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ALLTRONICS HOLDINGS LIMITED

華訊股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 833)

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

The board (the “Board”) of directors (“Directors”) of Alltronics Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2025, prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) as issued by The Hong Kong Institute of Certified Public Accountants (“HKICPA”), together with comparative figures for the corresponding year in 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

| | | 2025 | 2024 |
|--|-------|----------------------|----------------------|
| | Notes | HK\$'000 | HK\$'000 |
| Revenue | 4 | 1,141,175 | 1,066,945 |
| Cost of sales | | <u>(900,405)</u> | <u>(855,778)</u> |
| Gross profit | | 240,770 | 211,167 |
| Distribution costs | | (10,305) | (9,015) |
| Administrative expenses | | (119,887) | (99,618) |
| Other operating (expenses)/income, net | | (7,033) | 2,116 |
| Impairment losses on trade receivables, net | | (23,457) | (760) |
| Impairment losses on amounts due from associates | | – | (2,172) |
| Impairment losses on other receivables, net | | (7,253) | (952) |
| Impairment losses on investments in associates | | (1,656) | – |
| Release of exchange reserve upon deregistration of a subsidiary | | (2,356) | – |
| Finance income | 5 | 7,277 | 5,558 |
| Finance costs | 6 | <u>(11,941)</u> | <u>(14,894)</u> |
| Profit before tax | 5 | 64,159 | 91,430 |
| Income tax expense | 7 | <u>(9,676)</u> | <u>(19,728)</u> |
| PROFIT FOR THE YEAR | | <u>54,483</u> | <u>71,702</u> |
| Attributable to: | | | |
| Owners of the Company | | 47,171 | 63,085 |
| Non-controlling interests | | <u>7,312</u> | <u>8,617</u> |
| | | <u>54,483</u> | <u>71,702</u> |
| EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY | | | |
| | | 2025 | 2024 |
| | | HK cents | HK cents |
| Basic and diluted | 8 | <u>9.97</u> | <u>13.34</u> |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

| | 2025 HK\$'000 | 2024 HK\$'000 |
|---|----------------------|----------------------|
| PROFIT FOR THE YEAR | <u>54,483</u> | <u>71,702</u> |
| OTHER COMPREHENSIVE LOSS | | |
| <i>Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss:</i> | | |
| Exchange differences on translation of foreign operations | 1,743 | (6,832) |
| Release of exchange reserve upon deregistration of a subsidiary | <u>2,356</u> | <u>–</u> |
| Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods | <u>4,099</u> | <u>(6,832)</u> |
| <i>Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss:</i> | | |
| Remeasurement of long service payment (“LSP”) liabilities | <u>51</u> | <u>(21)</u> |
| Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods | <u>51</u> | <u>(21)</u> |
| OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX | <u>4,150</u> | <u>(6,853)</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>58,633</u> | <u>64,849</u> |
| Attributable to: | | |
| Owners of the Company | 52,424 | 56,014 |
| Non-controlling interests | <u>6,209</u> | <u>8,835</u> |
| | <u>58,633</u> | <u>64,849</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

| | | 2025 | 2024 |
|--|-------|----------------|----------------|
| | Notes | HK\$'000 | HK\$'000 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 191,459 | 160,864 |
| Right-of-use assets | | 75,661 | 19,205 |
| Investments in associates | | – | 1,596 |
| Goodwill | | 46,354 | 11,672 |
| Other intangible assets | | 2,718 | 1,073 |
| Financial assets at fair value through profit or loss (“FVTPL”) | | 36,575 | 44,872 |
| Other receivables | | – | 262 |
| Deferred tax assets | | 23,191 | 11,190 |
| | | <u>375,958</u> | <u>250,734</u> |
| Total non-current assets | | | |
| CURRENT ASSETS | | | |
| Inventories | | 251,083 | 210,736 |
| Trade receivables | 10 | 191,005 | 185,304 |
| Prepayments, other receivables and other assets | | 73,987 | 82,649 |
| Financial assets at FVTPL | | 1,950 | – |
| Tax recoverable | | 86 | 122 |
| Pledged deposits | | 7,592 | 4,963 |
| Cash and cash equivalents | | 437,747 | 445,069 |
| | | <u>963,450</u> | <u>928,843</u> |
| Total current assets | | | |

| | <i>Notes</i> | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--|--------------|--------------------------------|-------------------------|
| CURRENT LIABILITIES | | | |
| Trade and bills payables | <i>11</i> | 167,175 | 136,771 |
| Other payables and accruals | | 104,934 | 79,914 |
| Deferred consideration payable | | 885 | – |
| Interest-bearing bank and other borrowings | | 166,174 | 191,387 |
| Lease liabilities | | 35,817 | 14,308 |
| Tax payable | | 16,779 | 14,818 |
| | | <hr/> | <hr/> |
| Total current liabilities | | 491,764 | 437,198 |
| | | <hr/> | <hr/> |
| NET CURRENT ASSETS | | 471,686 | 491,645 |
| | | <hr/> | <hr/> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 847,644 | 742,379 |
| | | <hr/> | <hr/> |
| NON-CURRENT LIABILITIES | | | |
| Deferred consideration payable | | 8,883 | – |
| Lease liabilities | | 41,207 | 4,778 |
| LSP obligations | | 616 | 590 |
| Deferred tax liabilities | | 8,186 | 7,074 |
| | | <hr/> | <hr/> |
| Total non-current liabilities | | 58,892 | 12,442 |
| | | <hr/> | <hr/> |
| NET ASSETS | | 788,752 | 729,937 |
| | | <hr/> | <hr/> |
| EQUITY | | | |
| Share capital | | 9,461 | 9,461 |
| Reserves | | 689,105 | 665,065 |
| | | <hr/> | <hr/> |
| Equity attributable to owners of the Company | | 698,566 | 674,526 |
| | | <hr/> | <hr/> |
| Non-controlling interests | | 90,186 | 55,411 |
| | | <hr/> | <hr/> |
| TOTAL EQUITY | | 788,752 | 729,937 |
| | | <hr/> | <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands on 24 July 2003 as an exempted company with limited liability under the Companies Law. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 15 July 2005.

The Company is an investment holding company. The principal activities of the Group are the manufacture and trading of electronic products, plastic moulds, plastic and other components for electronic products. The address of the Company's registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Unit 408, 4/F, Citicorp Centre, 18 Whitfield Road, Hong Kong.

The Group is controlled by Profit International Holdings Limited (incorporated in the British Virgin Islands), which owns 46.48% of the Company's issued shares as at 31 December 2025 (2024: 46.48%). In the opinion of the Directors, the Company's ultimate holding company is Profit International Holdings Limited and the ultimate controlling party is Mr. Lam Yin Kee.

These consolidated financial statements were approved and authorised for issue by the Board on 30 March 2026.

2 BASIS OF PREPARATION

These annual consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards as issued by the HKICPA, which collective term includes all applicable individual HKFRS accounting standards, Hong Kong Accounting Standards ("HKASs") and Interpretations ("HKFRS Accounting Standards") and accounting principles generally accepted in Hong Kong.

These consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

These consolidated financial statements have been prepared under the historical cost convention, except for certain unlisted equity investments, unlisted convertible notes, investments in life insurance plans and deferred consideration payable which have been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

3 ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 January 2025

In the current year, the Group has applied for the first time the Amendments to HKAS 21 “Lack of Exchangeability” which are effective for the Group’s consolidated financial statements for the annual period beginning on 1 January 2025.

The adoption of these amended HKFRS Accounting Standards had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

| | |
|--|--|
| HKFRS 18 | <i>Presentation and Disclosure in Financial Statements²</i> |
| HKFRS 19 | <i>Subsidiaries without Public Accountability: Disclosures²</i> |
| Amendments to HKFRS 9 and HKFRS 7 | <i>Amendments to the Classification and Measurement of Financial Instruments¹</i> |
| Amendments to HKFRS 9 and HKFRS 7 | <i>Contracts Referencing Nature-dependent Electricity¹</i> |
| Amendments to HKFRS 10 and HKAS 28 | <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i> |
| Amendments to HKAS 21 | <i>Translation to Hyperinflation Presentation Currency²</i> |
| Amendments to HKFRS Accounting Standards | <i>Annual Improvements to HKFRS Accounting Standards – Volume 11¹</i> |
| Amendments to Hong Kong Interpretation 5 | <i>Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause²</i> |

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

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

³ Effective date not yet determined

The Directors anticipate that all of the pronouncements will be adopted in the Group’s accounting policy for the first period beginning on or after the effective date of the pronouncement. These new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group’s consolidated financial statements.

4 OPERATING SEGMENT INFORMATION

For management purposes, for the year ended 31 December 2025, the Group only has one reportable segment, which is the electronic products segment – the manufacture and trading of electronic products, plastic moulds, plastic and other components for electronic products. The biodiesel products segment and the energy saving business segment have been combined and disclosed in an “all other segments” category.

Management assesses the performance of the operating segments based on a measure of operating profit/loss (before interest and tax and unallocated operating costs). Other information provided is measured in a manner consistent with that in the consolidated financial statements.

All sales between segments are eliminated on consolidation. All segment revenue reported is derived from external parties. The revenue from external parties reported to the directors is measured in a manner consistent with that in the consolidated financial statements.

Segment assets exclude cash and cash equivalents, prepayments and deposits and financial assets at FVTPL as these assets are managed on a group basis.

Segment liabilities exclude other payables and accruals as these liabilities are managed on a group basis.

Year ended 31 December 2025

| | Electronic products HK\$'000 | All other HK\$'000 | Total HK\$'000 |
|---|---|-----------------------------------|---------------------------|
| Segment revenue: | | | |
| Sales to external customers | <u>1,141,159</u> | <u>16</u> | <u>1,141,175</u> |
| Total revenue | <u>1,141,159</u> | <u>16</u> | <u>1,141,175</u> |
| Segment results | | | |
| Operating profit/(loss) before interest and tax | 75,704 | (1,407) | 74,297 |
| Finance costs (other than interests on lease liabilities) | (10,158) | – | (10,158) |
| Finance income | 7,277 | – | 7,277 |
| Income tax expense | <u>(9,676)</u> | <u>–</u> | <u>(9,676)</u> |
| | 63,147 | (1,407) | 61,740 |
| Unallocated operating costs | | | <u>(7,257)</u> |
| Profit for the year | | | <u>54,483</u> |
| Segment assets | | | |
| Unallocated: | 1,294,671 | 1,779 | 1,296,450 |
| Cash and cash equivalents | | | 780 |
| Prepayments and deposits | | | 3,653 |
| Financial assets at FVTPL | | | <u>38,525</u> |
| Total assets | | | <u>1,339,408</u> |
| Segment liabilities | | | |
| Unallocated: | 542,544 | 34 | 542,578 |
| Other payables and accruals | | | <u>8,078</u> |
| Total liabilities | | | <u>550,656</u> |
| Other segment information: | | | |
| Depreciation and amortisation | (42,681) | (1) | (42,682) |
| Additions to non-current assets * | 83,354 | – | 83,354 |
| Provision of impairment of | | | |
| – trade receivables, net | (23,457) | – | (23,457) |
| – other receivables, net | (7,253) | – | (7,253) |
| – investments in associates | (1,656) | – | (1,656) |
| Provision of inventories | <u>(4,241)</u> | <u>–</u> | <u>(4,241)</u> |

* Additions to non-current assets consist of additions of property, plant and equipment, right-of-use assets, investments in associates and other intangible assets.

Year ended 31 December 2024

| | Electronic products <i>HK\$'000</i> | All other <i>HK\$'000</i> | Total <i>HK\$'000</i> |
|---|---|---------------------------------|--------------------------|
| Segment revenue: | | | |
| Sales to external customers | 1,066,911 | 34 | 1,066,945 |
| Total revenue | <u>1,066,911</u> | <u>34</u> | <u>1,066,945</u> |
| Segment results | | | |
| Operating profit/(loss) before interest and tax | 105,000 | (2,368) | 102,632 |
| Finance costs (other than interests on lease liabilities) | (13,641) | – | (13,641) |
| Finance income | 5,532 | 26 | 5,558 |
| Income tax expense | (19,728) | – | (19,728) |
| | 77,163 | (2,342) | 74,821 |
| Unallocated operating costs | | | <u>(3,119)</u> |
| Profit for the year | | | <u>71,702</u> |
| Segment assets | 1,108,976 | 4,729 | 1,113,705 |
| Unallocated: | | | |
| Cash and cash equivalents | | | 1,362 |
| Prepayments and deposits | | | 19,638 |
| Financial assets at FVTPL | | | <u>44,872</u> |
| Total assets | | | <u>1,179,577</u> |
| Segment liabilities | 440,473 | 1,250 | 441,723 |
| Unallocated: | | | |
| Other payables and accruals | | | <u>7,917</u> |
| Total liabilities | | | <u>449,640</u> |
| Other segment information: | | | |
| Depreciation and amortisation | (40,892) | (1) | (40,893) |
| Additions to non-current assets* | 20,781 | – | 20,781 |
| Provision of impairment of | | | |
| – trade receivables, net | (760) | – | (760) |
| – amounts due from associates | (2,172) | – | (2,172) |
| – other receivables, net | (952) | – | (952) |
| Provision of inventories | <u>(395)</u> | <u>–</u> | <u>(395)</u> |

* additions to non-current assets consist of additions of property, plant and equipment, right-of-use assets, investments in associates and other intangible assets.

Geographical information

(a) Revenue from external customers

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| The United States | 846,107 | 776,437 |
| Hong Kong | 66,227 | 73,710 |
| Europe | 93,455 | 86,386 |
| The People's Republic of China (the "PRC") | 126,410 | 119,018 |
| Other overseas countries | 8,976 | 11,394 |
| | <u>1,141,175</u> | <u>1,066,945</u> |

The revenue information above is based on the locations of the customers.

(b) Non-current assets

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--------------------------|-------------------------|-------------------------|
| Hong Kong | 201,351 | 167,973 |
| PRC | 73,514 | 26,437 |
| Vietnam | 34,972 | – |
| Malaysia | 5,426 | – |
| Other overseas countries | 929 | – |
| | <u>316,192</u> | <u>194,410</u> |

The non-current assets information above is based on the locations of the assets and excludes deferred tax assets, other receivables and financial assets at FVTPL.

Information about major customers

For the year ended 31 December 2025, revenues from customers which individually contributed over 10% of the Group's revenue is as follow:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|------------|-------------------------|-------------------------|
| Customer A | 546,589 | 455,789 |
| Customer B | N/A* | 154,024 |
| Customer C | 143,045 | N/A* |

* The corresponding revenue did not individually contribute over 10% of the Group's revenue during the year.

These revenues were attributable to the electronic products segment.

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2025

| Segments | Electronic products HK\$'000 | All other HK\$'000 | Total HK\$'000 |
|--------------------------------------|---|-------------------------------|---------------------------|
| Type of goods or services | | | |
| Sale of industrial products | <u>1,141,159</u> | <u>16</u> | <u>1,141,175</u> |
| Timing of revenue recognition | | | |
| Goods transferred at a point in time | <u>1,141,159</u> | <u>16</u> | <u>1,141,175</u> |

For the year ended 31 December 2024

| Segments | Electronic products HK\$'000 | All other HK\$'000 | Total HK\$'000 |
|--------------------------------------|---|-------------------------------|---------------------------|
| Type of goods or services | | | |
| Sale of industrial products | <u>1,066,911</u> | <u>34</u> | <u>1,066,945</u> |
| Timing of revenue recognition | | | |
| Goods transferred at a point in time | <u>1,066,911</u> | <u>34</u> | <u>1,066,945</u> |

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of industrial products

The performance obligation is satisfied upon delivery of the industrial products and payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required. Some contracts provide customers with volume rebates which give rise to variable consideration subject to constraint.

5 PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Cost of inventories sold and services provided | 619,659 | 600,986 |
| Provision of inventories | 4,241 | 395 |
| Depreciation of property, plant and equipment | 12,867 | 14,167 |
| Depreciation of right-of-use assets | 29,336 | 26,726 |
| Amortisation of other intangible assets | 479 | – |
| Auditors' remuneration | | |
| – Audit services | 2,460 | 2,260 |
| – Non-audit services | 320 | 310 |
| Changes in fair value of financial assets at FVTPL | 8,297 | 9,752 |
| Lease payments not included in the measurement of lease liabilities | 650 | 44 |
| Gain on disposal of property, plant and equipment | (370) | (1,513) |
| Foreign exchange differences, net | 80 | (5,299) |
| Interest income from bank deposits | (6,522) | (4,822) |
| Interest income from loan receivables | (755) | (736) |
| Rental income | (987) | (972) |
| Government grants (<i>note (i)</i>) | (99) | (277) |
| Directors' and chief executive's remuneration | 28,955 | 26,422 |
| Employee benefit expense (excluding Directors' and chief executive's remuneration): | | |
| Wages and salaries | 181,353 | 161,720 |
| Pension scheme expenses | | |
| – Contribution to defined benefit scheme | 11,361 | 8,907 |
| – Expenses arising from LSP obligations | 51 | 51 |
| Staff welfare and allowances | 3,123 | 4,996 |
| | 195,888 | 175,674 |

Notes:

- (i) During the year ended 31 December 2025, the Group received unconditional subsidies of HK\$99,000 (2024: HK\$277,000) from PRC local government authorities.

6. FINANCE COSTS

An analysis of finance costs is as follows:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Interest on bank loans and other loans | 10,149 | 13,591 |
| Interest on lease liabilities | 1,783 | 1,253 |
| Interest on LSP obligations | 9 | 50 |
| | <hr/> | <hr/> |
| Total finance costs | 11,941 | 14,894 |

7 INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is qualifying entity under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of qualifying entity is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong profits tax for this subsidiary was calculated at the same basis in 2024.

Pursuant to the PRC Income Tax Law and the respective regulations, the subsidiaries which operate in PRC are subject to Corporate Income Tax at a rate of 25% (2024: 25%) on the taxable income.

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|-------------------------------|-------------------------|-------------------------|
| Current – PRC | 11,593 | 11,297 |
| Current – Hong Kong | 7,567 | 7,282 |
| Overprovision in prior years | (1,785) | (711) |
| Deferred tax | (7,699) | 1,860 |
| | <hr/> | <hr/> |
| Total tax charge for the year | 9,676 | 19,728 |

8 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculations of basic earnings per share are based on:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Earnings | | |
| Profit attributable to ordinary equity holders of the Company | <u>47,171</u> | <u>63,085</u> |
| | Number of shares | |
| | 2025 | 2024 |
| Shares | | |
| Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation | <u>473,058,180</u> | <u>473,058,180</u> |

Diluted earnings per share was the same as basic earnings per share for the year ended 31 December 2025 and 2024 as the Group had no potentially dilutive ordinary shares in existence during the years.

9 DIVIDENDS

Dividends attributable to the year:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Interim dividend of HK3.0 cents per ordinary share (2024: HK3.0 cents) | 14,192 | 14,192 |
| Proposed final dividend of HK3.0 cents per ordinary share (2024: HK3.0 cents) | <u>14,192</u> | <u>14,192</u> |
| | <u>28,384</u> | <u>28,384</u> |

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10 TRADE RECEIVABLES

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|---------------------|-------------------------|-------------------------|
| Trade receivables | 245,556 | 216,398 |
| Less: ECL allowance | <u>(54,551)</u> | <u>(31,094)</u> |
| | <u>191,005</u> | <u>185,304</u> |

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 90 days. As at 31 December 2025, the Group's largest customer accounted for approximately 33.2% of the total trade receivables (2024: 13.7%). The customer has long term trading relationship with the Group with no defaults in the past and hence the Group does not consider there is any significant credit risk in this regard. The Group's other trade receivables relate to a large number of diversified customers. The Group's trade receivables amounted to HK\$34,134,000 (2024: HK\$ Nil) were pledged as security for the Group's bank loans. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the year, based on the invoice date, is as follows:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|----------------|-------------------------|-------------------------|
| Within 1 month | 91,560 | 76,752 |
| 1 to 2 months | 39,892 | 45,323 |
| 2 to 3 months | 29,899 | 29,852 |
| Over 3 months | <u>29,654</u> | <u>33,377</u> |
| | <u>191,005</u> | <u>185,304</u> |

11 TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the year, based on the invoice date, is as follows:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|----------------|-------------------------|-------------------------|
| Within 1 month | 87,453 | 66,414 |
| 1 to 2 months | 55,845 | 55,153 |
| 2 to 3 months | 14,518 | 9,011 |
| Over 3 months | <u>9,359</u> | <u>6,193</u> |
| | <u>167,175</u> | <u>136,771</u> |

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days.

12 ACQUISITION OF SUBSIDIARIES

Business combination

- (i) On 6 August 2025, the Group entered into a sale and purchase agreement to acquire 100% equity interest in Winner Sky Technology Hong Kong Limited (“Winner Sky”) from an independent third party at a total consideration of MYR4,393,000 (equivalent to approximately HK\$8,140,000).

The principal business activities of Winner Sky Technology Hong Kong Limited and its wholly-owned subsidiary, Winner Sky Technology Malaysia Sdn. Bhd incorporated in Malaysia (together, the “Winner Sky Group”), are the manufacturing, assembling and sales of electronics products, components and parts. The acquisition represents an investment opportunity to extend the Company’s production facilities to Malaysia to meet the changing needs of its customers.

The transaction was completed on 20 August 2025. Upon the completion of acquisition, Winner Sky Group became indirectly wholly-owned subsidiaries of the Company.

For details, please refer to the announcement of the Company dated 20 August 2025.

Consideration transferred

| | |
|------|-----------------|
| | <i>HK\$’000</i> |
| Cash | <u>8,140</u> |

Assets acquired and liabilities recognised at the date of acquisition

| | |
|-------------------------------|-----------------|
| | <i>HK\$’000</i> |
| Property, plant and equipment | 3,563 |
| Right-of-use assets | 1,919 |
| Trade and other receivables | 1,318 |
| Cash and cash equivalents | 976 |
| Trade and other payables | (4,925) |
| Deferred tax liabilities | (140) |
| Shareholder’s loan | (2,547) |
| Lease liabilities | <u>(1,951)</u> |
| Total | <u>(1,787)</u> |

The trade and other receivables acquired in these transactions with aggregated fair value and gross contractual amounts of HK\$1,318,000. The best estimate at acquisition date of the contractual cash flows not expected to be collected are insignificant.

Goodwill arising on acquisition

| | <i>HK\$'000</i> |
|---|-----------------|
| Consideration | 8,140 |
| Shareholder's loan | (2,547) |
| Fair value of identifiable net liabilities acquired | <u>1,787</u> |
| Goodwill arising on acquisition | <u>7,380</u> |

Goodwill arose in the acquisition of Winner Sky Group as the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Winner Sky Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Winner Sky Group

| | <i>HK\$'000</i> |
|-----------------------------------|-----------------|
| Consideration paid in cash | 8,140 |
| Cash and cash equivalent acquired | <u>(976)</u> |
| | <u>7,164</u> |

- (ii) On 30 September 2025, the Group entered into a sale and purchase agreement to acquire a 51% equity interest in EME Limited at the total consideration of HK\$43,434,000 (subject to deferred consideration).

The principal business activities of EME Limited and its subsidiaries (together, the "EME Group") are the design and distribution of electronic products. EME Group possesses strong research and development capabilities and has established a strong market presence in Europe with an extensive sales network and customer base, which represents an investment opportunity to provide valuable technical support to the Group's ongoing business activities and to expand the Group's customers' network in European markets and enable the Group to expand its geographical footprint beyond its current markets.

The transaction was completed on 31 October 2025. Upon the completion of acquisition, EME Group became indirectly non-wholly owned subsidiaries of the Company.

For details, please refer to the announcements of the Company dated 30 September 2025 and 31 October 2025 respectively.

Consideration transferred

| | <i>HK\$'000</i> |
|--|-----------------|
| Cash | 31,500 |
| Deferred consideration (<i>note a</i>) | <u>9,768</u> |
| Total | <u>41,268</u> |

Note:

- (a) The deferred consideration requires the Group to pay the vendor an additional maximum amount of HK\$11,934,000 in the following six financial years ending 31 December 2031 by the Group's entitlement for dividend over 50% of the consolidated net profit made by the EME Group in the following six financial year ending 31 December 2031.

The HK\$9,768,000 fair value of the deferred consideration liability initially recognised represents the present value of the Group's probability-weighted estimated profit for the year. It reflects management's estimate of a probability that the targets will be achieved and is discounted using an interest rate of 5.64%. As at 31 December 2025, there have been no changes in the estimate of the probable cash outflow.

Assets acquired and liabilities recognised at the date of acquisition

| | <i>HK\$'000</i> |
|-------------------------------|-----------------|
| Property, plant and equipment | 13,836 |
| Right-of-use assets | 9,851 |
| Inventories | 42,093 |
| Trade and other receivables | 43,636 |
| Deferred tax assets | 2,790 |
| Tax recoverable | 909 |
| Cash and cash equivalents | 5,905 |
| Trade and other payables | (40,657) |
| Borrowings | (6,113) |
| Lease liabilities | <u>(10,197)</u> |
| Total | <u>62,053</u> |

The trade and other receivables acquired in these transactions with aggregated fair value and gross contractual amounts of HK\$43,636,000. The best estimate at acquisition date of the contractual cash flows not expected to be collected are insignificant.

Non-controlling interests (“NCI”)

The NCI (49%) in EME Group recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of net assets of EME Limited and amounted to approximately of HK\$30,405,000.

Goodwill arising on acquisition

| | <i>HK\$’000</i> |
|--|-----------------|
| Consideration | 41,268 |
| NCI (49% in EME Limited) | 30,405 |
| Fair value of identifiable net assets acquired | <u>(62,053)</u> |
| Goodwill arising on acquisition | <u>9,620</u> |

Goodwill arose in the acquisition of EME Group as the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of EME Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of EME Group

| | <i>HK\$’000</i> |
|-----------------------------------|-----------------|
| Consideration paid in cash | 15,750 |
| Cash and cash equivalent acquired | <u>(5,905)</u> |
| | <u>9,845</u> |

The remaining cash consideration of HK\$15,750,000 was settled on 7 January 2026.

- (iii) On 9 December 2025, the Group entered into a sale and purchase agreement to acquire a 51% equity interest in Momentum Industrial (Vietnam) Limited (“Momentum Vietnam”) at a total consideration of US\$2,000,000 (equivalent to approximately HK\$15,560,000). The consideration is satisfied by the Company by utilising the refundable deposit of US\$2,000,000 previously paid under a refundable deposit agreement dated 11 September 2024.

Momentum Vietnam is principally engaged in the manufacture and trading of electronic products. The acquisition represents an investment opportunity to extend the Company’s production facilities to other Asian countries to meet the changing needs of its customers.

The transaction was completed on 31 December 2025. Upon the completion of acquisition, Momentum Vietnam became an indirectly non-wholly owned subsidiary of the Company.

For details, please refer to the announcements of the Company dated 9 December 2025 and 31 December 2025 respectively.

Consideration transferred

| | <i>HK\$’000</i> |
|------|-----------------|
| Cash | <u>15,560</u> |

Assets acquired and liabilities recognised at the date of acquisition

| | <i>HK\$’000</i> |
|-------------------------------|-----------------|
| Property, plant and equipment | 9,748 |
| Right of use assets | 7,749 |
| Inventories | 123 |
| Trade and other receivables | 2,834 |
| Cash and cash equivalents | 325 |
| Trade and other payables | (15,851) |
| Lease liabilities | <u>(8,681)</u> |
| Total | <u>(3,753)</u> |

The trade and other receivables acquired in these transactions with aggregated fair value and gross contractual amounts of HK\$2,834,000. The best estimate at acquisition date of the contractual cash flows not expected to be collected are insignificant.

Non-controlling interests

The NCI (49%) in Momentum Vietnam recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of net liabilities of Momentum Vietnam and amounted to approximately of debit NCI of HK\$1,839,000.

Goodwill arising on acquisition

| | <i>HK\$'000</i> |
|---|-----------------|
| Consideration | 15,560 |
| NCI (49% in Momentum Vietnam) | (1,839) |
| Fair value of identifiable net liabilities acquired | <u>3,753</u> |
| Goodwill arising on acquisition | <u>17,474</u> |

Goodwill arose in the acquisition of Momentum Vietnam as the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash inflow on acquisition of Momentum Vietnam

| | <i>HK\$'000</i> |
|-----------------------------------|-----------------|
| Cash and cash equivalent acquired | <u>(325)</u> |

13 CONTINGENT LIABILITIES

Potential litigation related to commission in dispute

In January 2026, ATM received a letter (the “Letter”) from Allpower Industry (International) Limited (“Allpower”) demanding for payment of overdue commission in the sum of approximately HK\$21,909,000. Allpower has introduced the Customer to ATM and ATM has agreed to pay a commission at an agreed commission rate for each electrostatic disinfectant sprayer sold to the Customer after the relevant invoice has been settled by the Customer. In the Letter, it was alleged (which the Group’s management disagrees) that Allpower would be entitled to the commission on those electrostatic disinfectant sprayers which have been returned by the Customer or under warranty claims by the Customer. Management is of the view that ATM and Allpower has mutually agreed that no commission would be payable for those electrostatic disinfectant sprayers and therefore ATM would not have any obligation to pay for the commission in so alleged by Allpower.

The Group has engaged a law firm to handle the potential claim and would vigorously defend and contest Allpower’s potential claim. The Company believes that the potential claim will not have any material adverse effect on the Group and the business and operations of the Group remain normal. The Company will closely monitor the situation and announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate. As at the date of this announcement, the Group had not received any writ of summons on this matter and no legal proceedings in relation to the potential claim were initiated against ATM.

Save as disclosed above, the Group did not have any other material contingent liabilities as at both 31 December 2025 and 2024.

PROPOSED DIVIDEND

The Board proposes the payment of a final dividend of HK3.0 cents per share. Together with the interim dividend of HK3.0 cents per share paid in October 2025, the total dividends paid or payable for the year 2025 will be HK6.0 cents per share. All dividends are paid in cash from funds generated from the Group's operations. The Group will have sufficient funds for its future expansion after the payment of dividends.

The proposed final dividend of HK3.0 cents per share will be payable to shareholders whose names appear on the register of members of the Company on 12 June 2026. Subject to the passing of the relevant resolution at the forthcoming annual general meeting, the final dividend will be payable on or about 26 June 2026.

ANNUAL GENERAL MEETING

The Annual General Meeting 2026 (the "AGM") of the Company will be held at Unit 408, 4/F, Citicorp Centre, 18 Whitfield Road, Hong Kong on 28 May 2026 at 11:00 a.m.. The notice of the AGM will be posted on the respective websites of the Company (<http://www.irasia.com/listco/hk/alltronics/index.htm>) and the Stock Exchange (<http://www.hkexnews.hk>) and dispatched to the shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 22 May 2026 to 28 May 2026 (both dates inclusive), during which period no share transfers will be effected. In order to qualify for attending and voting at the AGM, all share transfers 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 no later than 4:30 p.m. on 21 May 2026.

The register of members of the Company will also be closed from 10 June 2026 to 12 June 2026 (both dates inclusive), during which period no share transfers will be effected. In order to qualify for the proposed final dividend (subject to shareholders' approval at the AGM), all share transfers 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 no later than 4:30 p.m. on 9 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

The Group is principally engaged in the manufacture and trading of electronic products, plastic moulds, plastic and other components for electronic products. Other businesses mainly include the provision of energy saving business solutions. The revenue from the sales of electronic products is the major source of income of the Group.

Revenue

Total turnover for the year ended 31 December 2025 had increased by 7.0% to HK\$1,141.2 million, as compared to HK\$1,066.9 million for the year 2024. The increase in turnover was mainly due to the increase in sales of electronic products.

The turnover analysis by business segments for the two years ended 31 December 2025 and 2024 respectively is as follows:

| | 2025 | 2024 |
|---|-------------------------|------------------|
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Revenue from sales of electronic products | 1,141,159 | 1,066,911 |
| Revenue from other segment | 16 | 34 |
| | <u>1,141,175</u> | <u>1,066,945</u> |

Sales of electronic products comprise sales of finished electronic products; plastic moulds and components; and other components for electronic products. The increase in sales of electronic products was mainly due to the increase in the sales of finished electronic products. The sales of the Group's irrigation controller products to a major customer had increased by approximately HK\$90.8 million to HK\$546.6 million, as compared to HK\$455.8 million for the year 2024. Sales of walkie-talkie products had decreased by approximately HK\$9.3 million to HK\$95.7 million. Sales of plastic and moulds for the year were approximately HK\$75.3 million, compared to HK\$55.8 million for the year 2024. On the other hand, the sales of electronic component products had decreased from approximately HK\$237.0 million in 2024 to approximately HK\$179.5 million in 2025 as a result of the reduction in demand from customers.

Revenue from other segment remained at a low level and is less than 1% of the total revenue for the year.

In terms of geographical market, customers in the United States continued to be the major market for the Group's products and services which accounted for approximately 74.1% of the total revenue for the year (2024: 72.8%). On the other hand, sales to customers in Hong Kong and in the PRC accounted for approximately 5.8% (2024: 6.9%) and 11.1% (2024: 11.2%) of the total revenue for the year respectively.

Gross profit

The total gross profit for the year had increased by HK\$29.6 million mainly due to the increase in the total turnover for the year. The overall gross profit margin had improved from 19.8% for the year 2024 to 21.1% for the year 2025. The increase was mainly due to the increase in the sales proportion of those electronic products with a higher profit margin. The unit costs of raw materials including chips and plastic resins had remained stable during the year.

Expenses and finance costs

Distribution costs had increased by HK\$1.3 million mainly due to the increase in the sales revenue and transportation costs. Total administrative expenses had increased by approximately HK\$20.3 million which was mainly due to the increase in staff costs. The total staff costs for the year, including directors' emoluments, had increased by approximately HK\$22.7 million. The total directors' emoluments for the year had increased by approximately HK\$2.5 million.

Finance costs had decreased by HK\$3.0 million which was mainly due to the decrease in interests on bank loans and other loans by approximately HK\$3.4 million. The interest on lease liabilities had increased by approximately HK\$0.5 million during the year.

Other operating income/expenses

During the year, there was a net other operating expenses of approximately HK\$7.0 million which was mainly due to the loss on the changes in the fair value of financial assets at FVTPL and rental income.

Profit attributable to owners of the Company

The profit for the year attributable to owners of the Company was HK\$47.2 million, compared to a profit of HK\$63.1 million for the year 2024. The decrease in the net profit was mainly due to the increase in impairment losses on financial assets. Furthermore, there was a loss on the changes in the fair value of financial assets at FVTPL of HK\$8.3 million during the year.

PRODUCTION FACILITIES

The Group currently has six production facilities for the manufacturing of electronic products and components, four of which are located in the PRC, one is located in Malaysia and one is located in Vietnam. During the year, the Group spent approximately HK\$15.9 million to acquire property, plant and equipment to enhance its production capacity.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

At 31 December 2025, the Group's total cash and cash equivalents amounted to HK\$445.3 million. The net funds are sufficient to finance the Group's working capital and capital expenditure plans.

At 31 December 2025, total borrowings of the Group amounted to HK\$166.2 million, all of which are bank loans, of which HK\$20.6 million were denominated in United States dollars, HK\$136.7 million were denominated in Hong Kong dollars and HK\$8.9 million were denominated in Renminbi respectively.

The Group's trade receivable turnover, inventory turnover and trade payable turnover for the year were approximately 60 days, 94 days and 76 days respectively. These turnover periods are consistent with the respective policies of the Group on credit terms granted to customers and obtained from suppliers.

As at 31 December 2025, the Group's total current assets were HK\$963.5 million compared to HK\$928.8 million as at 31 December 2024, and the Group's total current liabilities were HK\$491.8 million compared to HK\$437.2 million as at 31 December 2025. The current ratio (current assets/current liabilities) as at 31 December 2025 was 2.0 times, compared to 2.1 times as at 31 December 2024.

During the year, the Company had not issued any new shares and had not repurchased any of its own shares on the Stock Exchange.

At 31 December 2025, the Company had in issue a total of 473,058,180 ordinary shares. A share option scheme (the "2016 Share Option Scheme") has been adopted by the shareholders of the Company at the annual general meeting of the Company held on 7 June 2016. There were no share options granted, exercised, lapsed or cancelled since the adoption of the 2016 Share Option Scheme. As at 31 December 2025, the Company did not have any share options outstanding.

CASH FLOWS

The net balance of cash and cash equivalents at 31 December 2025 was HK\$445.3 million, which had decreased by HK\$4.7 million compared to the balance at 31 December 2024.

The net cash generated from operating activities for the year was HK\$106.7 million. The net cash used in investing activities amounted to HK\$25.6 million, which was mainly due to HK\$15.9 million being paid for the acquisition of property, plant and equipment; HK\$16.7 million being paid for the acquisition of subsidiaries; HK\$2.0 million being paid for the acquisition of financial asset at FVTPL; and the decrease in loan receivables of HK\$8.3 million.

On the other hand, there was a net cash outflow of HK\$91.2 million from financing activities. During the year, new borrowings of HK\$175.9 million were obtained, and HK\$235.9 million was used to repay borrowings and principal repayment of lease liabilities. During the year, the Company paid dividend 28.4 million to its shareholders.

CAPITAL EXPENDITURE

During the year, the Group acquired property, plant and equipment at a total cost of HK\$15.9 million, mainly financed by internal resources of the Group.

SIGNIFICANT INVESTMENT AND MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the year, the Group has completed the following acquisitions to expand its production facilities in other Asian countries to cope with the needs of its customers:

1. On 20 August 2025, the Group has completed the acquisition of 100% equity interest in the Winner Sky Group at a consideration of MYR4,393,000 (equivalent to approximately HK\$8,140,000). The Winner Sky Group operates a factory in Penang for the manufacturing, assembling and sales of electronic products, components and parts. For details, please refer to the announcement of the Company dated 20 August 2025.
2. On 31 October 2025, the Group has completed the acquisition of a 51% equity interest in the EME Group at a total consideration of HK\$43,434,000 (subject to deferred consideration). The EME Group is principally engaging in the business of design and distribution of electronic products for its customers in Europe and the United States. For details, please refer to the announcements of the Company dated 30 September 2025 and 31 October 2025 respectively.

3. On 31 December 2025, the Group has completed the acquisition of a 51% equity interest in Momentum Vietnam. Momentum Vietnam operates a factory in Ho Chi Minh City, Vietnam, for the manufacturing and trading of electronic products. For details, please refer to the announcements of the Company dated 9 December 2025 and 31 December 2025 respectively.

The Board believes that the above acquisitions will enable the Group to have its own production facilities in Malaysia and Vietnam and this will improve the flexible of the Group's production facilities to better serve its customers. The acquisitions will also expand the Group's customers' network in overseas markets and enable the Group to expand its geographical footprint beyond its current markets.

Save as disclosed above, during the year, the Group did not have any other significant investment nor any material acquisition or disposal of subsidiaries.

PLEDGE OF ASSETS

At 31 December 2025, the Group had total bank borrowings of HK\$166.2 million, out of which HK\$38.0 million were secured by the land and buildings and right-of-use assets of HK\$135.4 million in aggregate, HK\$2.5 million were secured by short-term bank deposits of HK\$2.5 million and HK\$5.5 million were secured by trade receivables of HK\$34.1 million.

DEBT POSITION AND GEARING

As at 31 December 2025 and 31 December 2024, the Group was not in a net debts (being total bank loans and other borrowings and lease liabilities excluding trade debts and net of cash and cash equivalents) position. The total equity was approximately HK\$788.8 million (At 31 December 2024: HK\$729.9 million). There was no gearing percentage as at 31 December 2025 and 31 December 2024.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the maintaining appropriate debt and equity balance. The Directors review the capital structure of the Group on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through various alternatives including the payment of dividends, new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debts.

CONTINGENT LIABILITIES

Potential litigation related to commission in dispute

In January 2026, ATM received a letter (the “Letter”) from Allpower Industry (International) Limited (“Allpower”) demanding for payment of overdue commission in the sum of approximately HK\$21,909,000. Allpower has introduced the Customer to ATM and ATM has agreed to pay a commission at an agreed commission rate for each electrostatic disinfectant sprayer sold to the Customer after the relevant invoice has been settled by the Customer. In the Letter, it was alleged (which the Group’s management disagrees) that Allpower would be entitled to the commission on those electrostatic disinfectant sprayers which have been returned by the Customer or under warranty claims by the Customer. Management is of the view that ATM and Allpower has mutually agreed that no commission would be payable for those electrostatic disinfectant sprayers and therefore ATM would not have any obligation to pay for the commission so alleged by Allpower.

The Group has engaged a law firm to handle the potential claim and would vigorously defend and contest Allpower’s potential claim. The Company believes that the potential claim will not have any material adverse effect on the Group and the business and operations of the Group remain normal. The Company will closely monitor the situation and announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate. As at the date of this announcement, the Group had not received any writ of summons on this matter and no legal proceedings in relation to the potential claim were initiated against ATM.

Save as disclosed above, the Group did not have any other material contingent liabilities as at both 31 December 2025 and 2024.

UPDATE ON SETTLEMENT OF OVERDUE CONSIDERATION AND DEBT

On 15 April 2019, the Group has completed a very substantial disposal transaction (the “VSD Transaction”) in relation to the disposal of the Group’s investment properties business segment. On 15 July 2020, the Group has engaged a solicitor firm at Beijing to commence arbitration proceedings against the purchaser (the “Purchaser”) and the guarantor (the “Guarantor”) for collection of the overdue consideration of RMB100 million (the “Consideration”) and accrued interests in relation to the VSD Transaction. On 12 March 2021, the arbitration hearing was conducted at the Beijing Arbitration Commission (the “BAC”) and the arbitral award has been issued by the BAC on 5 August 2021. Under the arbitral award, it was decided by the BAC that, amongst other things, (i) the Purchaser and the Guarantor pay the overdue Consideration and accrued interests thereon to the Group, (ii) the Purchaser and the Guarantor bear the arbitration fees and the legal and other costs related to the arbitration, and (iii) the Purchaser and the Guarantor should settle all the amounts due to the Group within fifteen days from the date the arbitral award is delivered to the Purchaser and the Guarantor. As at the date of this announcement, the Group has not received the overdue Consideration and accrued interests thereon from the Purchaser and the Guarantor.

Alltronics Energy Saving (Shenzhen) Limited (“Alltronics Energy Saving”, being an indirect wholly-owned subsidiary of the Group) has filed an official civil complaint (民事起訴狀) (the “Complaint”) at the Shenzhen Intermediate People’s Court (深圳市中級人民法院) (the “Shenzhen court”) on 2 January 2020. Under the Complaint, Alltronics Energy Saving requested for immediate settlement of the debt of approximately RMB212 million (the “Debt”) and accrued interests thereon from the borrower (the “Borrower”) and the Guarantor in relation to the VSD Transaction.

On 28 April 2021, Alltronics Energy Saving has entered into a settlement agreement (the “Settlement Agreement”) with the Borrower and the Guarantor. Pursuant to the Settlement Agreement, the Borrower and the Guarantor have agreed to settle the Debt in accordance with the following schedule:

- (a) RMB20,000,000 on or before 31 May 2021;
- (b) RMB80,000,000 on or before 30 June 2021; and
- (c) the remaining balance on or before 31 December 2021.

Alltronics Energy Saving has submitted the Settlement Agreement to the Shenzhen Court for judicial recognition and confirmation. On 28 May 2021, the Shenzhen Court has delivered its judgement on the Settlement Agreement and it has become effective and legally binding on all parties. The Borrower and the Guarantor have not settled the Debt in accordance with the repayment terms in the Settlement Agreement. On 15 July 2021, Alltronics Energy Saving has applied to the Shenzhen Court for execution of the Settlement Agreement and the Shenzhen Court has accepted the application for execution of the Settlement Agreement.

In August 2021, the Group’s legal advisers in Beijing and Shenzhen advised that Henan Luohe Intermediate People’s Court (河南省漯河市中級人民法院) (the “Henan Court”) has accepted an application for bankruptcy liquidation against the Guarantor and a bankruptcy administrator of the Guarantor has been appointed by the Henan Court on 5 July 2021. The Group’s legal advisers in Beijing and Shenzhen have already filed the relevant documents for the declaration of creditor’s right to the bankruptcy administrator of the Guarantor to declare and to register all the amounts due from the Guarantor to the Group so as to protect the interests of the Group. As at the date of this announcement, the bankruptcy liquidation against the Guarantor is still in progress.

As at the date of this announcement, the Group has not received the overdue Consideration and the Debt from the Guarantor and the Borrower. Full impairment losses on the Consideration and the Debt have been made in the Group's audited consolidated financial statements for the year ended 31 December 2019. The Company will closely monitor the situation and further announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate.

EMPLOYEES

At 31 December 2025, the Group had 2,682 employees, of which 104 were employed in Hong Kong, 2,391 were employed in the PRC, and 187 were employed overseas. Salaries of employees are maintained at competitive levels. The Group operates a defined contribution mandatory provident fund retirement benefits scheme for all its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations in the PRC. The Group also offers discretionary bonuses to its employees by reference to the performance of individual employees and the overall performance of the Group.

No share options had been granted, exercised, lapsed or cancelled since the adoption of the 2016 Share Option Scheme. As at 31 December 2025, there were no share options remained outstanding.

The Group did not experience any significant labour disputes or substantial changes in the number of its employees that led to any disruption of its normal business operations. The Board believes that the Group's management and employees are the most valuable assets of the Group and they have contributed to the success of the Group.

FOREIGN EXCHANGE EXPOSURE

Most of the Group's sales are denominated in United States dollars and Renminbi, and most of the purchases of raw materials are denominated in Renminbi and Hong Kong dollars. Furthermore, most of the Group's monetary assets are denominated in Hong Kong dollars, United States dollars and Renminbi.

The Group's principal production facilities are located in the PRC whilst its sales proceeds are primarily settled in United States dollars, Hong Kong dollars or Renminbi. As such, management is aware of the potential foreign currency risk that may arise from the fluctuation of exchange rates between United States dollars, Hong Kong dollars and Renminbi. Management will consider various actions to minimise the risk, including the entering into forward foreign exchange contracts with major and reputable financial institutions to hedge its

foreign exchange risk exposure. These were for hedging against foreign exchange risk exposure relating to the production costs and certain outstanding payables denominated in Renminbi. As at 31 December 2025, the Group have outstanding forward foreign exchange contracts with an aggregate amount of US\$2,500,000 for the conversion of US\$ to RMB at agreed exchange rates. Management will continue to evaluate the Group's foreign currency exposure and take further actions as appropriate to minimise the Group's exposure whenever necessary.

OUTLOOK

Electronic products segment

During the year, the demand for the Group's electronic products remained stable and has resulted in an increase in revenue when compared to the prior year. However, management expects the operating environment to remain challenging in the year ahead and will keep alert and remain cautious.

Factors including the ongoing trade disputes between the United States and the PRC may further escalate geopolitical tensions and have a negative impact on the global economy. The current unstable political and economic environment due to the recent wars in the Middle East region may lead to unpredictable impact on the global economy. The various sanctions imposed or to be imposed on Hong Kong by the United States and other countries will continue to pose challenges to the Group's business. On the other hand, the risk of fluctuation in the exchange rate of Renminbi against United States dollars and Hong Kong dollars and the risk of high inflation and fluctuation in the interest rate and commodities prices will also affect the performance of the Group's electronic products segment. The Group will pay close attention to these factors and will continue to tighten controls over production costs and overheads and improve production efficiency to maximise the gross profit margin.

The tariffs imposed by the United States have impacted trade dynamics globally. An increasing number of customers have requested the Group to have production facilities established outside the PRC. During the year, the Group has completed the acquisition of two subsidiaries with production facilities in Malaysia and Vietnam respectively. These two acquisitions will strengthen the market position of the Group in the electronics industry and establish its presence in the Southeast Asia region. These acquisitions will result in more business opportunities for the Group and will also provide flexibility to the customers of the Group.

In terms of geographical market, the Group foresees that the United States will continue to be the major market for its products in the year ahead.

The Group will continue to explore opportunities for new electronic products with other potential customers so as to broaden its revenue base and to maintain its growth momentum.

Going forward, we see both challenges and opportunities. The Group will focus on its core electronic products segment and will continue to explore opportunities for new products and projects with existing and potential customers in Hong Kong, in the PRC and overseas to provide a better return to all shareholders.

CORPORATE GOVERNANCE

The Board believes that corporate governance is essential to the success of the Group. The Group keeps abreast of the best practices in the corporate governance areas and strives to implement such practices as appropriate. None of the Directors is aware of any information that would reasonably indicate that the Company or any of its Director is not or was not at any time during the year and up to the date of this announcement, in compliance with the Corporate Governance Code as set out in Appendix C1 of the Listing Rules. The Board will review and update the current practices regularly to ensure compliance with the latest practices in corporate governance to protect and maximize the interests of shareholders.

MODEL CODE FOR 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 of the Listing Rules as its code for dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors, the Company confirms that all Directors have complied with the required standard set out in the Model Code during the year ended 31 December 2025.

CHANGES IN INFORMATION OF DIRECTORS

At the annual general meeting of the Company held on 29 May 2025 (the “AGM”), Mr. Yau Ming Kim, Robert (“Mr. Yau”) retired as an independent non-executive director of the Company and did not seek for re-election. Mr. Yau has retired as an independent non-executive director of the Company upon conclusion of the AGM, and has ceased to be a member of each of the audit committee, remuneration committee and nomination committee of the Company. Mr. Lin Kam Sui, being an independent non-executive director of the Company, has been appointed as a member of each of the audit committee, remuneration committee and nomination committee of the Company with effect from the conclusion of the AGM to fill up the vacancy as a result of the retirement of Mr. Yau.

Save as disclosed above, there were no other changes in directors' information since publication of the 2024 annual report of the Company and there is no other information required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established with written terms of reference in compliance with the Listing Rules. The Audit Committee shall meet at least twice every year and currently comprises three members being the independent non-executive Directors of the Company, namely Mr. Pang Kwong Wah (Chairman), Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui.

The Audit Committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2025 at a meeting held on 30 March 2026, which is of the opinion that the consolidated financial statements complied with applicable accounting standards and legal requirements, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "Remuneration Committee") was established with written terms of reference in compliance with the Listing Rules. The Remuneration Committee shall meet at least once every year and shall have a minimum of five members, comprising a majority of independent non-executive Directors. The Chairman of the Remuneration Committee is Mr. Pang Kwong Wah and other current members include Mr. Lam Yin Kee, Ms. Yeung Po Wah, Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui.

NOMINATION COMMITTEE

The nomination committee of the Company (the "Nomination Committee") was established with written terms of reference in compliance with the Listing Rules. The Nomination Committee shall meet at least once every year and shall have a minimum of five members, comprising a majority of independent non-executive Directors. The Chairman of the Nomination Committee is Mr. Lam Yin Kee and other current members include Ms. Yeung Po Wah, Mr. Pang Kwong Wah, Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui.

SCOPE OF WORK OF GRANT THORNTON HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditors, Grant Thornton Hong Kong Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Grant Thornton Hong Kong Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by Grant Thornton Hong Kong Limited on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company has not redeemed any of its shares during the year ended 31 December 2025. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

This announcement is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and our Company's website (<http://www.irasia.com/listco/hk/alltronics/index.htm>). The annual report of the Company for the year ended 31 December 2025 containing all the information as required by the Listing Rules will be dispatched to shareholders and published on the websites of the Company and the Stock Exchange in due course.

By order of the Board
Alltronics Holdings Limited
Lam Yin Kee
Chairman

Hong Kong, 30 March 2026

As at the date of this announcement, the Board of the Company comprises:

Executive Directors

Mr. Lam Yin Kee, Mr. Lam Chee Tai, Eric, Ms. Yeung Po Wah, Mr. So Kin Hung and Ms. Lam Oi Yan, Ivy

Independent Non-executive Directors

Mr. Pang Kwong Wah, Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui