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Cowell e Holdings Inc.

高偉電子控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1415)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

HIGHLIGHTS

Our revenue for the year ended 31 December 2025 reached approximately US\$3,500,054,000 representing an increase of approximately 40.3% as compared with the corresponding year ended 31 December 2024.

Our net profit attributable to equity shareholders of the Company for the year ended 31 December 2025 reached approximately US\$196,904,000, representing an increase of approximately 65.4% as compared with that for the year ended 31 December 2024.

Basic earnings per share for the financial period ended 31 December 2025 was US\$22.9 cents representing an increase of approximately 64.7% as compared with that for the financial year ended 31 December 2024.

The Directors have proposed the payment of a final dividend of HK\$0.35 per share for the year ended 31 December 2025.

RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Cowell e Holdings Inc. (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025 together with comparative figures for the year ended 31 December 2024. The annual financial results have also been reviewed by the audit committee (the “**Audit Committee**”) of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Expressed in United States dollars)

		For the year ended	
		31 December	
		2025	2024
	Note	\$'000	\$'000
Revenue	3	3,500,054	2,494,258
Cost of sales		<u>(3,141,326)</u>	<u>(2,203,351)</u>
Gross profit		358,728	290,907
Other income/(loss)	4	12,467	(22,970)
Selling and distribution expenses		(3,645)	(3,430)
Administrative expenses		<u>(127,605)</u>	<u>(108,098)</u>
Profit from operations		239,945	156,409
Finance costs	5(a)	(15,821)	(18,706)
Share of loss of an associate		<u>(347)</u>	<u>—</u>
Profit before taxation	5	223,777	137,703
Income tax	6	<u>(28,830)</u>	<u>(17,323)</u>
Profit for the year		<u>194,947</u>	<u>120,380</u>
Attributable to:			
Equity shareholders of the Company		196,904	119,055
Non-controlling interests		<u>(1,957)</u>	<u>1,325</u>
Profit for the year		<u>194,947</u>	<u>120,380</u>
Earnings per share	7		
Basic		<u>\$0.229</u>	<u>\$0.139</u>
Diluted		<u>\$0.221</u>	<u>\$0.134</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Expressed in United States dollars)

	For the year ended	
	31 December	
	2025	2024
<i>Note</i>	\$'000	\$'000
Profit for the year	194,947	120,380
	-----	-----
Other comprehensive income for the year (after tax adjustments):		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements	17,712	(12,402)
<i>Item that will not be reclassified to profit or loss:</i>		
Remeasurement of net defined benefit obligation	1	(28)
	-----	-----
	17,713	(12,430)
	-----	-----
Total comprehensive income for the year	212,660	107,950
	=====	=====
Attributable to:		
Equity shareholders of the Company	214,479	106,733
Non-controlling interests	(1,819)	1,217
	-----	-----
Total comprehensive income for the year	212,660	107,950
	=====	=====

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in United States dollars)

		As at 31 December	
		2025	2024
	Note	\$'000	\$'000
Non-current assets			
Property, plant and equipment		367,392	374,444
Intangible assets		1,065	1,526
Interest in a joint venture		—	556
Interest in an associate		8,348	—
Prepayment and other receivables		13,747	17,606
Deferred tax assets		13,867	13,341
		<u>404,419</u>	<u>407,473</u>
Current assets			
Inventories		231,337	315,185
Trade and other receivables	8	600,582	434,708
Current tax recoverable		3	—
Pledged bank deposits		—	10,468
Bank deposits		157,922	161,371
Cash and cash equivalents		149,439	113,349
		<u>1,139,283</u>	<u>1,035,081</u>
Current liabilities			
Trade and other payables	9	635,364	536,553
Bank loans		29,573	206,483
Lease liabilities		5,146	4,158
Current tax payable		5,349	17,583
		<u>675,432</u>	<u>764,777</u>
Net current assets		<u>463,851</u>	<u>270,304</u>
Total assets less current liabilities		<u>868,270</u>	<u>677,777</u>

	As at 31 December	
	2025	2024
<i>Note</i>	\$'000	\$'000
Non-current liabilities		
Bank loans	101,912	117,623
Lease liabilities	30,852	33,462
Net defined benefit retirement obligation	14	6
Deferred income	4,061	3,031
	<u>136,839</u>	<u>154,122</u>
NET ASSETS	<u>731,431</u>	<u>523,655</u>
CAPITAL AND RESERVES		
Share capital	3,473	3,449
Reserves	722,655	513,084
	<u>726,128</u>	<u>516,533</u>
Total equity attributable to equity Shareholders of the Company	726,128	516,533
Non-controlling interests	5,303	7,122
	<u>5,303</u>	<u>7,122</u>
TOTAL EQUITY	<u>731,431</u>	<u>523,655</u>

NOTES TO THE FINANCIAL INFORMATION

(Expressed in United States dollars unless otherwise indicated)

1 BASIS OF PREPARATION

The consolidated results set out in this announcement do not constitute the Group's financial statements for the year ended 31 December 2025 but are extracted from those draft financial statements.

The Group's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards (“**IFRSs**”), International Accounting Standards (“**IASs**”) and related interpretations, promulgated by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The measurement basis used in the preparation of the Group's consolidated financial statements is the historical cost basis except that certain employee benefits are stated at their fair value.

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued certain new or amended IFRS Accounting Standards that are first effective for the current accounting period of the Group.

None of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are manufacturing and sale of camera module and optical components. Revenue represents the sales value of goods supplied to customers and excludes value added tax or other sales taxes and is after deduction of any trade discounts.

The Group's customer base includes one customer (2024: one customer), with whom transactions have exceeded 10% of the Group's revenues, for the year ended 31 December 2025. Revenues from sales to this customer during the reporting period are set out below.

	2025	2024
	\$'000	\$'000
Largest customer	3,454,694	2,418,117
Percentage of total revenue	99%	97%

(b) Segment reporting

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has only one single reportable segment.

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, intangible assets and interests in a joint venture and an associate ("**specified non-current assets**"). The Group's revenue from external customers is presented based on locations of goods physically delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets, and the location of operations, in the case of interests in a joint venture and an associate.

	Revenue from external customers		Specified non-current assets	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Chinese Mainland and Hong Kong	3,232,645	2,192,875	376,614	376,320
India	91,672	237,032	—	—
The Republic of Korea (“Korea”)	657	1,562	191	206
Vietnam	175,080	62,789	—	—
	<u>3,500,054</u>	<u>2,494,258</u>	<u>376,805</u>	<u>376,526</u>

4 OTHER INCOME/(LOSS)

	2025	2024
	\$'000	\$'000
Bank interest income	8,494	10,032
Government subsidy	4,328	2,869
Net loss on disposal of property, plant and equipment	(2,926)	(484)
Impairment loss on property, plant and equipment	(2,899)	(49,371)
Net loss on disposal of intangible assets	—	(626)
Gain on deregistration of a joint venture	11	—
Net foreign exchange gain	604	10,966
Others	4,855	3,644
	<u>12,467</u>	<u>(22,970)</u>

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	2025 \$'000	2024 \$'000
(a) Finance costs		
Interest on bank loans	14,027	16,719
Interest on lease liabilities	1,794	1,987
	<u>15,821</u>	<u>18,706</u>
(b) Staff costs[#]		
Contributions to defined contribution retirement plan	9,562	8,379
Expenses recognised in respect of defined benefit retirement plans	28	25
Equity settled share-based payment expenses	16,100	3,444
Salaries, wages and other benefits	106,099	113,231
	<u>131,789</u>	<u>125,079</u>
(c) Other items		
Amortisation	496	699
Depreciation [#]		
— owned property, plant and equipment	59,635	39,950
— right-of-use assets	5,555	5,807
Auditors' remuneration	339	424
(Reversal of)/loss allowance for expected credit loss	(2,086)	1,291
Research and development costs other than depreciation and amortisation [*]	96,430	70,150
Cost of inventories [#]	<u>3,141,326</u>	<u>2,203,351</u>

[#] Cost of inventories includes \$133,619,000 (2024: \$111,999,000) relating to staff costs and depreciation expenses, which amounts are also included in the respective total amounts disclosed separately above or in note 5(b) for each of these types of expenses.

^{*} Research and development costs other than depreciation and amortisation includes \$43,357,000 (2024: \$35,376,000) relating to staff costs, which amounts are also included in the respective total amounts disclosed separately in note 5(b).

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Income tax in the consolidated statement of profit or loss represents:

	2025 \$'000	2024 \$'000
Current tax — Hong Kong Profits Tax		
Provision for the year	<u>2,999</u>	<u>1,254</u>
Current tax — Overseas		
Provision for the year	17,884	23,544
Withholding tax on dividend income outside Hong Kong	10,000	—
Over-provision in respect of prior years	<u>(1,821)</u>	<u>(42)</u>
	<u>26,063</u>	<u>23,502</u>
Deferred tax		
Origination and reversal of temporary differences	<u>(232)</u>	<u>(7,433)</u>
	<u><u>28,830</u></u>	<u><u>17,323</u></u>

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first Hong Kong dollars (“HK\$”) 2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5% in 2025. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

Pursuant to the Administrative Measures for Recognition of High-New Technology Enterprise (“HNTTE”) jointly issued by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation, Dongguan Cowell Optic Electronics Co., Ltd., an indirect wholly owned subsidiary of the Company, was certified as a HNTTE. According to the provisions of Article 28 “Corporate Income Tax Law of the People’s Republic of China”, the effective Corporate Income Tax (“CIT”) rate for 2025 and 2024 was subject to a reduced tax rate of 15%. Other Chinese Mainland subsidiaries were subject to statutory tax rate of 25%.

Under the tax law in Korea, the statutory corporate tax rate applicable to the subsidiary in Korea is 9% for assessable income below Korean Won (“KRW”) 200 million, 19% for assessable income between KRW200 million and KRW20 billion, 21% for assessable income between KRW20 billion and KRW300 billion, and 24% for assessable income above KRW300 billion for the years presented.

Withholding tax on dividend received is charged at 5%.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$196,904,000 (2024: \$119,055,000) and the weighted average of 860,519,000 ordinary shares (2024: 858,270,000 shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2025 '000	2024 '000
Issued ordinary shares less shares held for share award scheme at 1 January	859,564	855,383
Effect of share options exercised	2,150	3,566
Effect of share awards vested	684	—
Effect of purchase of shares held for share award scheme	<u>(1,879)</u>	<u>(679)</u>
Weighted average number of ordinary shares at 31 December	<u><u>860,519</u></u>	<u><u>858,270</u></u>

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$196,904,000 (2024: \$119,055,000) and the weighted average number of ordinary shares of 891,093,000 shares (2024: 888,163,000 shares), calculated as follows:

Weighted average number of ordinary shares (diluted)

	2025	2024
	'000	'000
Weighted average number of ordinary shares at 31 December	860,519	858,270
Adjustments for the Company's share award scheme and share option scheme	30,574	29,893
Weighted average number of ordinary shares (diluted) at 31 December	<u>891,093</u>	<u>888,163</u>

8 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables) based on the invoice date and net of loss allowance is as follows:

	2025	2024
	\$'000	\$'000
Within 1 month	573,839	404,582
Over 1 to 2 months	3,347	238
Over 2 to 3 months	194	237
Over 3 months	815	194
	<u>578,195</u>	<u>405,251</u>

Trade receivables are due within 30 to 90 days from the date of billing.

9 TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	2025 \$'000	2024 \$'000
Within 1 month	422,443	205,379
Over 1 to 3 months	103,812	119,648
Over 3 to 6 months	65,650	152,029
	<u>591,905</u>	<u>477,056</u>

10 DIVIDENDS

Dividends payable to equity shareholders of the Company attributable to the year:

	2025 \$'000	2024 \$'000
Final dividend proposed after the end of the reporting period of HK\$0.35 (equivalent to \$0.04) (2024: \$Nil) per ordinary share	39,050	—

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

Scope of work of KPMG

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a supplier of delicate optical modules for electronic mobile devices, specialising in the design, development, manufacture and sale of optical modules and related components. Its products are widely used in smartphones, multimedia tablets, smart driving and other mobile terminal devices of internationally-renowned brand customers.

In 2025, the Group's precision optics business continued to maintain steady development. Despite the complex and volatile global landscape, with the increasing popularity of dynamic spatial sensory, computational photography and on-device artificial intelligence (AI) functions, the demand for optical functions in mobile terminals has been gradually increasing among consumer groups, resulting in a further increase in the complexity of the imaging system and a continuous rise in the requirements for the specifications, precision, consistency and reliability of the optical components. Leveraging its mature research and development system and process implementation capabilities, the Group has continued to optimise its product structure and cost efficiency, and strengthened the stickiness of and the depth of synergies with its major customers, so as to maintain the leading position and stabilise its competitive edge in the process of structural upgrading of the industry. During the same period, the prices of some core components of the consumer electronics industry chain experienced periodic fluctuations, with the price of storage fluctuating more significantly, raising market concerns about the impact on end-users' demand. Overall, such cost fluctuations had a relatively limited impact on prominent brands with industry leadership and strong risk resilience.

Relying on its leading technology accumulation in the field of high-precision optical modules, the Group has been actively expanding its extended applications in emerging scenarios and deepening in-depth strategic synergies with its partners to transform its research and development outcomes into multi-terminal forms and continue to expand its market share, enhance its cross-cycle risk resilience and explore development opportunities for its long-term growth in the future.

For the year ended 31 December 2025, the Group recorded an increase in revenue from approximately US\$2,494.3 million in 2024 to US\$3,500.1 million in 2025 and recorded an increase in net profit attributable to equity shareholders of Company from approximately US\$119.1 million in 2024 to US\$196.9 million in 2025. The Group had total assets of US\$1,543.7 million and total equity of US\$731.4 million as of 31 December 2025, as compared to total assets of US\$1,442.6 million and total equity of US\$523.7 million as of 31 December 2024. Impairment loss on property, plant and equipment decreased from US\$49.4 million in 2024 to US\$2.9 million in 2025.

In order to facilitate efficient capital management and demonstrate the management's willingness to share the Group's profit with the shareholders, the Board has proposed the payment of a final dividend of HK\$0.35 (2024: Nil) per ordinary share for the year ended 31 December 2025, subject to the approval of the shareholders of the Company at the forthcoming annual general meeting which is expected to be held on Thursday, 28 May 2026.

OUTLOOK AND FUTURE STRATEGIES

According to the World Economic Outlook Update published by the International Monetary Fund (IMF) in January 2026, the global economy is expected to achieve a growth of approximately 3.3% in 2026, representing an upward revision from the previous forecast and is consistent with the expected growth for 2024–2025. The IMF points out that despite ongoing uncertainties in trade policies and geopolitical risks, the global economy as a whole has maintained a certain degree of resilience, driven by factors such as technological investment, policy support and the adaptability of the business sector. Inflation is on a downward trend in general, which is conducive to improving the actual consumption and investment environment. The wave of technological innovation and digital transformation continues to energize the real economy. In particular, demand in fields such as artificial intelligence (“AI”), semiconductors, smart terminals and automation has been steadily unleashed, providing important support for global industrial growth.

Due to the continuous expansion and extension of the application fields of optical technology such as intelligent terminals, machine vision, micro-display and automotive electronics, customers' demand for optical technology and precision manufacturing capacity is increasing simultaneously, and enterprises with optical technological know-how and large-scale manufacturing capability are expected to continue to benefit.

Among the businesses that the Group focuses on, optical modules are not only the important functional components of terminal products, but also the key fundamental capability for many smart devices to achieve environmental sensory and information acquisition. The Group also continues to pay attention to the development trend of new smart terminals. Among which, lightweight intelligent devices with environmental sensory and human-machine interaction capabilities are gradually becoming an important direction for the industry to explore.

With the rapid development of AI technology, smart terminals are accelerating their evolution towards multi-modal interaction and real-time visual recognition. In 2025, AI technology continued to penetrate from the cloud to the terminal-side, while the on-device computing capacity continued to improve, gradually driving AI mobile phones, AI PCs, and edge intelligent devices to enter the stage of large-scale application. At major global technology exhibitions such as the Consumer Electronics Show (CES 2026) and the

Mobile World Congress (MWC 2026), the accelerated integration of AI technology into the physical world and its actual application has become an industry consensus. The continuous expansion of terminal forms and application scenarios has enabled camera modules to evolve from maintaining traditional image acquisition functions to possessing high-precision, multi-scenario adaptability and the capability to achieve system synergy. New terminals such as smart glasses are expected to gradually form a new visual sensory and interaction portal, which will place higher requirements for miniaturised optical components, low-power consumption design and large-scale manufacturing capabilities.

At the same time, the Group is actively promoting the in-depth extension of AI technology from “product empowerment” to “system empowerment”. We believe that the core value of AI lies not only in defining the interaction pattern of terminal products, but also in structurally reshaping the Group’s underlying operational logic and advanced manufacturing genes.

At present, the AI gene has permeated every aspect of the Group’s operations: at the organisational governance level, we have used AI to achieve full-dimensional coverage from basic operational support to strategic manpower allocation, whether it is the intelligent response of daily services for office campus or the accurate prediction and full-process automation of the large-scale talent supply chain; at the research and development and production middle office, AI is restructuring our development efficiency and delivery rhythm. From automatically generating underlying code to accurately simulating production capacity deployment, or even cluster task scheduling of production, AI is transforming our accumulated industrial big data into real-time decision-making power and productivity. Through this in-depth integration of “data-driven, AI collaboration and manufacturing”, the Group is gradually building an insurmountable technological barrier to competition, realising the leap from traditional scale expansion to a high-quality and high operational leverage growth model and ensuring that we can always maintain excellent profit quality and strategic initiative in the competition along the global industrial chain.

In addition, in terms of display and advanced optics, the Group is highly concerned about the industrialisation progress of MicroLEDs and related miniaturised optical technologies. Combined with our own profound optical technology reserves, we have taken a prudent and proactive approach for the construction of related core competencies, aiming to ensure leading technological participation and market access in the evolution of new-generation high-performance displays and multi-dimensional sensory terminal forms through technological breakthroughs and industry synergies.

The Group will continue to strengthen its investment in research and development and deepen the construction of its technology platform to ensure a stable competitive edge in the face of industrial transformation. Adhering to the development strategy of “solidifying the core and extending capabilities”, the Group will focus on strengthening the research and development synergy and large-scale delivery capability of high-end optical modules in its

core business of consumer electronics. By optimising our product mix and manufacturing efficiency, we will strengthen and enhance our long-term competitive position in the supply chain system of our core customers.

Talent remains as the core resource for the Group's long-term development. In the future, the Group will continue to introduce and nurture high-end professionals in key technological areas, optimise its organisational structure and inter-departmental collaboration mechanism to support the development of multi-scenario and multi-product platforms, so as to better respond to the ever-escalating technological needs of our customers. The Group will continue to deepen the integration of research and development, process and manufacturing, and strengthen the synergistic enhancement between engineering and manufacturing capabilities and innovation capabilities, with a view to providing customers with stable and high-quality products and services.

Standing at a new starting point, the Group will continue to uphold the concept of innovation-led development, explore the potential of existing customers and actively expand into new blue ocean markets. We are committed to constructing higher barriers in the industry and optimising our overall operating efficiency by upgrading our process automation and strengthening our research and development capabilities. In the face of the restructuring of global industrial chain, we will adopt a long-term strategic vision in product layout and continuously enhance our core competitiveness. The Group firmly believes that, by deepening our technological expertise and optimising our services, we will be able to ride the waves of industry development, reward our investors for their trust with outstanding performance growth, and generate long-term comprehensive benefits for our shareholders.

RESULTS OF OPERATIONS

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has only a single reportable segment.

The Group reported a total revenue of approximately US\$3,500.1 million in 2025, representing an approximately 40.3% increase compared with that of 2024 which was mainly due to increased orders including orders for new rear-end camera modules from customers.

For the year ended 31 December 2025, the Group has recorded gross profit, operating profit and net profit of approximately US\$358.7 million, US\$239.9 million and US\$194.9 million, respectively, as compared with approximately US\$290.9 million, US\$156.4 million and US\$120.4 million, respectively, in the fiscal year of 2024. In terms of margins, the Group's gross margin, operating margin and net margin for the year ended 31 December 2025 were approximately 10.2%, 6.9% and 5.6%, respectively, as compared to approximately 11.7%, 6.3% and 4.8%, respectively, in 2024.

During the year ended 31 December 2025, the Group did not experience any significant change of pricing policy for its products and there was no material change in the unit cost of raw materials.

Other income increased by approximately 154.3% from approximately US\$23.0 million of other loss in 2024 to approximately US\$12.5 million of other income in 2025. This increase was mainly attributable to a decrease of US\$46.5 million in impairment loss of property, plant and equipment and offset by a decrease in exchange gain of approximately US\$10.4 million.

Selling and distribution expenses increased by approximately 6.3% from approximately US\$3.4 million in 2024 to approximately US\$3.6 million in 2025. This increase was mainly attributable to an increase of US\$0.1 million in transportation expenses and an increase of US\$0.1 million in other selling and distribution expenses.

Administrative expenses increased by approximately 18.0% from approximately US\$108.1 million in 2024 to approximately US\$127.6 million in 2025. This increase was mainly attributable to increase in the research and development expense of approximately US\$28.9 million, while partially offset by a decrease of US\$9.4 million in other administrative expenses.

Finance costs decreased by approximately 15.5% from approximately US\$18.7 million in 2024 to approximately US\$15.8 million in 2025, such decrease was resulted from decrease in interest expenses on bank loans.

The Group's income tax expense increased by approximately 66.5% from approximately US\$17.3 million in 2024 to US\$28.8 million in 2025. The increase was mainly attributable to increase in profit before tax and withholding tax on dividend income outside Hong Kong.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2025, the Group had total assets of approximately US\$1,543.7 million (31 December 2024: US\$1,442.6 million); net current assets of approximately US\$463.9 million (31 December 2024: US\$270.3 million) and total equity of approximately US\$731.4 million (31 December 2024: US\$523.7 million).

The Group has a solid financial position and continued to maintain a strong and steady inflow from operating activities. As at 31 December 2025, the Group had approximately US\$149.4 million (31 December 2024: US\$113.3 million) of cash and cash equivalents. The Directors believe that the current cash and cash equivalents and expected cash flow from operations will be sufficient to satisfy the current operational requirements of the Group. As

at 31 December 2025, guarantee was provided by the Company and intermediate holding company to secure the banking facilities of US\$398.4 million granted to the Group (31 December 2024: US\$832 million of banking facilities granted to the Group were guaranteed by the Company and ultimate controlling party).

PLEDGE OF THE GROUP'S ASSETS

As at 31 December 2025, the Group did not have any encumbrances, mortgage, loan, charge on our assets (31 December 2024: US\$10.5 million of pledged deposits provided to secure certain bank loans in the Chinese Mainland).

CAPITAL EXPENDITURES AND COMMITMENTS

The Group's capital expenditures (equivalent to the cash spent for payment for purchases of property, plant and equipment and intangible assets) for the year ended 31 December 2025 amounted to approximately US\$74.1 million (2024: US\$248.0 million) and was funded through cash flow from operation. The Group's capital expenditures in 2025 mainly reflected purchases of additional machinery and equipment to produce more advanced flip-chip camera modules. The Group intends to fund the Group's planned future capital expenditures through a combination of cash flow from operating activities and any potential fund raising opportunities (if needed and when suitable).

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no significant contingent liabilities.

HUMAN RESOURCES

The Group employed a total of approximately 6,854 full-time employees as of 31 December 2025 (31 December 2024: 6,035). Total staff costs for the year ended 31 December 2025, excluding Directors' remuneration, amounted to approximately US\$130.5 million (2024: US\$124.2 million).

In particular, professional employment agencies located in Dongguan, Chinese Mainland, have been involved for purpose of hiring most of the Group's factory workers. The Group also provides living, entertainment, dining and training facilities for its employees. The scope of the training includes human resources policy, health and safety, management skills and machine and equipment manuals as well as other various topics.

The Group has an emolument policy with respect to its long-term incentive schemes. The basis of determining emoluments payable to the Directors is made on a discretionary basis with reference to the Company's operating results, individual performance and comparable market statistics. Furthermore, the Board has delegated the remuneration committee to review and make decisions in respect of the remuneration packages and overall benefits for the Directors and senior management of the Company. The emolument policy of the Group is determined by the Board on the basis of the merit, qualifications and competence of the personnel.

Furthermore, to provide incentive or reward to our employees for their contribution or potential contribution to, and continuing efforts to promote the interests of, the Group with greater flexibility, the Group had adopted a new share option scheme on 5 May 2021 (the "**Share Option Scheme**"). During the year ended 31 December 2025, 5,878,000 options had been exercised, 330,000 options had been cancelled, and 320,000 options had been lapsed. As at 31 December 2025, based on the number of options granted which had not been exercised, cancelled and/or lapsed, the total number of Shares available for issue under the Share Option Scheme was 40,782,880, representing approximately 4.70% of the issued shares of the Company as at the date of this announcement. For details of the Share Option Scheme, please refer to the circular of the Company dated 20 April 2021 and the annual report of the Company for the year ended 31 December 2025. Furthermore, the Company adopted a share award scheme ("**Share Award Scheme**") on 21 March 2024. During the year ended 31 December 2025, 2,575,400 awards had been vested, 12,600 awards had been cancelled, and 808,000 awards had been lapsed. The Company did not grant any awarded shares to employees during the year ended 31 December 2025. For details of the Share Award Scheme, please refer to the annual report of the Company for the year ended 31 December 2025.

SUPPLEMENTARY INFORMATION

Final dividend

The Board has recommended the payment of a final dividend of HK\$0.35 (2024: Nil) per ordinary share for the year ended 31 December 2025 to Shareholders whose names appear on the register of members of the Company on Friday, 12 June 2026, subject to the approval of the Shareholders at the forthcoming annual general meeting.

Annual general meeting

The forthcoming annual general meeting of the Company (the "**AGM**") is expected to be held on Thursday, 28 May 2026. The notice of the AGM will be published and despatched to the Shareholders in due course.

Record date and closure of register of members for the AGM

The record date for the purpose of determining the eligibility of the Shareholders to attend and vote at the AGM is Thursday, 28 May 2026. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 22 May 2026 to Thursday, 28 May 2026, both dates inclusive, during which period no transfers of shares of the Company will be registered. In order to qualify for attending and voting at the AGM, Shareholders must complete and lodge all transfer documents accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 21 May 2026.

Record date and closure of register of members for the proposed final dividend

The record date for determining the entitlements of the Shareholders to the proposed final dividend is Friday, 12 June 2026. The Company's register of members will be closed from Wednesday, 10 June 2026 to Friday, 12 June 2026 (both days inclusive) in order to determine entitlements to the proposed final dividend. During such period, no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited (the "**Share Registrar**"), at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 9 June 2026. Subject to the approval of the Shareholders at the AGM, dividend will be paid to the Shareholders on or around Friday, 3 July 2026.

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 during the year ended 31 December 2025 (including sale or transfer of treasury shares as defined under Listing Rules). The Company did not have any treasury shares (as defined under the Listing Rules) as at 31 December 2025.

Corporate governance

The Board has reviewed the corporate governance of the Group in accordance with the code provisions (the "**Code Provisions**") of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**CG Code**") and considered that, during the financial year ended 31 December 2025 (the "**Period**"), the Company regulated its operation and carried out appropriate governance in accordance with the Code Provisions. The Company has complied with the Code Provisions as set out in the CG Code during the Period.

Audit Committee

The Audit Committee has reviewed with the management, the accounting principles and policies adopted by the Group and the consolidated financial position and results for the Period. Based on their review, the Audit Committee was satisfied that the financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the Period.

Model Code of Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. All Directors have confirmed, following specific enquiry of all Directors that they have fully complied with the required standard of dealings as set out in the Model Code and the code of conduct regarding Director's securities transactions adopted by the Company throughout the Period.

Events after the Period

There were no significant events affecting the Company nor any of its subsidiaries after the Period requiring disclosure in this announcement.

Publication of 2025 Annual Results and Annual Report

The annual results announcement is published on the website of the Company (www.cowelleholdings.com) and the website of the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the Period will be available on the above websites and made available to the Shareholders who request printed copy in due course.

By order of the Board
Cowell e Holdings Inc.
Meng Yan
Chairman

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises Mr. Meng Yan and Mr. Wu Ying-Cheng as executive Directors; Mr. Chen Han-Yang and Mr. Yang Li as non-executive Directors; and Ms. Su Yen-Hsueh, Mr. Tsai Chen-Lung and Ms. Liu Xia as independent non-executive Directors.