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SOLIS HOLDINGS LIMITED
守益控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2227)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

Revenue decreased by approximately 7.0% to approximately S\$18.5 million in 2025 from approximately S\$19.9 million in 2024.

Gross profit increased by approximately 84.2% to approximately S\$3.5 million in 2025 from approximately S\$1.9 million in 2024.

Profit for the year increased by approximately 1,387.5% to approximately S\$11.9 million in 2025 from approximately S\$0.8 million in 2024.

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

ANNUAL RESULTS

The board (the “Board”) of directors (the “Directors”) of Solis Holdings Limited (the “Company”) hereby announce the audited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2025 together with comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2025

	<i>Note</i>	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Revenue	4	18,485	19,929
Cost of services		<u>(14,965)</u>	<u>(18,015)</u>
Gross profit		3,520	1,914
Other income	5	10,282	5,276
Other gains – net	6	267	397
Administrative expenses		(9,314)	(6,745)
Finance costs	7	(170)	(255)
Share of profits/(losses) of a joint venture		<u>8,438</u>	<u>(8)</u>
Profit before tax	9	13,023	579
Tax (expense)/credit	8	<u>(1,085)</u>	<u>231</u>
Profit for the year		<u>11,938</u>	<u>810</u>
Other comprehensive income:			
<i>Item that is or may be reclassified subsequently to profit or loss:</i>			
Fair value gain of financial assets at fair value through other comprehensive income – debt securities		40	43
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Surplus on revaluation of freehold land and building		7,629	833
Deferred tax expense relating to surplus on revaluation of freehold property	8	(129)	(112)
Surplus/(deficit) on changes in fair value of intangible assets		3	(5)
Fair value gain of financial assets at fair value through other comprehensive income – equity securities		<u>716</u>	<u>788</u>
Other comprehensive income for the year, net of tax		<u>8,259</u>	<u>1,547</u>
Total comprehensive income for the year		<u>20,197</u>	<u>2,357</u>

	<i>Note</i>	2025 S\$'000	2024 S\$'000
Profit attributable to:			
Owners of the Company		11,938	811
Non-controlling interest		—*	(1)
		<u>11,938</u>	<u>810</u>
Profit for the year			
		<u>11,938</u>	<u>810</u>
Total comprehensive income attributable to:			
Owners of the Company		20,197	2,358
Non-controlling interest		—*	(1)
		<u>20,197</u>	<u>2,357</u>
Total comprehensive income for the year			
		<u>20,197</u>	<u>2,357</u>
Earnings per share of the Company			
(expressed in Singapore cents per share)			
Basic and diluted	<i>10</i>	<u>1.30</u>	<u>0.09</u>

* Amount is less than S\$1,000

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Note</i>	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Non-current assets			
Property, plant and equipment		46,813	37,576
Right-of-use assets		154	136
Intangible assets		71	68
Investment in a joint venture		7,514	–
Financial assets at fair value through other comprehensive income		6,864	14,509
Financial assets at fair value through profit or loss	<i>16</i>	4,487	4,377
Total non-current assets		65,903	56,666
Current assets			
Trade receivables	<i>11</i>	785	4,565
Other receivables, deposits and prepayments	<i>12</i>	980	569
Contract assets		4,058	4,575
Inventories		1,248	26
Amount due from ultimate holding company		169	52
Financial assets at fair value through other comprehensive income		–	500
Financial assets at fair value through profit or loss	<i>16</i>	11,833	1,475
Pledged fixed deposits		218	1,771
Cash and cash equivalents		21,095	3,002
Total current assets		40,386	16,535
Total assets		106,289	73,201
Non-current liabilities			
Bank borrowing, non-current		4,992	5,194
Lease liabilities, non-current		29	–
Deferred tax liabilities		573	240
Total non-current liabilities		5,594	5,434

	<i>Note</i>	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Current liabilities			
Trade payables and trade accruals	<i>13</i>	4,535	6,631
Other payables and accrued expenses	<i>14</i>	21,934	8,210
Contract liabilities		1,355	276
Bank borrowing, current		185	148
Lease liabilities, current		83	53
Provisions		–	924
Income tax payable		881	–
		<hr/>	<hr/>
Total current liabilities		28,973	16,242
		<hr/>	<hr/>
Total liabilities		34,567	21,676
		<hr/>	<hr/>
Net assets		71,722	51,525
		<hr/> <hr/>	<hr/> <hr/>
Equity and reserves			
Share capital	<i>15</i>	1,585	1,585
Share premium	<i>15</i>	34,440	34,440
Retained earnings		13,632	1,481
Reserves		22,070	14,024
		<hr/>	<hr/>
Equity attributable to owners of the Company		71,727	51,530
Non-controlling interest		(5)	(5)
		<hr/> <hr/>	<hr/> <hr/>
Total equity		71,722	51,525
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL

The Company was incorporated in the Cayman Islands on 21 June 2017 as an exempted company with limited liability under the Companies Law (Cap. 22, Law of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business in Hong Kong is at Units 903A-5, 9/F., 8 Observatory Road, Tsim Sha Tsui, Kowloon, Hong Kong. The head office and principal place of business of the Group in Singapore is at 85 Tagore Lane, Singapore 787527.

The Company is a subsidiary of HMK Investment Holdings Limited ("HMK"), a company incorporated in the British Virgin Islands ("BVI") which is also the Company's ultimate holding company. Mr. Tay Yong Hua, Mr. Tay Yong Meng and Mr. Kenneth Teo Swee Cheng ("Mr. Kenneth Teo") jointly controls the ultimate holding company and are the controlling shareholders of Solis Holdings Limited and its subsidiaries (the "Group") (together referred to as the "Controlling Shareholders").

The Company is an investment holding company. The Company's operating subsidiary (collectively, the "Group") is principally engaged in designing, building and installations of mechanical and electrical systems.

The shares of the Company (the "Shares") were listed on Main Board of The Stock Exchange of Hong Kong Limited (the "Listing") by way of placing and public offer (the "Share Offer") on 11 December 2017 (the "Listing Date").

2 BASIS OF PREPARATION

The consolidated financial statements are presented in Singapore dollar ("S\$"), which is the Company's functional currency. All financial information presented in Singapore dollar are rounded to the nearest thousand ("S\$'000") except when otherwise indicated. The consolidated financial statements have been prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance and International Financial Reporting Standards ("IFRSs"). These consolidated 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 consolidated financial statements have been prepared under the historical cost convention except for freehold building and leasehold property, intangible assets and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period.

The preparation of consolidated financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

3 ADOPTION OF NEW AND REVISED STANDARDS

In the current financial year, the Group has adopted all the new and revised IFRSs and International Financial Reporting Interpretations Committee Interpretations (“IFRIC INT”) that are relevant to its operations and effective for the current financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective IFRSs and IFRIC INT.

The adoption of these new and revised IFRSs and IFRIC INT did not have any material effect on the financial results or position of the Group.

New standards, amendments to standards and interpretations that have been issued at the end of the financial year but are not yet effective for the financial year ended 31 December 2025 have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group.

4 REVENUE AND SEGMENT INFORMATION

The executive directors of the Group are the Group’s chief operating decision-makers (“CODM”). Management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic decisions, allocate resources and assess performance. The CODM consider the business from operating segment perspective.

The Group is organised into two reportable segments, namely:

- (a) Construction contracts: Relates to the design, building and installations of mechanical systems; and
- (b) Maintenance contracts: Relates to the installation and maintenance of street lighting and commuter facilities equipment.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profits or losses, as included in the internal management reports that are reviewed by the Group’s executive directors. Segment profits or losses is used to measure performance as management believes that such information is the most relevant in evaluating the results of segments relative to other entities that operate within these industries.

In the previous financial year, the CODM assessed the performance based on the overall results and financial position of the Group as a whole prepared based on the same accounting policies as the Group has only one single operating segment relating to the constructions contract. The segment information provided to the Group’s CODM for the reportable segments for the year ended 31 December 2025 is as follows:

Profit or loss from operations:

	Construction contracts		Maintenance contracts		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Segment revenue								
– external customers								
Total revenue by segment	<u>11,579</u>	<u>19,929</u>	<u>6,906</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>18,485</u>	<u>19,929</u>
Segment profit/(loss) before income tax	10,396	4,487	1,261	–	1,366	(3,908)	13,023	579
Income tax (expense)/credit							<u>(1,085)</u>	<u>231</u>
Segment profits from operations							<u>11,938</u>	<u>810</u>
Interest income	–	–	–	–	931	847	931	847
Management fee income charged to a joint venture	9,129	3,494	–	–	–	–	9,129	3,494
Cost of services	(9,719)	(18,015)	(5,246)	–	–	–	(14,965)	(18,015)
Depreciation of property, plant and equipment	(429)	(419)	(90)	–	(290)	(609)	(809)	(1,028)
Depreciation of right-of-use assets	–	(247)	(180)	–	–	–	(180)	(247)
Finance costs	(164)	(255)	(6)	–	–	–	(170)	(255)
Loss on revaluation of property, plant and equipment	–	–	(123)	–	–	–	(123)	–
Share of profits/(losses) of a joint venture	–	–	–	–	8,438	(8)	8,438	(8)
Segment assets	<u>29,095</u>	<u>42,701</u>	<u>22,643</u>	<u>–</u>	<u>54,551</u>	<u>30,500</u>	<u>106,289</u>	<u>73,201</u>
Segment liabilities	<u>25,144</u>	<u>15,163</u>	<u>3,110</u>	<u>–</u>	<u>6,313</u>	<u>6,513</u>	<u>34,567</u>	<u>21,676</u>

Segment results

Performance of each segment is evaluated based on segment profits which is measured from the net profit before tax in the consolidated financial statements.

Segment assets

The amounts provided to the directors with respect to total assets are measured in a manner consistent with that of the consolidated financial statements. The directors monitor the assets attributable to each segment for the purpose of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments. All assets are allocated to reportable segments except for unallocated assets which are mainly contributed by financial assets at fair value through comprehensive income, financial assets at fair value through profit or loss, investment in a joint venture and cash and cash equivalents.

Segment liabilities

The amounts provided to the directors with respect to total liabilities are measured in a manner consistent with that of the consolidated financial statements. All liabilities are allocated to the reportable segments. All liabilities are allocated to the reportable segments except for unallocated liabilities which are mainly contributed by other payables and accrued expenses and income tax payable.

Disaggregation of revenue:

	2025	2024
	<i>S\$'000</i>	<i>S\$'000</i>

By nature

Construction contracts revenue for the designing, building and installations of mechanical and electrical systems	11,579	19,929
Maintenance contracts revenue for the installation and maintenance of street lighting and commuter facilities equipment	<u>6,906</u>	<u>–</u>
	<u>18,485</u>	<u>19,929</u>

By timing of revenue recognition

Over time	<u>18,485</u>	<u>19,929</u>
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Information about major customers

Revenue from customers individually contributing over 10% of the total revenue of the Group of the corresponding years are as follows:

		2025	2024
	Attributable segments	<i>S\$'000</i>	<i>S\$'000</i>
Customer A	Construction contracts	5,997	13,791
Customer B	Construction contracts	511*	3,692
Customer C	Construction contracts	4,736	2,217
Customer D	Maintenance contracts	<u>5,135</u>	<u>–</u>

* The customer did not contribute over 10% of the total revenue of the Group during the financial year ended 31 December 2025.

Transaction price allocated to remaining performance obligation

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of the financial year are as follows:

	2025 S\$'000	2024 S\$'000
<i>Construction contracts revenue for the designing, building and installations of mechanical and electrical systems as at 31 December:</i>		
Within 1 year	37,222	17,744
Within 2 to 5 years	<u>116,784</u>	<u>12,667</u>
	<u><u>154,006</u></u>	<u><u>30,411</u></u>
<i>Maintenance contracts revenue for the installation and maintenance of street lighting and commuter facilities equipment as at 31 December:</i>		
Within 1 year	40,833	–
Within 2 to 5 years	<u>158,029</u>	<u>–</u>
	<u><u>198,862</u></u>	<u><u>–</u></u>

Geographical information

The Group principally operates in Singapore, which is also the place of domicile. All revenue was derived from Singapore based on the location of services performed and the Group's property, plant and equipment, right-of-use assets and intangible asset are all located in Singapore. Accordingly, no geographical segment analysis is presented.

5 OTHER INCOME

	2025 S\$'000	2024 S\$'000
Other income		
Interest income from banks	148	163
Interest income from financial assets at fair value through other comprehensive income	664	636
Interest income from financial assets at fair value through profit or loss	119	48
Dividend income from equity investments	1	1
Government grants	19	60
Management fee income charged to a joint venture	9,129	3,494
Rental income	185	781
Others	<u>17</u>	<u>93</u>
	<u><u>10,282</u></u>	<u><u>5,276</u></u>

6 OTHER GAINS – NET

	2025	2024
	S\$'000	S\$'000
Gain on disposal of property, plant and equipment	100	22
Gain on disposal of financial assets at fair value through other comprehensive income, net	16	47
Gain on disposal of financial assets at fair value through profit or loss	111	13
Fair value gain on financial asset at fair value through profit or loss (<i>Note 16</i>)	151	307
Fair value gain on financial asset at fair value through other comprehensive income reclassified to profit or loss upon disposal	12	8
Loss on revaluation of property, plant and equipment	(123)	–
	<u>267</u>	<u>397</u>

7 FINANCE COSTS

	2025	2024
	S\$'000	S\$'000
Interest expense:		
– Bank borrowing	164	251
– Lease liabilities	6	4
	<u>170</u>	<u>255</u>

8 TAX EXPENSE/(CREDIT)

Singapore corporate income tax has been provided for at the rate of 17% (2024: 17%) on the estimated assessable profit for the financial year ended 31 December 2025 as the Group is principally operating in Singapore.

No overseas profits tax has been calculated for entities of the Group that are incorporated in the British Virgin Islands or the Cayman Islands as they are exempted from tax (2024: Nil).

The amount of tax expense/(credit) in the consolidated statement of profit or loss and other comprehensive income represents:

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Tax expense comprises:		
Current tax	881	–
Deferred tax credited to profit or loss		
– Current financial year	<u>204</u>	<u>(231)</u>
	<u>1,085</u>	<u>(231)</u>
Deferred tax charged to other comprehensive income		
– Current financial year	<u>129</u>	<u>112</u>

The amount of income tax on the Group's profit before tax differs from the theoretical amount that would arise using the enacted tax rate of the Group entities as follows:

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Profit before tax	<u>13,023</u>	<u>579</u>
Tax calculated at tax rate of 17% (2024: 17%)	2,214	98
Income not subject to tax	(136)	(98)
Expenses not deductible for tax purposes	125	164
Utilisation of previously unrecognised deferred tax asset	(1,118)	(174)
Deferred tax asset recognised during the year	<u>–</u>	<u>(221)</u>
	<u>1,085</u>	<u>(231)</u>

Included in expenses not deductible for tax purposes comprises depreciation of property, plant and equipment of S\$642,000 (2024: S\$905,000) and loss on revaluation of property, plant and equipment of S\$123,000 (2024: S\$Nil).

9 PROFIT BEFORE TAX

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

	2025	2024
	<i>S\$'000</i>	<i>S\$'000</i>
Auditor's remuneration		
– Auditors of the Group	131	128
Fees for the non-audit services paid to		
– Auditors of the Group	5	5
Depreciation of property, plant and equipment	809	1,028
Depreciation of right-of-use assets	180	247
Dormitories expense	103	123
Subcontractor costs included in cost of services	4,191	2,747
Foreign currency exchange (gains)/losses, net	(134)	78
	<u> </u>	<u> </u>

10 EARNINGS PER SHARE

a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the number of ordinary shares in issue during the financial year.

	2025	2024
Profit attributable to the owners of the Company (<i>S\$'000</i>)	11,938	811
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share (<i>'000</i>)	915,600	915,600
Earnings per share (<i>S\$ cents per share</i>)	<u>1.30</u>	<u>0.09</u>

b) Diluted

The diluted earnings per share is the same as the basic earnings per share due to the absence of dilutive ordinary shares during the respective years.

11 TRADE RECEIVABLES

	2025	2024
	S\$'000	S\$'000
Trade receivables – third parties	785	4,565

The Group grants credit terms to customers typically up to 35 days (2024: 35 days) from the invoice date for trade receivables. As at 31 December 2025 and 31 December 2024, the ageing analysis of the third-party trade receivables, based on invoice date, are as follows:

	2025	2024
	S\$'000	S\$'000
1 to 30 days	632	4,248
31 to 60 days	24	137
61 to 90 days	75	161
Over 90 days	54	19
	785	4,565

As at 31 December 2025 and 2024, the carrying amounts of trade receivables are denominated in S\$ and approximate their fair values.

Before accepting any new customer, the Group will assess the potential customer's credit quality and defined credit limit to each customer on individual basis. Limits attributed to customers are reviewed once a year.

The Group applied lifetime expected credit losses ("ECL") (simplified approach) to provide the expected credit losses as prescribed by IFRS 9.

As part of the Group's credit risk management, the ECL on trade receivables are assessed individually for debtors with significant balances. Assessment is done based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The directors of the Company considered that there is no loss allowance required for trade receivables as at 31 December 2025 and 31 December 2024.

12 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Deposits	50	21
Prepayments	630	207
Advances to staff	77	125
Interest receivables from financial assets at fair value through other comprehensive income	<u>223</u>	<u>216</u>
	<u>980</u>	<u>569</u>

As at 31 December 2025 and 2024, the carrying amounts of deposits and other receivables are denominated in S\$ and approximate their fair values.

The Group applied 12-month ECL to provide the expected credit losses as prescribed by IFRS 9.

As part of the Group's credit risk management, the Group determines the ECL on other receivables and deposits based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The directors of the Company considered that there is no loss allowance required for other receivables and deposits as at 31 December 2025 and 31 December 2024.

13 TRADE PAYABLES AND TRADE ACCRUALS

	2025 <i>S\$'000</i>	2024 <i>S\$'000</i>
Trade payables	3,507	6,278
Trade accruals	<u>1,028</u>	<u>353</u>
	<u>4,535</u>	<u>6,631</u>

Trade payables at the end of the financial year comprise amounts outstanding to suppliers and subcontractors. The average credit period taken for trade purchase is generally 30 to 90 days or payable upon delivery. As at 31 December 2025 and 31 December 2024, the ageing analysis of the trade payables, based on invoice date, are as follows:

	2025 S\$'000	2024 S\$'000
Within 90 days	1,919	5,964
Over 90 days	<u>1,588</u>	<u>314</u>
	<u><u>3,507</u></u>	<u><u>6,278</u></u>

The carrying amounts of trade payables approximate their fair values.

14 OTHER PAYABLES AND ACCRUED EXPENSES

	2025 S\$'000	2024 S\$'000
Accrued operating expenses	2,417	3,034
Other payables (<i>Note A</i>)	2,442	2,315
Amount due to a joint venture (<i>Note B</i>)	<u>17,075</u>	<u>2,861</u>
	<u><u>21,934</u></u>	<u><u>8,210</u></u>

Note A: Included in other payables is S\$2,087,000 (2024: S\$2,217,000) which is related to the unpaid purchase consideration for acquisition in D.D. Resident Co. Ltd. (Note 16). The movement during the financial year is primarily due to exchange differences. The amount is denominated in HKD.

Note B: This mainly pertains to the cash held on behalf of the joint venture.

15 SHARE CAPITAL AND SHARE PREMIUM

	Number of shares	Share capital HK\$'000
31 December 2025		
Authorised:		
Ordinary shares of HK\$0.01 each		
At 1 January 2025 and 31 December 2025	<u>10,000,000,000</u>	<u>100,000</u>
	Number of shares	Share capital S\$'000
		Share premium S\$'000
Issued and fully paid:		
At 1 January 2025 and 31 December 2025	<u>915,600,000</u>	<u>1,585</u>
		<u>34,440</u>

	Number of shares	Share capital HK\$'000
31 December 2024		
Authorised:		
Ordinary shares of HK\$0.01 each		
At 1 January 2024 and 31 December 2024	10,000,000,000	100,000
	<u>10,000,000,000</u>	<u>100,000</u>
	Number of shares	Share capital S\$'000
		Share premium S\$'000
Issued and fully paid:		
At 1 January 2024 and 31 December 2024	915,600,000	1,585
	<u>915,600,000</u>	<u>34,440</u>

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 S\$'000	2024 S\$'000
Financial assets at fair value through profit or loss		
Unquoted equity shares – measured at FVTPL	4,487	4,377
Quoted securities		
– SGD corporate fixed rate convertible bonds of 3.05% to 4.80% (2024: 3.25%) per annum maturing between November 2030 to July 2040 (2024: February 2028)	3,045	1,475
– SGD perpetual variable rate bonds of 3.18% to 5.65% per annum	7,952	–
Structured Notes		
– HKD fixed coupon notes	836	–
	<u>16,320</u>	<u>5,852</u>
Movement during the year:		
Fair value at beginning of the year	5,852	5,765
Additions	12,293	–
Disposals	(1,976)	(220)
Fair value gain recognised in profit or loss (Note 6)	151	307
	<u>16,320</u>	<u>5,852</u>
Represented by:		
Non-current	4,487	4,377
Current	11,833	1,475
	<u>16,320</u>	<u>5,852</u>

The unquoted equity shares represent the Group's acquisition of 49% equity interest in the issued shares of D.D. Resident Co. Ltd (the "Investee") on 16 January 2020 at an agreed consideration of HKD58,000,000 (equivalent to S\$10,069,000). The Investee is a limited liability company incorporated in Thailand, which is the owner and operator of Aiyaree Place Hotel in Pattaya, Thailand. In accordance with the Sales and Purchase Agreement dated 31 December

2019, the Group has the right to appoint/remove directors and key management personnel of the Investee. In conjunction with the acquisition, the Group has also entered into an Exclusive Option Agreement with the remaining 51% shareholder of the Investee (the “Thai Shareholder”), whereby the Group is granted with an irrevocable and exclusive option to purchase the 51% equity interest held by the Thai Shareholder at consideration of HKD61,200,000 (equivalent to S\$ 10,624,000). The Exclusive Option Agreement dated 31 December 2019 has an effective period of 2 years from 31 December 2019. The Group did not renew the Exclusive Option Agreement upon the expiry date on 30 December 2021.

The Group has classified the investment as financial asset at fair value through profit or loss at initial recognition and at the end of the financial year.

On 31 March 2023, the Company initiated criminal proceedings against the Investee and its two directors (collectively as the “defendants”) for non-compliance with Thai laws, leading to the case being formally listed for trial by the Criminal Court of Thailand (the “Court”). In April 2023, the Company also sought assistance from the Department of Business Development (the “DBD”) in Thailand to investigate the Investee’s financial records, but the Investee failed to comply with the multiple written requests for documents.

On 29 October 2023, the vendors of the Investee (collectively as the “plaintiffs”) filed a civil lawsuit in the Provincial Court of Pattaya against the Company, its two directors, and its subsidiary, Aiyaree International Hotel Management Limited, seeking a claim of S\$2,550,000 for an unpaid acquisition balance of 49% shareholdings of the Investee. A liability amounted to S\$2,087,000 (2024: S\$2,217,000) was recorded as payable in the financial statements as of 31 December 2025. Management has assessed that no further provision is required in the financial statements with respect to this civil action.

On 15 July 2024, the Court acquitted the Investee and one of its directors due to reasonable doubt. However, the Court issued an arrest warrant for the other director. The Company filed an appeal on 16 October 2024; however, the appeal was unsuccessful.

For the above-mentioned civil action, the Court raised concerns about jurisdiction, as neither the plaintiffs nor the defendants were domiciled in Thailand. Consequently, the plaintiffs withdrew their lawsuit against the Company, its two directors, and Aiyaree International Hotel Management Limited. Following legal advice, the Company also withdrew its counterclaim while reserving its rights to pursue further legal action.

In 2025, the Company sought further legal opinions in Thailand, People’s Republic of China, and Hong Kong but was advised that recovery was unlikely due to enforcement difficulties and the plaintiff’s financial and legal issues. As a result, litigation was deemed commercially unviable, and the Company is exploring alternative recovery options, including possible divestment of the investment.

During the previous financial year, the fair value of the investment was determined by a valuation performed by an independent professional valuation firm in Thailand on 31 December 2024 using the income approach that reflects the value of the hotel property capable of producing income in the present worth of anticipated future net benefits. This fair value measurement was categorised in Level 3 of the fair value hierarchy. Changes in the fair value of financial asset at fair value through profit or loss, amounting to S\$154,000 was included in profit or loss as part of “other gains – net” (Note 6).

As at 31 December 2025, the fair value of the investment was determined by management. This fair value measurement is categorised in Level 3 of the fair value hierarchy. Changes in the fair value of financial asset at fair value through profit or loss, amounting to S\$110,000 is included in profit or loss as part of “other gains – net” (Note 6).

The fair values of the Group’s quoted fixed rate convertible bonds are determined based on closing quoted prices. The fair values of the Group’s perpetual variable rate bonds and structured notes are valued by reference to the mid-price of the daily bids and offers in over-the-counter markets.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

The Group is a design and build mechanical and electrical (“M&E”) engineering contractor in Singapore and our scope of services comprises (i) designing of M&E systems, which involves the design for functionality and connectedness of various building systems; and (ii) building and installation of the M&E systems. The Group has been established for over 30 years and specializes in electrical engineering, and the projects are in relation to new building developments and major additions and alterations (“A&A”) works, which include private residential, mixed residential and commercial developments and institutional buildings.

In 2025, the Group operated in a resilient yet competitive M&E engineering environment in Singapore, supported by continued demand from both public and private sector developments. The industry continued to benefit from a stable pipeline of public sector projects, alongside ongoing private sector developments across industrial and commercial segments. Electrical engineering works remained integral to such developments, particularly in power distribution systems, communications infrastructure and integrated building services.

The Group’s revenue decreased by approximately 7.0% to approximately S\$18.5 million for the year ended 31 December 2025, as compared to approximately S\$19.9 million in 2024. The decrease was mainly attributable to lower revenue recognised from public sector construction projects as several major projects approached completion during the financial year ended 31 December 2025. Notwithstanding the decline in revenue, the Group’s profitability improved significantly. Profit for the year increased to approximately S\$11.9 million in 2025 from approximately S\$0.8 million in 2024, primarily due to higher gross profit margins and higher management fee income charged to a joint venture. The improvement in gross profit margins was mainly driven by contributions from newly secured projects and maintenance contracts which generally command better margins compared to earlier ongoing projects.

The operating environment remained challenging, as the M&E industry continued to face tight labour market conditions arising from foreign workforce policies, rising manpower and material costs, and a competitive tendering landscape, particularly for public sector projects. In addition, the industry continues to transition towards more integrated and technology-driven solutions, including smart building systems and energy-efficient technologies, in line with national sustainability initiatives.

The Ministry of Trade and Industry of Singapore (the “MTI”) reported on 10 February 2026 that the Singapore economy expanded by 5.0% in 2025, while the construction sector grew by 5.2% in 2025 following growth of 5.4% in 2024. The GDP growth forecast for 2026 is projected at 2.0% to 4.0%. Separately, the Building and Construction Authority (the “BCA”) announced on 22 January 2026 that total construction demand is expected to remain steady at between S\$47 billion and S\$53 billion in 2026, broadly in line with 2025.

Looking ahead, the Group remains cautiously optimistic amid a resilient construction landscape. While the anticipated level of construction demand presents growth opportunities, inflationary pressures, particularly in materials and manpower, are expected to continue to pose challenges to margins and

project execution. The Group will continue to adopt a prudent and disciplined approach to capital and risk management, closely monitor macroeconomic developments, and implement appropriate measures to mitigate risks. With a continued focus on project execution and cost control, the Group is well-positioned to navigate industry challenges and deliver sustainable value to shareholders.

Ongoing projects

As at 31 December 2025, the Group had nine ongoing projects (excluding the joint venture project) with an aggregate contract sum of approximately S\$412.9 million, of which approximately S\$61.2 million had been recognised as revenue as at 31 December 2025. The remaining balance will be recognised as our revenue in accordance with the stage of completion.

Newly awarded projects

During the financial year ended 31 December 2025, the Group secured three newly awarded projects with an aggregate contract value of approximately S\$337.1 million. Of these, two are maintenance term contracts with a duration of six years. All three projects have commenced construction activities during the financial year ended 31 December 2025 and are included under “Ongoing projects” above.

FINANCIAL REVIEW

Revenue

The Group derived revenue from two reportable segments, namely:

- (1) Construction contracts: relates to the design, and/or build and installation of M&E systems for both private sector and public sector projects; and
- (2) Maintenance contracts: relates to the installation and maintenance of street lighting and commuter facilities equipment.

	For the year ended 31 December					
	2025			2024		
	Number of projects with revenue contribution	S\$' million	% to total revenue	Number of projects with revenue contribution	S\$' million	% to total revenue
Construction						
– Private sector projects	3	5.0	27.0	2	0.3	1.5
Construction						
– Public sector projects	4	6.6	35.7	4	19.6	98.5
Maintenance	2	6.9	37.3	–	–	–
Total	9	18.5	100.0	6	19.9	100.0

Our revenue decreased by approximately S\$1.4 million or 7.0%, from approximately S\$19.9 million for the financial year ended 31 December 2024 to approximately S\$18.5 million for the financial year ended 31 December 2025. The decrease was primarily attributable to lower revenue recognised from public construction sector projects during the financial year ended 31 December 2025, as these projects were nearing completion compared to the corresponding year. This was partially offset by an increase in revenue from maintenance contracts.

Cost of services

Our cost of services decreased by approximately S\$3.0 million or 16.7% from approximately S\$18.0 million for the financial year ended 31 December 2024 to approximately S\$15.0 million for the financial year ended 31 December 2025. The decrease is in line with the decrease in revenue.

Gross profit and gross profit margin

Our gross profit increased by approximately S\$1.6 million, from approximately S\$1.9 million for the financial year ended 31 December 2024 to approximately S\$3.5 million for the financial year ended 31 December 2025. Our gross profit margin increased from a gross profit margin of approximately 9.5% for the financial year ended 31 December 2024 to a gross profit margin of approximately 19.0% for the financial year ended 31 December 2025. The increase in gross profit and gross profit margin was mainly driven by newly awarded projects that carried higher profit margins compared to ongoing projects, particularly within the maintenance contracts segment.

Other income and other gains – net

Other income increased by approximately S\$5.0 million, from approximately S\$5.3 million for the financial year ended 31 December 2024 to approximately S\$10.3 million for the financial year ended 31 December 2025. Such increase was mainly driven by higher management fee income charged to a joint venture, in line with increased construction activities for the joint venture project during the financial year ended 31 December 2025. The increase in other income was partially offset by the decline in rental income, following the cessation of rentals to external parties.

Other gains – net decreased by approximately S\$0.1 million, from approximately S\$0.4 million for the year ended 31 December 2024 to approximately S\$0.3 million for the financial year ended 31 December 2025. The decrease was due to the loss on revaluation of property, plant and equipment during the financial year ended 31 December 2025.

Administrative expenses

The administrative expenses of the Group increased by approximately S\$2.6 million or 38.8%, from approximately S\$6.7 million for the financial year ended 31 December 2024 to approximately S\$9.3 million for the financial year ended 31 December 2025. Such increase was mainly due to the increase in staff costs during the financial year ended 31 December 2025.

Tax (expense)/credit

The Group recorded an income tax expense of approximately S\$1.1 million for the financial year ended 31 December 2025, primarily due to higher assessable profits arising from improved business performance during the year. The tax credit for the financial year ended 31 December 2024 was attributable to the reversal of deferred tax liabilities on revaluation upon depreciation.

Profit for the year

The Group's profit for the year rose substantially from approximately S\$0.8 million for the financial year ended 31 December 2024 to S\$11.9 million for the financial year ended 31 December 2025, primarily attributable to improved business performance and higher profitability during the financial year ended 31 December 2025.

Final dividend

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

Liquidity and financial resources

The Group practiced prudent financial management and maintained a strong and sound financial position during the financial year ended 31 December 2025. As at 31 December 2025, the Group had cash and bank balances of approximately S\$4.0 million (2024: approximately S\$0.1 million) and available unutilised banking facilities of approximately S\$29.5 million (2024: approximately of S\$1.6 million).

As at 31 December 2025, the Group's indebtedness comprised bank borrowing and lease liabilities denominated in Singapore dollars of approximately S\$5.3 million (2024: S\$5.4 million).

As at 31 December 2025, the Group's current ratio was approximately 1.4 times (2024: approximately 1.0 times) and gearing ratio was approximately 7.4% (2024: 10.5%). The decrease in the gearing ratio was mainly due to the repayment of the bank borrowing to finance the leasehold property.

Pledge of assets

As at 31 December 2025, the Group had pledged fixed deposits of approximately S\$0.2 million (2024: approximately S\$1.8 million) to secure the banking facilities granted to the Group. The Group's three (2024: two) owned properties with a fair value amounting to approximately S\$45.4 million (2024: S\$23.8 million) were pledged under a mortgage to secure the banking facilities with the banks.

Exposure to foreign exchange rate risks

The Group transacts mainly in Singapore dollars, which is the functional currency of all the Group's operating subsidiaries. However, the Group retains some proceeds from the Listing in Hong Kong dollars amounting to approximately S\$44,000 (2024: S\$0.1 million) and financial liabilities in Hong Kong dollars amounting to approximately S\$2.3 million (2024: S\$2.4 million) (that are exposed to foreign exchange rate risks).

The Group will continue to monitor its foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Capital structure

As at 31 December 2025, there has been no change to the capital structure of the Company. The Company's capital comprises ordinary shares and capital reserves. The Group finances its working capital, capital expenditures and other liquidity requirements through a combination of its cash and cash equivalents, cash flows generated from operations and bank facilities.

Contingent liabilities

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

Capital commitments

As at 31 December 2025, the Group did not have capital commitments (2024: S\$2.0 million in respect to the construction-in-progress of a proposed 4-storey building to serve as warehouse, office, dormitory and ancillary facilities which was completed in 2025).

Material acquisitions and disposals of subsidiaries, associates and joint ventures

The Group did not have any other material acquisitions nor disposals of subsidiaries and affiliated companies for the financial year ended 31 December 2025.

Significant investments held

Save for those disclosed in relation to the financial assets at fair value through other comprehensive income, financial asset at fair value through profit or loss and properties held by the Group, as at 31 December 2025, the Group did not have any other significant investment.

Employees and remuneration policies

As at 31 December 2025, the Group had a total of 252 employees (2024: 154 employees), including executive Directors. Total staff costs (including Directors' emoluments) were approximately S\$9.5 million for the financial year ended 31 December 2025 (approximately S\$6.6 million for the financial year ended 31 December 2024).

The Group's employees are remunerated according to their job scope, responsibilities, and performance. On top of basic salaries, employees are also entitled to discretionary bonuses depending on their respective performance and the profitability of the Group. The Group's foreign workers are typically employed on two-year basis depending on the period of their work permits, and subject to renewal based on their performance, and are remunerated according to their work skills.

The emoluments of Directors were reviewed by the remuneration committee of the Company, having regard to salaries paid by comparable companies, experience, responsibilities, and performance of the Group, and approved by the Board.

Future plans for material investment and capital assets

The Group does not have any other plans for material investments and capital assets as at 31 December 2025.

Significant event after the reporting period

On 2 February 2026, the Group granted an option to a third-party purchaser to purchase the Group's property which is used as office, warehouse and dormitory for a consideration of S\$21.0 million. The purchaser shall be entitled to exercise the option within fourteen days after 22 October 2026. Upon the exercise of the option by the purchaser, the completion of the sale and purchase of the property will take place on 31 March 2027. For more details, please refer to the Company's announcement dated 2 February 2026.

Save as disclosed above, there was no significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the financial year ended 31 December 2025.

CORPORATE GOVERNANCE/OTHER INFORMATION

Purchase, sale or redemption of the Company's listed securities

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities.

Non-competition undertaking

The Company has received confirmation from the controlling shareholders in respect of their compliance with the terms of non-competition undertaking for the year ended 31 December 2025.

The independent non-executive Directors had reviewed and confirmed that the controlling shareholders have complied with the non-competition undertaking and the non-competition undertaking has been enforced by the Company in accordance with its terms for the year ended 31 December 2025.

Saved as disclosed above, none of the directors, the substantial shareholders or the management of the Company or any of their respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the business of the Group or has any other conflict of interests with the Group during the year ended 31 December 2025.

Code of conduct for securities transactions by directors

The Company has adopted a code of conduct regarding securities transactions by directors (the “Model Code”) on terms no less exacting than the required standard of dealings as set out in Appendix 10 to the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Having made specific enquiry of all directors, all directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the year ended 31 December 2025.

The Board has also adopted the Model Code to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in Appendix C3 to the Listing Rules. No incident of non-compliance with the Model Code by the Company’s relevant employees has been noted for the year after making reasonable enquiry.

Corporate governance principles and practices

The Board and the management of the Company are committed to maintaining high corporate governance standards to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company’s corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Listing Rules.

The Board considers that the Company has fully complied with all the applicable principles and the code provisions as set out in the CG Code for the financial year ended 31 December 2025. The Board will continue to review and monitor the Company’s corporate governance practices to ensure compliance with the Code.

Chairman and Chief Executive Officer

Under code provision C.2.1 of the CG Code, the roles of Chairman and chief executive should be separate and should not be performed by the same individual. The roles of the Chairman and the Chief Executive Officer of the Company are separated. Mr. Tay Yong Hua is the executive Chairman of the Board. The Chairman provides an effective leadership and ensures the continuing effectiveness of the management team of the Company. Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing) is the Chief Executive Officer of the Company. He focuses on daily operations of the Group. Their respective responsibilities are clearly defined in writing.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “AGM”) will be held on 5 June 2026 (Friday).

The notice of the AGM will be published on the website of the Stock Exchange at <http://www.hkexnews.hk> and the Company’s website at <http://www.TheSolisGrp.com>. and sent to the shareholders of the Company, together with the Company’s annual report, in due course.

Closure of register of members

The register of members of the Company will be closed from 2 June 2026 (Tuesday) to 5 June 2026 (Friday) (both days inclusive), during which period no transfers of shares will be registered. To determine the entitlement(s) to attend and vote at the AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 1 June 2026 (Monday).

AUDIT COMMITTEE

The Company established an audit committee (the “Audit Committee”) on 14 November 2017 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code as set out in Appendix 14 to the Listing Rules. The Company has updated the written terms of reference of audit committee on 16 November 2018 in compliance with the new CG Code with effect from 1 January 2019. The revised terms of reference of the audit committee are available on the web sites of the Company and the Stock Exchange.

The responsibility of the Audit Committee is to assist the Board in fulfilling its audit duties through the review and supervision of the Company’s financial reporting, risk management and internal control principles and procedures, and to provide advice and comments to the Board. The members meet regularly with the external auditor and/or the Company’s senior management for the review, supervision and discussion of the Company’s financial reporting, risk management and internal control procedures and ensure that the board and the management have discharged their duties to have an effective risk management and internal control systems.

As at 31 December 2025, the Audit Committee comprises three independent non-executive Directors, namely Mr. Kwong Choong Kuen (Huang Zhongquan) (Chairman), Mr. Choong Pei Nung and Ms. Carolyn Seet Su Lin. None of them is a former partner of the Company’s existing auditing firm within two years immediately prior to their respective date of appointment. All of them do not have material interest in any principal business activity of nor is or was involved in any material business dealings with the Group or with any core connected persons (as defined in the Listing Rules) of the Group within one year immediately prior to their respective date of appointment. Mr. Kwong Choong Kuen (Huang Zhongquan), who has appropriate professional qualifications and experience in accounting matters, was appointed as the chairman of the Audit Committee.

REVIEW OF ANNUAL RESULTS

The audited consolidated financial results of the Group for the financial year ended 31 December 2025 have been reviewed by the Audit Committee and the figures in respect of the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position of the Group, and the related notes thereto for the year as set out in this announcement have been agreed by our auditors, Baker Tilly TFW LLP (“Baker Tilly”), to the amounts set out in the Group’s audited consolidated financial statements for the financial year ended 31 December 2025. The Audit Committee was of the opinion that the preparation of such results complied with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

Extract of independent auditor’s report

The following is the extract of the drafted independent auditor’s report from our auditors, Baker Tilly on the Group’s consolidated financial statements for the financial year ended 31 December 2025:

Qualified Opinion

We have audited the accompanying consolidated financial statements of Solis Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”), which comprise the consolidated statement of financial position of the Group as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the consolidated financial statements of the Group are properly drawn up in accordance with International Financial Reporting Standards (“IFRSs”) approved by the International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance so as to give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date (the “Qualified Opinion”).

Basis for Qualified Opinion

Financial asset at fair value through profit or loss – Unquoted equity shares

As disclosed in Notes 3 and 17 to the consolidated financial statements, the Group acquired 49% unquoted equity interest in the issued shares of D.D. Resident Co. Ltd (the “Investee”) on 16 January 2020 at an agreed consideration of HKD58,000,000 (equivalent to S\$10,069,000). The Investee is a limited liability company incorporated in Thailand, which is the owner and operator of a hotel property, Aiyaree Place Hotel in Pattaya, Thailand. The Group recorded the investment as financial asset at fair value through profit or loss (“FVTPL”) in the consolidated financial statements as at 31 December 2025

and 31 December 2024. As at 31 December 2025, the investment is carried at fair value of S\$4,487,000 (2024: S\$4,377,000), and a fair value gain amounting to S\$110,000 (2024: S\$154,000) is recognised in the profit or loss.

Due to inability to obtain sufficient appropriate audit evidence and in view of the lack of new development during current financial year as described in Note 17, we are unable to conclude as to whether the investment of 49% equity interest in the Investee should be classified as financial asset at fair value through profit or loss and accounted for in accordance with IFRS 9 *Financial Instruments* or as investment in associated company and equity accounted for in accordance with IAS 28 *Investments in Associates and Joint Ventures*. We are also unable to determine the potential adjustments to and disclosures in the consolidated financial statements for the financial year ended 31 December 2025 and 31 December 2024 should the investment be classified and accounted for as an investment in associated company. In addition, we are unable to satisfy ourselves and we are unable to determine the extent of adjustments and additional disclosures necessary in respect of the fair value of the unquoted equity shares and the fair value gain recognised in profit or loss for the investment to be appropriately measured in accordance with IFRS 9 *Financial Instruments*, including those presented as corresponding figures.

The consolidated financial statements for the financial year ended 31 December 2024 were qualified for the same reason as stated above.

Management's view on the audit qualification

In 2023, the Group commenced legal proceedings in Thailand against the Investee and its vendors. In 2024, such proceedings were dismissed and subsequently withdrawn following the Thai Court's concern on the appropriate jurisdiction of the legal proceedings as both parties were not domiciled in Thailand. The Group has since considered alternative courses of action, including the commencement of legal proceedings in Hong Kong.

In 2025, the Group also evaluated the feasibility of initiating legal proceedings in the People's Republic of China ("PRC") against the vendor of the Investee, who is a Chinese National. The Group engaged Hong Kong and PRC legal advisers to conduct a background investigation. Based on the pre-litigation investigation report, the vendor of the Investee is involved in multiple legal proceedings and is subject to significant outstanding claims. In light of these findings, the Company is of the view that pursuing legal action in PRC or Hong Kong is not commercially viable.

As at 31 December 2025, the fair value of the investment represented approximately 4.2% (2024: 6.0%) of the Group's total assets. As at the date of this announcement, the Group continues to consult its legal advisers to explore alternative avenues for recovery of its investment, including potential divestment.

Based on the current assessment and as at date of this announcement, the audit qualification does not have any material adverse impact on the business operations or financial position of the Group as a whole. The Group will continue to take appropriate measures to minimise any impact on its operations.

Without significant influence over the management of the Investee and in the absence of updated financial information from them, the management considers it appropriate to continue measuring the investment as a financial asset at FVTPL.

The management of the Company acknowledges the qualified audit opinion issued by Baker Tilly and concurs with the basis of such opinion following the auditor's professional and independent assessment.

Audit committee's view on the audit qualification

The Audit Committee had critically reviewed the audit qualification after discussion with Baker Tilly and it held the same view as Baker Tilly as to the basis of the Qualified Opinion. The Audit Committee will from time to time closely communicate with the Board and Baker Tilly on the progress of the Qualified Opinion.

Removal of audit qualification

After discussion with Baker Tilly, the management of the Company is of the view that the Qualified Opinion will be removed only if the Group resolves the existing issues with the vendors of the Investee or if the Group is able to divest the investment. This will hence give the Company a better clarity about the accounting treatments of the investment, the fair value of the Investee and the management's position with regards to this investment for the best commercial interest of the Group.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to the management and staff of the Group for their commitment and contribution during the year ended 31 December 2025. I would also like to express my appreciation to the guidance from the regulators and continued support from our shareholders and customers.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The Company's annual results announcement is published on the website of the Stock Exchange at <http://www.hkexnews.hk> and the Company's website at <http://www.TheSolisGrp.com>.

The annual report of the Company for financial year ended 31 December 2025 containing all the relevant information required by Appendix D2 of the Listing Rules will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
Solis Holdings Limited
Tay Yong Hua
Executive Chairman and Executive Director

Singapore, 30 March 2026

As at the date of this announcement, the executive Directors are Mr. Tay Yong Hua and Mr. Kenneth Teo Swee Cheng (Kenneth Zhang Ruiqing); and the independent non-executive Directors are Ms. Carolyn Seet Su Lin, Mr. Choong Pei Nung and Mr. Kwong Choong Kuen (Huang Zhongquan).