account, among other things: (i) the valuation of 40% equity interest in Lordan Group assessed by Peak Vision, an independent valuer, adopting the market approach at 31 December 2025; (ii) the consideration payable as set out in Note 13 and (iii) the reasons for and the benefits of the disposal as described in the section headed "Reasons for and Benefits of the Disposal" in the Company's disclosable transaction announcement dated 16 February 2026 in relation to disposal of shares in an associate.

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY BACKGROUND

MBV International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is a leading imprintable apparel and gift products provider in Malaysia and Singapore. The Group sells a broad product portfolio of imprintable apparel ranging from t-shirts, uniforms, jackets, and others including other casual wear and accessories in a variety of sizes, colour and styles primarily in “blank” or undecorated form, without imprints or embellishment to customers who may decorate products with designs and logos for sale to a diversified range of consumers. With 30 years presence in the market, the Group has accumulated a large and diverse customer base in Malaysia and Singapore. Leveraging on the established and massive customer base, the Group expanded product portfolio by offering gifts and promotion items mainly for corporate marketing and advertising.

The issued shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 8 July 2020.

Financial Overview

For the year ended 31 December 2025 (the “**Year**”), the Group’s revenue decreased by approximately 3.9% and gross profit decreased by approximately 1.2%, as compared to last corresponding year ended 31 December 2024 (the “**Last Year**”). The decrease in sales was primarily due to relatively cautious consumer sentiment amid the challenging macroeconomic environment, which moderated demand for imprintable apparel products, which led to decline in the Group’s sales.

The economic outlook for year 2026 will remain uncertain and challenging. Nevertheless, the Group will continue to remain prudent and maintain a healthy cash flow position as part of our measures to mitigate risks, while ensuring a solid financial position to seize opportunities that will enhance revenue.

DIVIDEND

The Company did not recommend the declaration of any dividend for the Year (2024: Nil).

Revenue by products

The Group’s product portfolio is broadly categorised into (i) imprintable apparel; and (ii) gift products. The Group’s revenue was primarily generated from Malaysia which accounted for approximately 85.0% (2024: approximately 83.0%) of the Group’s total revenue for the Year. With negative impacted by weak consumer spending driven by the challenging macroeconomic environment, the Group’s revenue has decreased by approximately RM7.8 million or 3.9% from approximately RM200.9 million in the Last Year to approximately RM193.1 million in the Year.

Imprintable apparel

The imprintable apparel products, the Group's primary product category, are core apparel essentials commonly used for a wide range of consumers across different demographics throughout a year in Malaysia and Singapore. The revenue generated from the imprintable apparel decreased by approximately RM10.0 million or 6.2% from approximately RM160.3 million in the Last Year to approximately RM150.3 million in the Year, which was mainly attributable to the decrease in the quantity sold by approximately 1.5% and decrease in the average unit selling price by 5% in the Year compared to the Last Year, primarily due to relatively cautious consumer sentiment amid the challenging macroeconomic environment.

Gift products

The Group has broadened gift product portfolio by offering more product categories for the customers to choose from and successfully expanded into the imprintable gift segment since 2015, which are popular corporate marketing and advertising items. The revenue generated from the gift products increased by approximately RM2.2 million or 5.4% from approximately RM40.6 million in the Last Year to approximately RM42.8 million in the Year, which was mainly attributable to the increase in the quantity sold by approximately 5.8% in the Year compared to the Last Year, primarily due to expansion of the gift product range, which suit customer needs lead to success strike for steady growth despite of challenging macroeconomic environment.

Selling and distribution costs

Selling and distribution expenses mainly comprised of (i) employee benefit costs including basic salaries and wages of the sales and marketing staff; (ii) sales commission for the sales and marketing staff; and (iii) advertising and promotions. Selling and distribution costs increased by approximately RM0.8 million or 8.2% from RM9.7 million in the Last Year to approximately RM10.5 million in the Year, which Group continued to invest in marketing and promotional activities to enhance brand visibility and strengthen its market presence, which expected to support the Group's long-term growth.

Administrative and other operating expenses

Administrative and other operating expenses mainly comprised of staff costs including directors' remuneration and other office staff costs and welfare, transportation and travelling cost, depreciation, utilities, repair and maintenance, rental expenses, and legal and professional fee. Administrative and other operating expenses increased by approximately RM0.7 million or 2.8%, from approximately RM25.3 million in the Last Year to approximately RM26.0 million in the Year, which was mainly due to the increase in directors' remunerations, staff related expenses and decreased in realized exchange loss during the Year.

Finance costs

Finance costs for the Year mainly represented interest on interest-bearing borrowings and interest on lease liabilities. The Group's finance costs was relatively stable and remained at approximately RM0.1 million in the Year and Last Year.

Income tax expenses

Income tax expenses primarily consisted of current and deferred income tax at the applicable tax rate in accordance with the relevant laws and regulations in Malaysia and Singapore. No provision for Hong Kong profit tax has been made as the Group has no assessable profits arising in or derived from Hong Kong for the Year. The Group's entities established in the Cayman Islands and the British Virgin Islands are exempted from corporate income tax therein. Income tax expenses for the Year and Last Year approximately RM8.4 million.

Financial Position

As at 31 December 2025, the Group's cash and cash equivalents amounted to approximately RM130.4 million (as at 31 December 2024: approximately RM116.5 million). The increase was mainly due to net cash inflow from operating activities amounted to RM23.4 million.

OUTLOOK

Looking ahead, the Group expects the business environment remain challenging amid ongoing global macroeconomic volatility, dynamic market conditions, inflationary pressures, and uncertainties arising from geopolitical tensions, including the ongoing conflict in Ukraine and Iran. These factors are expected to affect consumer sentiment and demand, which may continue to create uncertainties for the economy and the Group's operations. In light of these challenges, the Directors will continue to closely monitor market developments, review the Group's business strategies, and focus on enhancing operational efficiency, while striving to create long-term sustainable value for the Company and its shareholders.

Notwithstanding that the Group will continue expand its market shares by increasing and enhancing the warehouse capabilities and improving the logistics flow.

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL STRUCTURE

The Group manages its capital structure with the objectives of maintaining a sustainable growth in business and providing a long-term reasonable return to its shareholders. The Group's financial position remained healthy and stable. It is anticipated that the Group has sufficient working capital to fund its future working capital.

As at 31 December 2025, the Group had bank balances and cash amounting to approximately RM130.4 million (as at 31 December 2024: approximately RM116.5 million), and current assets and current liabilities of approximately RM187.7 million (as at 31 December 2024: approximately RM169.8 million) and approximately RM35.4 million (as at 31 December 2024: approximately RM37.6 million) respectively. It should be noted that net current assets balances as at 31 December 2025 was approximately RM152.3 million (as at 31 December 2024: approximately RM132.2 million).

As at 31 December 2025, there were interest-bearing borrowings of approximately RM4.2 million (as at 31 December 2024: approximately RM4.9 million) and unutilized bank facilities of approximately RM31.4 million.

As at 31 December 2025, the Group's interest-bearing borrowings carried mainly variable rate borrowings with annual effective interest rate of 0.2% (as at 31 December 2024: 0.2%) per annum.

TREASURY POLICIES AND FOREIGN EXCHANGE EXPOSURE

The Group is exposed to foreign currency risk which refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's transactions are mainly denominated in Malaysian Ringgit (or "RM") and Singapore dollars (or "S\$"). Certain financial assets and liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore exposed to foreign currency risk.

The Group has not experienced any material difficult or liquidity problems resulting from foreign exchange fluctuations. Although the Group does not undertake any hedging activities, it will monitor exchange rate trends from time to time to consider if there is such a need in the future in order to mitigate any risks arising from foreign exchange fluctuation.

GEARING RATIO

As at 31 December 2025, the gearing ratio of the Group, based on total interest-bearing borrowings and lease liabilities to total equity (including all capital and reserves) of the Group was approximately 2.8% (as at 31 December 2024: approximately 2.9%). The decrease in gearing ratio is primarily attributable to the repayment of interest-bearing borrowings and the increase in equity base.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed 455 (as at 31 December 2024: 449) full-time employees in Malaysia and Singapore. The Group recognises the importance of maintaining good relationship with its employees and retaining competent staff to ensure operational efficiency and effectiveness. The remuneration packages offered to the Group's employees are based on each employee's qualifications, relevant experience, position and seniority. The Group conducts review on salary increments, bonuses and promotions based on the performance of each employee. The total staff cost (including director's emoluments) for the year ended 31 December 2025 amounted to approximately RM32.7 million (2024: approximately RM30.7 million).

The Group provides on-job training to new employees. During the Year, the Group had not experienced any strike, any significant problems with its employees or other material labour disputes which had materially disrupted its operation. The Group has not experienced any difficulties in the recruitment of experienced and skilled staff.

CAPITAL COMMITMENTS

As at 31 December 2025, the Group has no capital commitments (as at 31 December 2024: Nil).

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND FUTURE PLAN FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

There was no significant investment held, nor were there material acquisition or disposal of subsidiaries during the Year, and the Group did not have any specific plan for material investments or capital assets as at 31 December 2025.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

The interest-bearing borrowings and lease liabilities of the Group are all secured by certain assets of the Group.

OTHER INFORMATION

Use of proceeds from the initial public offering

On 8 July 2020 (the “**Listing Date**”), the shares of the Company (the “**Shares**”) were listed on the Main Board of the Stock Exchange. After deducting share issuance expense and professional fee regarding to the global offering, the net proceeds amounted to approximately HK\$60.3 million (the “**Net Proceeds**”).

The Company published announcements on 6 November 2023 and 20 November 2023 in relation to the change in use of the unutilised Net Proceeds (the “**2023 Allocation**”), amounting to approximately HK\$46.5 million to funding the settlement of the consideration for the acquisition of 20,000 shares in Lordan Group Ltd. (the “**Target Company**”). Such changes were made primarily because since the Listing Date, the COVID-19 pandemic and the government-imposed lockdown and restrictions on social gatherings dealt a significant blow to the consumer apparel and gift products market in Singapore and Malaysia in the first two years, resulting in the Group rather slow utilisation of the Net Proceeds to the original purposes. As the market slowly recovered after the uplifting of pandemic-related restrictions, the Group has been exploring expansion opportunities in Asian countries such as Indonesia, Thailand and the PRC. After having considered a number of investment and expansion opportunities in these countries, the Board eventually resolved that the acquisition, due to the expansion opportunities and comparative advantages expected to be brought by it to the Group disclosed in the section headed “Reasons and Benefits of the Acquisition” in the announcement of the Company dated 6 November 2023, was the most feasible option for the Group. For further details, please refer to the announcements of the Company dated 6 November 2023 and 20 November 2023.

As stated in the Company’s announcement dated 24 March 2026, the Board resolved to change in the use of the portion of the Net Proceeds which remains unutilised, amounting to approximately HK\$33.0 million (the “**2026 Allocation**”), to revised use of the unutilised Proceeds as set out below.

The following sets out the use of Net Proceeds during the Year:

	Allocation of Net Proceeds pursuant to the 2023 Allocation <i>HK\$ million</i>	Balance of unutilised Net Proceeds as at 1 January 2025 <i>HK\$ million</i>	Actual use of Net Proceeds during the Year <i>HK\$ million</i>	Balance of unutilised Net Proceeds as at 31 December 2025 <i>HK\$ million</i>	Revised allocations of unutilised Net Proceeds pursuant to the 2026 Allocation <i>HK\$ million</i>	Expected timeline for unutilised Net Proceeds
Consideration for the acquisition of the Target Company	46.5	33.0	0.0	33.0	–	N/A
Payment for upgrading the existing sales offices, brand promotion and advertising and recruiting additional designer and sale and marketing personal	–	–	–	–	15.0	31 December 2028
Payment for developing an e-commerce sales platform	–	–	–	–	8.0	31 December 2028
General working capital	–	–	–	–	10.0	31 December 2028
Total	<u>46.5</u>	<u>33.0</u>	<u>0.0</u>	<u>33.0</u>	<u>33.0</u>	

Reasons for and Benefits of the Change in Use of Proceeds From the 2026 Allocation

As disclosed in the announcement dated 24 March 2026 in relation to the 2026 Allocation, as the original purpose for the use of the Net Proceeds is no longer applies, the Board considers that reallocating the unutilised Net Proceeds would enhance the Group's operation and business development. The Group's large customer base across Malaysia and Singapore is a result of its intensive sales and marketing effort. In order to capture the potential growth in the imprintable apparel and gift markets, alongside the Group's plan in expanding the Group's product portfolio, the Group intends to further strengthen its sales and marketing efforts to promote its existing and new products. A user friendly e-commerce would serve as an efficient sales channel, enabling the Group to reach its customers quickly and conveniently. The platform would help attract new customers who prefer a more efficient mean to make orders, as well as customers that are located in other areas of Malaysia not covered by the Group's existing sales office.

As at 31 December 2025, there were unutilised proceeds of approximately HK\$33.0 million. The unutilised portion of the Net Proceeds were deposited in the Group's banks in Malaysia and Hong Kong.

We will also continuously evaluate, reassess, change or modify the existing plans and explore new business opportunities in view of the latest market condition with an aim to achieve sustainable business growth and to bring long-term benefits for the shareholders of the Company.

Audit Committee

The Board has established our Audit Committee on 28 February 2020 with written terms of reference in compliance with the Code as set out in Appendix C1 to the Listing Rules.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Au Wing Yuen, Mr. Yu Cheeric and Ms. Chui Sin Heng. Ms. Chui Sin Heng is the chairlady of the Audit Committee and has professional qualifications and experience in accounting and financial management as stipulated in the Listing Rules.

The terms of reference requires that the Audit Committee must hold meetings twice a year and the necessary quorum shall be at least two.

The main responsibilities of the Audit Committee include, but not limited to:

1. Making recommendations to the Board on the appointment, reappointment, resignation, dismissal and removal of the external auditors, and to approve the remuneration and terms of engagement of the external auditors; review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process;
2. Review of financial information of the Group, including changes in accounting policies and practice, major judgemental areas, significant adjustments resulting from audit, going concern consideration, compliance with accounting standards and Listing Rules in relation to financial reporting;
3. Oversight of the Company's financial reporting system, including review of the adequacy of resources, qualifications and experience of accounting staff, and their training programmes and budget of the Company's accounting and financial reporting function;
4. Review and monitor the effectiveness and adequacy of the Group's risk management and internal control measures; ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function;
5. Regularly report observations and make recommendations to the Board (if any).

The Audit Committee also acts as the Corporate Governance function of the Group, and is mainly responsible for:

- developing and reviewing the corporate governance policies and practices of the Company and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct applicable to employees and Directors; and
- reviewing the Company’s compliance with the CG Code and disclosure in this Corporate Governance Report.

INTERESTS OF DIRECTORS AND THE CHIEF EXECUTIVE

As at 31 December 2025, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Ordinance (“SFO”)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests and/or short positions in the Company

Director	Capacity/Nature of Interest	Number of Shares Held⁽¹⁾	Percentage of Interest in the Company
Dato’ Tan Meng Seng	Interest in controlled corporation ⁽²⁾	414,800,000 (L)	66.05%
Dato’ Tan Mein Kwang	Interest in controlled corporation ⁽²⁾	414,800,000 (L)	66.05%
Mr. Tan Beng Sen	Interest in controlled corporation ⁽²⁾	414,800,000 (L)	66.05%
Datin Kong Siew Peng	Interest of spouse ⁽³⁾	414,800,000 (L)	66.05%

Notes:

- (1) The letter “L” denotes long position in the shares held.
- (2) These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each of Dato’ Tan Meng Seng, Dato’ Tan Mein Kwang and Mr. Tan Beng Sen, and therefore, each of Dato’ Tan Meng Seng, Dato’ Tan Mein Kwang and Mr. Tan Beng Sen are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.
- (3) Datin Kong Siew Peng is the spouse of Dato’ Tan MS. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato’ Tan MS under Part XV of the SFO.

Save as disclosed above, as at 31 December 2025, none of our Directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, so far as our Directors are aware, the following persons had an interest or short position in the Shares or the underlying Shares as recorded in the register required to be kept under section 336 of the SFO or which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name	Capacity/nature of interest	Number of shares/positions Held⁽⁵⁾	Approximate percentage of shareholding
MBV Capital Limited ⁽¹⁾	Beneficial Owner	414,800,000 (L)	66.05%
Dato’ Tan Meng Seng ⁽¹⁾	Interest in a controlled corporation	414,800,000 (L)	66.05%
Dato’ Tan Mein Kwang ⁽¹⁾	Interest in a controlled corporation	414,800,000 (L)	66.05%
Mr. Tan Beng Sen ⁽¹⁾	Interest in a controlled corporation	414,800,000 (L)	66.05%
Datin Kong Siew Peng ⁽²⁾	Interest of spouse	414,800,000 (L)	66.05%
Ms. Foo Kim Foong ⁽³⁾	Interest of spouse	414,800,000 (L)	66.05%
Datin Loi Siew Yoke ⁽⁴⁾	Interest of spouse	414,800,000 (L)	66.05%

Notes:

1. These shares are held by MBV Capital Limited. The issued share capital of MBV Capital Limited is owned as to approximately 33.3% by each of Dato' Tan MS, Mr. Tan BS and Dato' Tan MK, and therefore, each of Dato' Tan MS, Mr. Tan BS and Dato' Tan MK are deemed to be interested in all the Shares registered in the name of MBV Capital Limited in the Company under Part XV of the SFO.
2. Datin Kong Siew Peng is the spouse of Dato' Tan MS. Accordingly, Datin Kong Siew Peng is deemed to be interested in all the Shares held by Dato' Tan MS under Part XV of the SFO.
3. Ms. Foo Kim Foong is the spouse of Mr. Tan BS. Accordingly, Ms. Foo Kim Foong is deemed to be interested in all the Shares held by Mr. Tan BS under Part XV of the SFO.
4. Datin Loi Siew Yoke is the spouse of Dato' Tan MK. Accordingly, Datin Loi Siew Yoke is deemed to be interested in all the Shares held by Dato' Tan MK under Part XV of the SFO.
5. The letter "L" denotes long position in the shares held.

Save as disclosed above, as at 31 December 2025, the Directors are not aware of any other person (other than the Directors and chief executives of the Company) had a beneficial interest or short position in the Shares as recorded in the register required to be kept under section 336 of the SFO or the underlying Shares which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the Year and up to the date of this announcement.

CLOSURE OF REGISTER OF MEMBERS

The Company will hold the annual general meeting (the "AGM") on 15 May 2026.

For the purpose of ascertaining the shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from 12 May 2026 to 15 May 2026, both days inclusive, and during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. 11 May 2026. The record date for determining the eligibility of shareholders to attend and vote at the AGM is 15 May 2026.

CORPORATE GOVERNANCE CODE

The Company has adopted the code provisions set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules as its own code of corporate governance.

During the Year, the Board considered that the Company has complied with all the code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding Directors’ securities transactions on terms and at required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix C3 of the Listing Rules.

The Group has made specific enquiries of all the Directors and they have confirmed that they have been complying with the required standard and the related code of conduct regarding Director’s securities transactions throughout the Year.

As far as the Group is aware, the Directors and senior management of the Group have not breached the required standard and the code of conduct regarding Director’s securities transactions.

POST BALANCE SHEET EVENT

On 16 February 2026 (after trading hours), the China MBV Holdings Limited (the “**Vendor**”), a wholly-owned subsidiary of the Company, and Belcher Ventures Investment Ltd. (the “**Purchaser**”) entered into the share purchase agreement (the “**SPA**”), pursuant to which, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, 20,000 ordinary shares held by the Group, representing 40% of the issued share capital of Lordan Group Ltd. (the “**Lordan**”) at the consideration of HK\$31,411,000 (the “**Disposal**”). Having made prudent assessments and taking into account the time required for Lordan to achieve sustainable profitability, as well as the limited business synergies with other segments of the Group, the Board considers that the Disposal represents a good opportunity to reallocate resources and investments to other business segments of the Group. Following the Disposal, the Group will no longer bear the operating losses of Lordan, and the overall financial performance of the Group is expected to improve. All the conditions precedent set out in the SPA have been fulfilled and the completion of the Disposal has taken place on 24 March 2026. Upon the completion of the Disposal, the Group ceases to hold any share in Lordan and Lordan ceases to be an associate of the Group. For details, please refer to announcements of the Company dated 16 February 2026 and 24 March 2026.

Save as disclosed above, there are no significant post balance sheet events affecting our Company that have occurred since the end of the Year to the date of this announcement.

REVIEW OF FINANCIAL INFORMATION

The Group's annual results for the year ended 31 December 2025, including the accounting principles and practices adopted, have been reviewed by the Audit Committee in conjunction with the Company's external auditors. The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary results announcement have been agreed by the Company's external auditors, Forvis Mazars CPA Limited ("**Forvis Mazars**"), Certified Public Accountants, Hong Kong, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Forvis Mazars in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Forvis Mazars on this preliminary results announcement.

On behalf of the Board
MBV International Limited
Dato' Tan Meng Seng
Chairman and Executive Director

Hong Kong, 27 March 2026

As at the date of this announcement, the executive Directors are Dato' Tan Meng Seng, Dato' Tan Mein Kwang, Mr. Tan Beng Sen, Datin Kong Siew Peng and Ms. Hou Yanli; and the independent non-executive Directors are Ms. Chui Sin Heng, Mr. Au Wing Yuen and Mr. Yu Cheeric.