

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



BoardWare

BoardWare Intelligence Technology Limited

博維智慧科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1204)

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

FINANCIAL HIGHLIGHTS

Revenue of the Group increased from approximately HK\$648.0 million for FY2024 to approximately HK\$733.9 million for FY2025, representing an increase of approximately 13.3% compared to FY2024.

Gross profit of the Group increased from approximately HK\$124.8 million for FY2024 to approximately HK\$144.0 million for FY2025, representing an increase of approximately 15.4% compared to FY2024.

Profit for the year increased from approximately HK\$1.0 million for FY2024 to approximately HK\$8.1 million for FY2025, representing an increase of approximately 710.0% compared to FY2024.

Net profit margin of the Group increased from approximately 0.1% for FY2024 to approximately 1.1% for FY2025, representing an increase of approximately 1% points compared to FY2024.

Basic earnings per Share attributable to the Shareholders increased from approximately HK0.19 cent for FY2024 to approximately HK1.63 cent for FY2025, representing an increase of approximately 757.9% compared to FY2024.

As at 31 December 2025, cash and cash equivalents of the Group amounted to approximately HK\$66.4 million (31 December 2024: approximately HK\$85.9 million).

The board (the “**Board**”) of directors (the “**Directors**”) of BoardWare Intelligence Technology Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (“**FY2025**”) with the comparative figures for the year ended 31 December 2024 (“**FY2024**”) as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth the Group’s consolidated statement of profit or loss and other comprehensive income for the years indicated:

	<i>Notes</i>	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Revenue	3	733,916	648,012
Cost of sales and services		(589,905)	(523,215)
Gross profit		144,011	124,797
Other income		15,645	17,405
Distribution and selling expenses		(42,391)	(44,040)
Administrative expenses		(79,975)	(78,254)
Research and development expenses		(19,587)	(18,385)
Impairment losses under expected credit loss model, net of reversal		(4,937)	154
Other gains and losses, net		(1,446)	1,509
Share of results of joint ventures		(25)	–
Finance costs	5	(1,873)	(1,577)
Profit before tax		9,422	1,609
Income tax expense	7	(1,281)	(657)
Profit for the year	6	8,141	952
Other comprehensive income (expense)			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		978	(1,033)
Total comprehensive income (expense) for the year		9,119	(81)
		<i>HK cents</i>	<i>HK cents</i>
EARNINGS PER SHARE	9		
Basic		1.63	0.19
Diluted		N/A	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following table sets forth the Group's audited consolidated statement of financial position for the years indicated:

		As at 31 December	
		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS			
Non-current Assets			
Property, plant and equipment		40,655	27,839
Investment property		4,771	4,681
Right-of-use assets		7,428	14,925
Intangible assets		2,985	2,166
Interests in a joint ventures		30	15
Financial assets at fair value through profit or loss		109	109
Finance lease receivables		12,311	5,799
Deposits paid for purchase of property, plant and equipment		10,278	–
Deposits and prepayments		6,556	9,212
Deferred tax assets		475	612
Contract assets		11,496	8,926
Amounts due from joint ventures		6,817	–
		<u>103,911</u>	<u>74,284</u>
Current Assets			
Inventories		8,775	13,472
Finance lease receivables		17,906	6,047
Trade receivables	10	220,605	163,871
Deposits, prepayments and other receivables		64,552	81,639
Contract assets		141,613	141,255
Contract costs		11,092	8,487
Amounts due from joint ventures		126	–
Pledged bank deposits		62,583	10,734
Cash and cash equivalents		66,449	85,872
		<u>593,701</u>	<u>511,377</u>
Total Assets		<u>697,612</u>	<u>585,661</u>

		As at 31 December	
		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	12	5,000	5,000
Share premium and reserves		340,066	330,947
Total Equity		345,066	335,947
Non-current Liabilities			
Borrowings		5,042	–
Deferred tax liabilities		54	56
Lease liabilities		2,116	5,759
Contract liabilities		6,926	7,847
		14,138	13,662
Current Liabilities			
Trade and other payables	11	215,941	178,195
Amount due to a joint venture		–	15
Borrowings		79,352	14,696
Lease liabilities		5,171	9,024
Contract liabilities		36,544	33,047
Tax liabilities		1,400	1,075
		338,408	236,052
Total Liabilities		352,546	249,714
Total Equity and Liabilities		697,612	585,661

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is incorporated in the Cayman Islands as an exempted company with limited liability, and its shares (the “**Shares**”) are listed on Stock Exchange. Its ultimate parent is Tai Wah (BVI) Holdings Limited, which was a company incorporated in the British Virgin Islands. Its ultimate controlling party is Mr. Chao Ka Chon (“**Mr. Chao**”) who is also the Chairman and Chief Executive Officer of the Company. The address of the registered office and principal place of business of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company acts as an investment holding company. The principal activities of its subsidiaries are provision of IT integrated solution services (“**Professional IT services**”), support services from leasing contracts and security monitoring services (“**Managed services**”), IT equipment leasing, IT maintenance and consultancy services, and distribution and resale of packaged hardware and software in Macau, Hong Kong and Chinese Mainland.

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

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the IASB for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
----------------------	-------------------------

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

New and amendments to IFRS Accounting Standards in issue but not yet effective

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

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 ²
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³
IFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

Except for the new for IFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of other amendments to IFRS Accounting Standards will not have a material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss, provide disclosures on management-defined performance measures (MPMs) in the notes to the financial and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of IFRS 18) and IFRS 7 *Financial Instruments: Disclosure*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. REVENUE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers	693,864	638,694
Lease income from IT equipment	40,052	9,318
	<hr/>	<hr/>
Total	733,916	648,012
	<hr/> <hr/>	<hr/> <hr/>

(i) Disaggregation of revenue from contracts with customers

(a) An analysis of the Group's revenue by business line and nature is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Types of goods or services		
<i>Enterprise IT solutions</i>		
Professional IT services (<i>Note</i>)	306,411	289,562
Managed services	52,690	51,826
IT maintenance and consultancy services	51,385	51,745
	<hr/>	<hr/>
	410,486	393,133
	<hr/>	<hr/>
<i>Distribution and resale</i>		
Distribution	101,003	118,155
Resale	182,375	127,406
	<hr/>	<hr/>
	283,378	245,561
	<hr/>	<hr/>
Total	693,864	638,694
	<hr/> <hr/>	<hr/> <hr/>

Note: An amount of HK\$290,464,000 (2024: HK\$279,012,000) included under Professional IT services is recognised over time using the input method by reference to the proportion of contract costs incurred to date to the estimated total costs.

- (b) An analysis of the Group’s revenue by timing of satisfaction of performance obligation is as follows:

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Timing of revenue recognition		
A point in time	306,971	267,399
Over time	386,893	371,295
	<u>693,864</u>	<u>638,694</u>
Total	<u>693,864</u>	<u>638,694</u>

- (c) The following table sets out the Group’s revenue from external customers by geographical location as determined by the country/region of domicile which the Group operates. The geographical location of revenue of the Group is based on the physical location of assets through which the services were provided or the location at which the goods were delivered.

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Macau	475,004	461,179
Hong Kong	147,281	143,343
Chinese Mainland	71,579	34,172
	<u>693,864</u>	<u>638,694</u>
Total	<u>693,864</u>	<u>638,694</u>

4. SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment focuses on types of goods or services declined or provided. No other discrete financial information is provided other than the Group’s results and financial position as a whole. Accordingly, entity-wide disclosures, major customers and geographic information are presented.

- (a) The Group’s operations are located in Macau, Hong Kong and Chinese Mainland.

Information about the Group’s revenue from external customers is presented based on the location of the operations. Information about the Group’s non-current assets other than financial instruments and deferred tax assets is presented based on the physical location of the assets or the location of the operations to which they are allocated.

	Revenue from external customers		Non-current assets	
	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Macau	515,056	470,497	64,359	40,147
Hong Kong	147,281	143,343	6,068	8,091
Chinese Mainland	71,579	34,172	9,572	14,638
Others	–	–	20	34
	<u>733,916</u>	<u>648,012</u>	<u>80,019</u>	<u>62,910</u>

- (b) Revenue from external customers of the corresponding years contributing 10% or more of the total revenue of the Group are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A	85,552	107,170
Customer B	<u>82,410</u>	<u>74,381</u>

5. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on borrowings	1,394	942
Interest on lease liabilities	438	618
Other finance costs	<u>41</u>	<u>17</u>
	<u>1,873</u>	<u>1,577</u>

6. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditors' remuneration		
– Audit services	2,100	2,100
– Non-audit services	408	108
Amortisation of intangible assets	874	944
Cost of inventories sold and services provided	531,747	475,113
Depreciation of property, plant and equipment	11,093	7,305
Depreciation of right-of-use assets	8,537	9,242
Employee benefit expenses (including directors' emoluments and contributions to retirement benefits scheme)	148,577	136,869
Expense relating to short-term leases	392	225
Write-down of inventories	<u>12</u>	<u>2,113</u>

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
– Macau Complementary Tax	1,146	870
Deferred taxation	135	(213)
	<u>1,281</u>	<u>657</u>

The Group's principal applicable taxes and tax rates are as follows:

Macau

The entities within the Group incorporated in Macau are subject to Macau Complementary Tax at progressive rates ranging from 3% to 9% on the taxable income above 32,000 Macanese Pataca (“MOP”) but below MOP300,000, and thereafter at a fixed rate of 12%. For FY2025, the Macau tax authority introduced a one-time incentive that raised the tax-exempt income ceiling from MOP32,000 to MOP600,000. Consequently, profits surpassing MOP600,000 are subject to the standard 12% fixed tax rate.

Hong Kong

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

Chinese Mainland

Under the Law of the People's Republic of China on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of subsidiaries in Chinese Mainland is 25% for both years.

8. DIVIDEND

No dividends were paid or proposed for ordinary shareholders (the “Shareholders”) by the Company during FY2025 and FY2024, nor has any dividend been proposed at the end of the reporting period in respect of FY2025 and FY2024.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per Share is based on the Group's profit attributable to the owners of the Company of HK\$8,141,000 (2024: HK\$952,000) and the weighted average number of ordinary Shares calculated below.

	2025	2024
Weighted average number of ordinary Shares for the purpose of basic and diluted earnings per Share	<u>500,000,000</u>	<u>500,000,000</u>

No diluted earnings per Share are presented as the Company has no dilutive potential ordinary Shares outstanding during both years presented.

10. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables		
Contracts with customers	224,699	165,176
Less: Allowance for credit losses	<u>(4,094)</u>	<u>(1,305)</u>
	<u>220,605</u>	<u>163,871</u>

As at 1 January 2024, trade receivables from contracts with customers amounted to HK\$181,513,000.

The credit terms of trade receivables granted by the Group are generally between 1 to 3 months. The following is an aged analysis of trade receivables presented based on invoice dates:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Up to 3 months	106,762	103,282
Over 3 months and within 6 months	74,774	37,922
Over 6 months and within 1 year	36,311	16,529
Over 1 year	<u>6,852</u>	<u>7,443</u>
	<u>224,699</u>	<u>165,176</u>

As at 31 December 2025, included in trade receivables are bills receivable amounting to HK\$9,085,000 (2024: nil) that were endorsed to suppliers for settlement of trade payables. These endorsements were made on a full-recourse basis. As the Group has retained substantially all of the risks and rewards of ownership of the bills, taking into account the credit quality of the issuing counterparties, the bills continue to be recognised in full as trade receivables. The associated liabilities remain under trade payables until the maturity of the bills. All bills received by the Group have a maturity period of less than one year.

11. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	187,046	155,092
Salaries payable	14,503	13,853
Accrued expenses	5,830	5,014
Other taxes payable	1,924	892
Other payables	6,638	3,344
	<u>215,941</u>	<u>178,195</u>

Trade payables are unsecured and are usually paid within 1 to 3 months from recognition.

The following is an aged analysis of trade payables presented based on the invoice date:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	133,245	135,498
Over 1 month and within 3 months	28,050	11,912
Over 3 months and within 1 year	20,536	7,527
Over 1 year	5,215	155
	<u>187,046</u>	<u>155,092</u>

12. SHARE CAPITAL

	Number of Shares '000	Nominal value of Shares <i>HK\$'000</i>
Ordinary Shares of HK\$0.01 each		
Authorised		
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>10,000,000</u>	<u>100,000</u>
	Number of Shares '000	Nominal value of Shares <i>HK\$'000</i>
Issued and fully paid		
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>500,000</u>	<u>5,000</u>

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Information technology (“IT”) solutions involve the design, supply, integration, operation and maintenance of IT systems. IT solutions could be primarily categorised into two segments, namely (i) enterprise-grade design and implementation solutions and services provided to corporate customers in which different computing systems and software applications are either physically or functionally linked together to act as a coordinated whole (“**Enterprise IT solutions**”) and (ii) distribution and resale of hardware and software. Enterprise IT solutions could be further grouped as (i) Professional IT services, (ii) Managed services and (iii) IT maintenance and consultancy services.

As a Macau-based leading technology company, the Group remains at the forefront of technological innovation. Leveraging our core businesses – including IT solutions, artificial intelligence (“AI”), cybersecurity, brain-computer interface (“BCI”), and engineering intelligence – we are strategically aligned with the latest global technology trends and the Macau SAR government’s evolving policies to foster a diversified economy.

Global Technology Trends Reshaping the Industry Landscape

The year 2026 marks a pivotal shift from mere AI adoption to a deep-seated integration of AI across all facets of business and society. This “AI+” phase is characterised by several key trends that directly inform the Group’s strategic direction:

(i) The Rise of Agentic AI and Engineering Intelligence

Digital transformation has evolved beyond integrating technology; it is now about cultivating “engineering intelligence.” This involves using AI not just to automate tasks, but to identify systemic bottlenecks, manage technical cost, and orchestrate complex workflows. Developers are transitioning from code producers to strategic orchestrators, managing fleets of AI agents to solve end-to-end problems. In the cybersecurity realm, this manifests as “Agentic AI,” which, while powerful, necessitates new governance and security oversight to manage expanded attack surfaces.

(ii) Cybersecurity’s Paradigm Shift – From “Intrusion” to “Login”

The threat landscape has fundamentally changed. AI has democratised high-level cybercrime, enabling attackers to use large language models (“LLM”) for real-time network mapping and sophisticated identity theft. The focus has shifted from merely blocking intrusions to rigorously verifying identities, as attackers now seek to “log in” using compromised credentials rather than “break in” through traditional vulnerabilities. This underscores the critical importance of advanced identity and access management and AI-driven threat intelligence.

(iii) Practical Implementation of BCI and AI in Specialised Domains

BCI technology is rapidly evolving from experimental signal translation into dynamic bidirectional systems capable of reading, decoding, and understanding brain signals, as well as simulating or augmenting brain function. Recent technological breakthroughs in the industry have further expanded its application boundaries, particularly in the fields of therapeutic assistance and neurorehabilitation. Non-invasive acquisition techniques, such as ultrasound, are increasingly being adopted, paired with AI-powered advanced signal decoding algorithms. At the same time, in everyday scenarios, AI is shifting from passive command execution to active perception and autonomous decision-making. AI glasses are emerging as one of the key native terminals for enabling this kind of natural human-computer interaction, and they also represent an important vehicle for the future consumerisation of BCIs.

(iv) The Evolution of AI Infrastructure and Governance

As AI agents handle more core business data, enterprises are adopting a “balanced hybrid” strategy for computing power, favoring private clouds and local deployments for sensitive information. This is coupled with a growing recognition of the need for robust AI governance to manage regulatory volatility and the risks associated with generative AI.

Macau’s Strategic Policy Initiatives: A Catalyst for Growth

The Macau SAR government is proactively driving economic diversification through landmark policies that create a fertile ground for technology enterprises. The Group is poised to benefit significantly from these initiatives:

(i) Establishment of the MOP20 Billion Government Guidance Fund

In a monumental move to align with the national “15th Five-Year Plan,” the Macau government announced the establishment of a Government Guidance Fund. With an initial injection of MOP11 billion from fiscal reserves, aiming for a total scale of MOP20 billion with social capital, this fund embodies a “long-termism” and “patient capital” philosophy. It will strategically direct investments into key emerging industries, technology commercialization projects, and tech start-ups, fostering industrial upgrading and attracting quality enterprises and talent to Macau and Hengqin. As a certified “Key Technology Enterprise” and recipient of the “Merit Medal for Commerce and Industry”, the Group is ideally positioned to leverage this fund to accelerate our R&D and expansion plans.

(ii) *Deepening Integration with Hengqin and Cross-Border Data Pilots*

The “Macau Platform + Hengqin Space” model is gaining tangible momentum. The memorandum of understanding on cross-border data cooperation, signed by the Cyberspace Administration of China and the Macau government, is now set to create new growth drivers. By leveraging Hengqin’s policy advantages, the Group anticipates accelerating cross-border data flows, creating more application scenarios for our clients, and driving demand for our technological solutions. This policy supports our works of integrating “Macau Data + Hengqin Computing Power + Greater Bay Area Application Scenarios” to assist the plan of Hengqin Government to establish an international digital trade hub.

(iii) *Supporting Innovation through the “First-Store Economy” and Sector-Specific Policies*

The “First-Store Economy Scheme” is actively attracting international brands with new business formats, including those with technological elements. This enriches Macau’s tourism and commerce landscape, indirectly boosting demand for the sophisticated IT and AI solutions the Group provides. Furthermore, the government’s reinforced “1+4” diversification strategy continues to emphasize technology as a core pillar, integrating it with tourism and finance to create novel visitor experiences.

BUSINESS OUTLOOK

Capitalising on these powerful tailwinds from both global trends and local policies, the Group is executing a clear strategy to solidify our market leadership and drive sustainable growth.

(i) *IT Solutions and Engineering Intelligence: Capturing Enterprise Demand*

The demand for IT solutions in the Greater Bay Area is surging as enterprises accelerate digitalisation to improve efficiency. The Group is responding by moving beyond traditional system integration. We are embedding “engineering intelligence” into our offerings. Keeping pace with the forefront of technological development, we have led the team in executing strategic initiatives in the field of artificial intelligence, independently developing a full-stack AI technology system encompassing underlying frameworks, application platforms, and end-user devices. In 2025, we successfully launched two core platforms – BoardWare AI Unify Framework and TerraMind AI Agent Platform – empowering the entire process from hardware resource orchestration to enterprise-level intelligent applications, helping clients transition from passive IT infrastructure to predictive, intelligent operations. Our Professional IT services, Managed services, and IT maintenance and consultancy services are being enhanced with AI-driven analytics to provide proactive problem-solving and operational optimisation for our clients in Macau, Hong Kong, and Chinese Mainland. We will continue to benefit from the substantial investments by gaming concessionaires in non-gaming and smart venue technologies, as well as the broader digital transformation across all sectors.

(ii) AI and BCI: Commercialising Innovation

The Group's focused investment in R&D has begun to translate into tangible product outcomes. With the increasing application of AI across multiple sectors, the potential market for AI-enabled glasses continues to evolve. The AI glasses developed by the Group are designed to support applications in various cultural tourism scenarios and to serve as an enabling platform for a range of AI-driven applications. The Group's subsidiary, Barco Technologies Limited* ("**Barco**"), has made meaningful progress in the development of its BCI-enabled AI glasses under the BarcoSense series, positioning the Group to participate in this emerging market. These products are designed to address the practical needs of cultural tourism and other related sectors. In addition, the Group's digital human interaction solution, Stager Digital Human, together with its full-stack large-model native platform, is expected to create further application opportunities in the cultural tourism and retail industries. Certain of these technologies have received innovation project funding support from the FDCT, reflecting recognition of their technical merits and alignment with market demand for practical AI applications.

In the field of AI, the Group has achieved progress in the development and application of relevant technologies and believes that ongoing market-driven evolution of its business model may have a positive impact on the Group. However, the timing and extent of any such impact remain subject to market conditions and execution considerations, and no assurance can be given as to the achievement of specific financial outcomes. Looking ahead, the Group will continue to deploy resources to develop more scalable business models and products through technological innovation, with a view to expanding its presence in Chinese Mainland, Hong Kong, Macau and overseas markets. Subject to market conditions and internal approval, the Group intends to prudently establish business teams in markets outside Hong Kong and Macau in alignment with its product market strategies, thereby laying a foundation for its international development.

(iii) Cybersecurity: Adapting to the New Threat Paradigm

In response to the global shift from "intrusion" to "login", the Group is strengthening its cybersecurity portfolio. We are developing solutions that address the new attack surfaces created by Agentic AI and the proliferation of unmanaged AI agents. Our focus is on helping clients build robust identity and access management frameworks and deploy AI-driven threat intelligence to proactively defend against sophisticated, AI-powered attacks. This proactive stance is essential for protecting our clients' critical assets in an increasingly complex threat environment.

* *For identification purpose only*

(iv) Seizing Policy Opportunities in Chinese Mainland especially Hengqin

The policy breakthroughs in cross-border data flow are a game-changer. Our wholly-owned subsidiary in Hengqin, BoardWare Information System (Zhuhai) Limited*, a certified “Specialised, Sophisticated, and Innovative SME”, is perfectly positioned to be the execution arm for this new model. We will actively develop cross-border data services, leveraging Hengqin’s computing power and the Greater Bay Area’s vast application scenarios. This will not only expand our footprint in Chinese Mainland but also create a unique value proposition for clients requiring secure, compliant, and high-speed data processing across borders.

Additionally, the Group is exploring potential investment opportunities relating to a data and supercomputing center in the Hengqin Guangdong-Macao In-Depth Cooperation Zone through a proposed joint venture arrangement, leveraging concepts such as national cross-border data and data offshore. The initiative is currently at a preliminary planning and feasibility assessment stage, and no binding agreement has been entered into as at the date of the announcement. The Group believes that there is potential market demand for cross-border data and supercomputing centers. Subject to regulatory approvals, market conditions and project execution, the initiative, if proceeded, may contribute to the Group’s longer-term growth. However, no definitive investment timetable, capital commitment or return projection has been determined at this stage.

(v) Alignment with “1+4” Industrial Diversification and Growth Strategy

In alignment with the Macau SAR Government’s ongoing promotion of the “1+4” industrial diversification policy, the Group, as a Macau based listed technology company, will continue to support the development of the local technology industry by exploring opportunities to collaborate in the introduction and application of advanced technologies, including AI and BCI. Looking ahead, the Group remains open to potential equity partnerships with leading domestic and international enterprises, with a view to expanding the application scope of its products and services in IT, AI, BCI and other related fields. Any such potential collaboration will be subject to commercial discussions, due diligence, applicable regulatory requirements and internal approval procedures. In parallel, the Group intends to further explore international markets through channel partnerships, primarily focusing on Portuguese and Spanish speaking countries and Southeast Asia. The Group will evaluate opportunities to extend its overseas market presence beyond traditional IT solutions and into emerging technology areas, including AI and BCI, while prudently assessing market conditions, regulatory environments and execution risks.

* For identification purpose only

Looking ahead, the Group is confident in its growth trajectory. By aligning our deep technical expertise in IT solutions, AI, BCI, and cybersecurity with the transformative policies of the Macau SAR government and the inexorable trends of the global tech industry, we are well-equipped to capture emerging opportunities. Our recognition as a key technology enterprise by Macau SAR Government, coupled with our strategic positioning in Hengqin, provides a robust foundation for creating sustainable value for our Shareholders and contributing meaningfully to the region's technological and economic diversification.

BUSINESS REVIEW

The Group provides reliable, end-to-end and high-quality Enterprise IT solutions, covering Professional IT services, Managed services, and IT maintenance and consultancy services. By customer nature, customers of the Group's Enterprise IT solutions comprise (i) end-users such as telecommunication companies and technology companies (which engage us to build the system or IT infrastructure for them) in technology, media, and telecommunications sector, gaming and hotel brands, banks and financial institutions, and commercial customers in private sectors as well as governmental bodies and education institutions in public sector; and (ii) intermediaries such as solution companies which outsource the relevant work to the Group. Depending on the service nature, the Group prices the solutions and services under the Enterprise IT solutions business on a per project basis, actual usage basis and/or for a lump-sum or periodic service fee. The Group also provides standalone or extended IT maintenance services to customers, majority of which are customers of our Professional IT services business and distribution business.

In addition, the Group, as a distributor, had been engaging in the distribution and sale of mobility and security related hardware and system to downstream solution providers and resellers, which diversified our revenue source and complemented our Enterprise IT solutions business. Apart from distribution, we, as a reseller, also purchase hardware and software for onward sale to customers in Macau, Hong Kong and Chinese Mainland (which are mostly end-users and are existing or previous customers of our Enterprise IT solutions business) for their own business needs based on purchase order. We price the products sold under our distribution business based on the quotation we obtained from our suppliers and our targeted profit margin. Further, under our distribution business, as an authorised distributor of our suppliers, we are required to observe certain restrictions or covenants set by our suppliers.

The Group aspires to be the most reliable and efficient Enterprise IT solutions provider in Macau, Hong Kong and Chinese Mainland and our mission is to provide and offer a wide range of Enterprise IT solutions to the customers that will empower them to achieve optimal growth. The Group values and recognises the importance of being versatile and responsive to market changes and the Group strives for excellence through continuously offering products and designs that are both creative and add value to our customers' business. The Group also builds long-term and trusted relationships with the customers, the suppliers, system vendors and other business partners.

To be the most reliable and efficient Enterprise IT solutions provider in Macau, Hong Kong, and Chinese Mainland, the Group strives to increase its operational efficiency by shortening the project cycle. During FY2025, the Group's days of sales outstanding, which is calculated based on the sum of the average trade receivables and average contract assets, divided by revenue, and multiplied by 365 days, was 171.0 days, while the Group's inventory turnover days stood at 6.9 days.

During FY2025, the Group continuously maintained its leading position in the Macau IT solutions market by providing comprehensive and high-quality end-to-end Enterprise IT solutions as well as distribution and resale business to customers under various industry sectors in Macau, Hong Kong and Chinese Mainland, especially the Greater Bay Area.

Revenue of the Group increased from approximately HK\$648.0 million for FY2024 to approximately HK\$733.9 million, representing an increase of approximately HK\$85.9 million or 13.3% as compared to that of FY2024. The following table sets out a breakdown of the Group's revenue by business line and nature for FY2025 and FY2024:

	FY2025		FY2024	
	HK\$'000	%	HK\$'000	%
Enterprise IT solutions				
Professional IT services	306,411	41.8	289,562	44.7
Managed services and lease income from IT equipment	92,742	12.6	61,144	9.4
IT maintenance and consultancy services	51,385	7.0	51,745	8.0
	<u>450,538</u>	<u>61.4</u>	<u>402,451</u>	<u>62.1</u>
Distribution and resale				
Distribution	101,003	13.8	118,155	18.2
Resale	182,375	24.8	127,406	19.7
	<u>283,378</u>	<u>38.6</u>	<u>245,561</u>	<u>37.9</u>
Total	<u><u>733,916</u></u>	<u><u>100.0</u></u>	<u><u>648,012</u></u>	<u><u>100.0</u></u>

Enterprise IT solutions

Revenue from Enterprise IT solutions increased by approximately HK\$48.1 million or 11.9% from approximately HK\$402.5 million for FY2024 to approximately HK\$450.5 million for FY2025. Such increase was mainly attributable to the net effect of the increase in the revenue from Professional IT services by approximately HK\$16.8 million or 5.8%, the increase in the revenue from Managed services and lease income from IT equipment by approximately HK\$31.6 million or 51.7% and the decrease in the revenue from IT maintenance and consultancy services by approximately HK\$0.4 million or 0.7%.

The increase in revenue from Professional IT services was mainly due to the Group entered into several contracts with large contract sum and substantially completed during FY2025, of which the revenue contributed significant portion of revenue from Professional IT services during FY2025. The increase in revenue from Managed services and lease income from IT equipment was mainly due to the effect of the renewed contracts in relation to private cloud as a service (“**PCaaS**”) during FY2025.

In response to the opportunities from the substantial investments by gaming concessionaires in non-gaming, smart venue technologies as well as the broader digital transformation across all sectors, the Group will continuously expand our product range and enhance solutions with the advanced technological driven analytics. During early of 2026, the Group was awarded a Professional IT services contract by one of six gaming operators in Macau amounting to approximately US\$8.6 million, which the project will start from the second quarter of 2026. Looking ahead, the Group is well-positioned to capitalise on the sustained investments by gaming concessionaires in non-gaming and smart venue initiatives. The commencement of the approximately US\$8.6 million Professional IT services project in the second quarter of 2026 is expected to contribute meaningfully to the Group’s revenue base, enhance earnings visibility, and further strengthen the Group’s leadership in delivering large-scale digital transformation solutions.

Meanwhile, with the rapid growth in the uses of AI, the Group plans to leverage these technologies to develop new services such as AI as a service (“**AIaaS**”), which is a cloud-based offering that enables businesses to integrate artificial intelligence capabilities into their applications through pre-built tools, APIs, and machine learning models on a pay-as-you-go basis, eliminating the need to build and maintain their own AI infrastructure while making advanced AI technology accessible, cost-effective, and scalable for organisations of all sizes. The Group believes that such services will help the Group to expand its Managed services business.

Distribution and resale

Revenue from distribution and resale increased by approximately HK\$37.8 million or 15.4% from approximately HK\$245.6 million for FY2024 to approximately HK\$283.4 million for FY2025. Such increase was attributable to the net effect of the increase in the number of resales orders with large contract value received from the customers in Macau and Chinese Mainland during FY2025 and the unfulfilled distribution orders received at the end of FY2025.

With the rapid development of AI industry in Chinese Mainland, the demand for GPU servers and compute resources related devices will be increasing in Macau, Hong Kong and Chinese Mainland. The Group will continue to procure different IT products and endeavor to expand the resale channels to fulfill the needs from different customers in Macau, Hong Kong and Chinese Mainland to address the rising needs from customers.

Innovation and product development highlights

During the year, the Group continued to focus on the R&D of non invasive BCI and AI technologies. These technologies are increasingly applied across industries such as healthcare, smart living, and digital services. The Group has allocated resources to strengthen its technological capabilities in these areas with a view to developing human centric solutions that support both enterprise and consumer applications.

Dedicated R&D teams with specialised expertise in BCI and AI have been established. Together with the Group's application development team, this organisational structure supports the advancement of proprietary technologies into products under development and early stages of commercialisation. During the year, the Group continued to advance three core product lines, namely BCI AI Glasses, Stager Digital Human, and TerraMind, which together reflect the Group's strategic direction in integrating AI technologies with practical use scenarios.

(i) BCI AI Glasses

The BCI AI Glasses product line integrates non invasive BCI technology with AI in a wearable form factor. It is designed to enable intuitive human machine interaction by combining physiological signal monitoring with AI driven assistance for everyday use.

BarcoSense AI Glasses

BarcoSense AI Glasses are the Group's first generation BCI enabled AI glasses designed as a full function daily wearable. The device integrates a first person camera, audio system, AI voice Q&A powered by the Group's TerraMind AI agent, visual object recognition, and voice wake up functionality. TerraMind operates as the core AI application layer, enabling intelligent interaction, contextual assistance and task execution across daily use scenarios. It also incorporates EEG based attention assessment and facial EMG control, while maintaining a form factor comparable to conventional prescription eyewear or sunglasses.

During the year, the Group completed the product prototype. The hardware platform, core AI capabilities (including large model based voice interaction and visual recognition), as well as the supporting mobile application and backend operational systems, were developed. The Group has commenced preparatory work for tooling for mass production and is evaluating international crowdfunding as a potential market entry approach, subject to further planning and execution. Subject to development progress, regulatory requirements and market conditions, the Group is targeting an initial market launch of BarcoSense AI Glasses in the second half of 2026.

The product is positioned for the global B2C consumer market, with an initial focus on Europe and North America. It is intended to support daily activities such as commuting, work, sports, and travel by integrating AI assistance with physiological monitoring functions.

BarcoSense AI Glasses Pro

BarcoSense AI Glasses Pro is an upgraded model incorporating multi channel EEG, EMG, ECG, and blood oxygen sensors enabling TerraMind-powered AI driven environmental and behavioural recognition, as well as analysis of cognitive and emotional states. TerraMind serves as the intelligent agent framework supporting multimodal data processing, learning and adaptive user interaction. The device supports multimodal learning based on BCI and AI technologies to provide more adaptive assistance.

During the year, the Group developed a functional test prototype equipped with multimodal BCI sensors. Foundational multimodal perception algorithms and a supporting cloud based algorithm platform were completed. Subsequent development is expected to focus on sensor and hardware integration, perception algorithm optimisation, and user side application development for selected use cases. Subject to further development, system integration, testing results and applicable regulatory considerations, the Group is targeting an initial market launch of BarcoSense AI Glasses Pro in the second half of 2026.

This model is designed for both enterprise and consumer markets. For enterprise customers, it is intended to support operational scenarios such as high risk operations, advanced manufacturing, and specialised maintenance. For consumer users, it aims to provide adaptive AI assistance based on multimodal input.

(ii) Stager Digital Human

Stager Digital Human is the Group's virtual digital human solution, combining 3D modelling, computer graphics, and AI technologies to create digital representations for enterprise applications. This product line is intended to enhance digital interaction by introducing more human like virtual interfaces.

AI Virtual Digital Human

AI Virtual Digital Human is a high fidelity 3D virtual entity built on proprietary 3D modelling, computer graphics, motion capture, and AI rendering technologies. The platform supports voice interaction, industry specific LLM training, and synchronised facial expressions and gestures for professional interaction scenarios.

During the year, the core technology stack reached a stage suitable for initial deployment. The four principal technical architectures – modelling, animation, voice synthesis, and interaction – were implemented, with multimodal interaction and industry knowledge integration completed. The platform is being prepared for enterprise level customisation and deployment.

The solution targets B2B enterprise customers and is intended for use in commercial environments such as retail venues, hotels, and cultural tourism locations. During the year, the Group engaged with several cultural tourism clients and continued to assess commercial opportunities in this sector.

(iii) TerraMind

The Group began deploying AI-related businesses and investing in AI technologies, including model training and AI agent development, as early as two years ago. During the year, the Group launched its first independently developed AI agent, TerraMind, and commenced its market introduction under a products-and-services integrated model. TerraMind is the Group's AI agent ecosystem, comprising a suite of tools and platforms designed to automate knowledge-based tasks and enhance productivity across enterprise and consumer applications. This product line reflects the Group's continued focus on developing practical, scalable and secure AI solutions.

TerraMind Agent Platform

TerraMind Agent Platform is an enterprise grade low code/no code platform for building customised AI assistants. It features visual workflow orchestration, vector database management, multi model LLM integration, and knowledge base management functions.

During the year, TerraMind Agent Platform was launched and became operational. A basic version of the evaluation module was completed and delivered to users. The Group entered into discussions with potential customers regarding commercial arrangements, and the platform will continue to undergo iterative enhancement based on user feedback.

The platform is designed for B2B customers, including enterprises, government agencies, and large organisations, as well as individual developers and advanced users seeking customised AI solutions. Pilot deployments and user testing are ongoing.

Computer Use

Computer Use is a desktop AI assistant designed to support office productivity. Key features include multilingual support in Mandarin, Cantonese, and English, application guidance, meeting transcription and summarisation, and browser based task automation.

During the year, development progressed to an advanced stage. Core meeting assistant functionality was completed and underwent internal testing. Initial versions of the browser agent and coworking modules were developed, with further feature iterations planned.

The solution adopts a hybrid commercial approach, targeting B2B use cases such as government and enterprise meeting documentation, while also offering a personal version for individual users.

Transform AI

Transform AI is an intelligent form processing and validation system designed to automate the conversion of paper based documents into structured digital data. The system incorporates an AI driven validation engine that applies natural language based rules to verify extracted information.

During the year, the system remained under active development, with continued optimisation of the user interface and core functions. R&D efforts focused on enhancing OCR capabilities, including intelligent data extraction and automated information verification.

The solution is primarily positioned for government sector customers and is intended to support application processing and document verification workflows in high volume administrative environments.

During the year, the Group made continued progress across its R&D initiatives, with several proprietary products advancing toward commercialisation. The Group believes that these initiatives have the potential to contribute to future growth as development milestones are achieved and market validation progresses.

The Group's R&D activities are supported by internal financial resources and external funding. During the year, the Group received government grants from FDCT and the authorities in the Guangdong Macao In Depth Cooperation Zone in Hengqin, which recognise the technical merits of certain projects and provide additional support for ongoing development. While certain R&D projects, including those undertaken by Barco, remain at a development and validation stage, the Group expects that, subject to successful commercialisation and market adoption, future revenue contributions may help progressively reduce reliance on Group funding for R&D activities. The Group will continue to manage its R&D investments prudently while executing its development roadmap, noting that the timing and extent of any such revenue contribution and profitability remain subject to various factors, and no assurance can be given as to the achievement of specific financial outcomes.

FINANCIAL REVIEW

Revenue

Revenue of the Group increased by approximately HK\$85.9 million or 13.3% to approximately HK\$733.9 million for FY2025 from approximately HK\$648.0 million for FY2024. The increase was attributable to the aggregate effect of the increase in revenue generated from the Enterprise IT solutions business by approximately HK\$48.1 million and the increase in revenue generated from distribution and resale business by approximately HK\$37.8 million. For explanations of such change in revenue, please refer to the section headed "Business Review" in this announcement.

Cost of sales and services

Cost of sales and services of the Group increased by approximately HK\$66.7 million or 12.7% to approximately HK\$589.9 million for FY2025 from approximately HK\$523.2 million for FY2024, which was in line with the increase in revenue during FY2025. There were no significant changes in the mix of cost of sales and services for both period.

Gross profit and gross profit margin

Gross profit of the Group increased by approximately HK\$19.2 million or 15.4% to approximately HK\$144.0 million for FY2025 from approximately HK\$124.8 million for FY2024. Such increase was attributable to an improvement in the gross profit margin of the Professional IT services business, primarily resulting from the execution and substantial completion of a higher proportion of contracts with greater complexity during FY2025. As a result, the gross profit margin increased by approximately 0.3 percentage point from approximately 19.3% for FY2024 to approximately 19.6% for FY2025.

Other income

Other income of the Group decreased by approximately HK\$1.8 million or 10.3% to approximately HK\$15.6 million for FY2025 from approximately HK\$17.4 million for FY2024. The decrease was primarily attributable to the net effect of (i) no income from the partnership agreement entered into with a gaming operator, which aims to provide support to small and medium-sized enterprises in Macau for digital economy development, as the income of approximately HK\$3.9 million recognised in FY2024 was non-recurring in nature; (ii) the decrease in the interest income from bank deposits by approximately HK\$0.5 million due to lower interest rate offered by the banks in Macau for the pledged deposits during the year; (iii) the decrease in government grant by approximately HK\$0.2 million due to the decrease in government grant received by the Group relating to research and development activities; and offset by (iv) the increase in incentives from vendors amounted to approximately HK\$1.3 million, primarily attributable to a higher level of sponsorships received from vendors for marketing events held in Macau.

Distribution and selling expenses

Distribution and selling expenses of the Group decreased by approximately HK\$1.6 million or 3.6% to approximately HK\$42.4 million for FY2025 from approximately HK\$44.0 million for FY2024. The decrease was mainly following (i) the reorganisation of the sales and marketing teams in Hong Kong and Chinese Mainland; and offset by (ii) the increase in commission expenses by HK\$1.0 million which was in line with the increase in the revenue of the Group.

Administrative expenses

Administrative expenses of the Group increased by approximately HK\$1.7 million or 2.2% to approximately HK\$80.0 million for FY2025 from approximately HK\$78.3 million for FY2024. The increase was mainly attributable to the net effect of (i) the increase was mainly attributable to an increase in employee benefit expenses of approximately HK\$4.7 million, resulting from higher discretionary performance bonuses and, separately, compensation paid in connection with staff restructuring; (ii) the increase in the depreciation of property, plant and equipment by approximately HK\$1.6 million resulting from the office renovation which was completed in FY2024; (iii) the decrease in the legal and professional expenses by approximately HK\$1.4 million resulting from no legal and professional expenses arising from potential merger and acquisition projects during FY2025; (iv) the decrease in entertainment and travelling expenses by approximately HK\$1.1 million due to less business trips during FY2025; and (v) the decrease in depreciation of right of use assets by approximately HK\$0.7 million due to the termination of two office rentals in Chinese Mainland during FY2025.

Research and development expenses

Research and development expenses of the Group increased by approximately HK\$1.2 million or 6.5% to approximately HK\$19.6 million for FY2025 from approximately HK\$18.4 million for FY2024. The increase was attributable to the net effect of (i) the increase in depreciation of property, plant and equipment by approximately HK\$1.2 million resulting from the GPU servers purchased for the development of technologies in AI and LLM; (ii) the increase in materials used for research and development activities by approximately HK\$0.8 million resulting from the latest product progress related to AI and BCI; and (iii) the decrease in employee benefits expenses by approximately HK\$0.7 million due to reduction of number of research team's headcount of office in Beijing. For the details of latest development of the Group's R&D activities, please refer to the section headed "Business Review" in this announcement.

Impairment losses under expected credit loss model, net of reversal

Impairment losses under expected credit loss model, net of reversal of the Group primarily represent the net impairment losses on trade receivables, finance lease receivables and contract assets in respect of impairment assessment in accordance with IFRS 9 as of 31 December 2025. During FY2025, a net impairment loss amounting to approximately HK\$4.9 million (FY2024: a net reversal of impairment loss amounting to approximately HK\$0.2 million).

Other gains and losses, net

For FY2025, other net losses mainly consisted of net exchange losses of approximately HK\$1.6 million (FY2024: net exchange gains of approximately HK\$1.6 million), the fair value loss on revaluation of investment property of approximately HK\$0.1 million (FY2024: approximately HK\$0.1 million) and net gains on termination of lease agreements of approximately HK\$0.2 million.

Finance costs

Finance costs of the Group increased by approximately HK\$0.3 million or 18.8% to approximately HK\$1.9 million for FY2025 from approximately HK\$1.6 million for FY2024. The increase was mainly attributable to the increase in interest costs from bank borrowing of approximately HK\$0.5 million resulting from the more borrowing raised from the banks in Macau and Chinese Mainland during FY2025.

Income tax expense

Income tax expense of the Group increased by approximately HK\$0.6 million or 85.7% to approximately HK\$1.3 million for FY2025 from approximately HK\$0.7 million for FY2024. The increase was mainly attributable to the increase in profit before tax for the year. The effective tax rate decreased by approximately 27.2 percentage points to 13.6% for FY2025 from 40.8% for FY2024. The decrease was mainly attributable to the decrease in the unrecognised tax losses arising from subsidiaries in Chinese Mainland.

Profit for the year

As a result of the foregoing reasons, profit for the year of the Group for FY2025 increased by approximately HK\$7.1 million or 710.0% to approximately HK\$8.1 million for FY2025 from approximately HK\$1.0 million for FY2024.

TREASURY POLICY

The Group has adopted a conservative approach towards its treasury policies and thus maintained a healthy liquidity position throughout FY2025. The Group strives to reduce exposure to credit risk by assessing the potential customer's credit quality, defining credit limit by customer and conducting regular meetings and reviews on the overdue status of the customers. To manage liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Company to finance the Group's operations and meet its short-term and long-term funding requirements.

LIQUIDITY AND FINANCIAL RESOURCES

The Group financed its operations mainly through a combination of cash flow from operations and borrowings. As at 31 December 2025, the Group had cash and cash equivalents of approximately HK\$66.4 million (31 December 2024: approximately HK\$85.9 million) that were mainly denominated in HK\$, MOP, Renminbi (“**RMB**”) and United States dollar (“**US\$**”). The decrease in the cash and cash equivalents is mainly attributable to (i) the increase in pledged deposits by approximately HK\$51.8 million due to the renewal of the bank facility in Macau; and (ii) the acquisition of computer equipment for R&D activities.

The gearing ratio of the Group as at 31 December 2025, which was calculated based on the total borrowings as at the respective dates, was approximately 24.5% (31 December 2024: 4.4%). The increase was mainly attributable to the increase in bank borrowings obtained from the banks in Macau and Chinese Mainland for the Group's operations.

As at 31 December 2025, the Group had total borrowings of approximately HK\$84.4 million (31 December 2024: HK\$14.7 million), which mainly comprised of secured bank borrowings of approximately HK\$74.2 million (31 December 2024: approximately HK\$14.7 million) and unsecured bank borrowings of approximately HK\$10.2 million (31 December 2024: nil).

As at 31 December 2025, the Group had total lease liabilities of approximately HK\$7.3 million (31 December 2024: approximately HK\$14.8 million), of which short-term lease liabilities amounted to approximately HK\$5.2 million (31 December 2024: approximately HK\$9.0 million).

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's operations and financial performance are subject to various risks. The Directors believe that the following are the principal risks and uncertainties specific to the Group's business and industry. A summary of these risks and the mitigation strategies currently implemented by management is set out below.

Exposure to market risk

The Group operates in a highly competitive IT solutions industry. The Board considers that rapid technological change and the presence of established players create continuous pressure to maintain competitiveness and expand market share. Failure to enhance our competitive position could adversely affect revenue growth, profitability, and long-term strategic plans.

Management addresses market risks through a strategy focused on innovation, differentiation, and market expansion. R&D investment has been significantly increased in high-growth areas such as AI, LLM, and BCI technologies, with dedicated teams established in Macau and Chinese Mainland. These investments are expected to generate proprietary intellectual property and create new revenue streams – including AI-driven solutions and software products – reducing reliance on traditional, project-based Enterprise IT solutions.

Strategic partnerships with leading technology vendors from both China and abroad, provide access to cutting-edge technologies and joint marketing opportunities, enhancing solution capabilities and market reach. The Group also develops deep domain expertise in high-growth niches such as AI, BCI, cybersecurity, and smart city solutions, differentiating itself from generalist competitors.

Brand reputation is actively built through industry recognition, including the “Merit Medal for Commerce and Industry” from the Macau SAR Government and certification as a “Key Technology Enterprise”. A dedicated team monitors market trends and competitor activities to inform strategic planning. As a regional player with deep local knowledge, the Group differentiates itself through agility and customer-centricity, responding quickly to customer needs and providing responsive after-sales support. Certifications including ISO 9001, ISO 27001, and various vendor-specific credentials demonstrate commitment to quality and compliance. By developing a diversified solutions portfolio – from traditional enterprise IT integration to proprietary AI and BCI offerings – the Group positions itself as a comprehensive IT solution service provider, enhancing overall competitiveness.

Overreliance on major customers in Macau

The Group generates most of its revenue from enterprises operating in the gaming and hospitality, government, and technology, media, and telecommunications sectors in Macau. Any deterioration in Macau's economic, social, or political conditions could harm the Group's overall performance, as Macau remains the primary market.

To mitigate concentration risk, the Group is executing a strategy focused on geographic expansion and business development with customers beyond gaming and hospitality. Leveraging proven expertise and track record in Macau's market, the Group is capturing new customers and securing contracts in Chinese Mainland and Hong Kong through expanded sales and marketing efforts. The team closely monitors Hengqin-Macau policies, utilising support for Macau-funded enterprises to drive expansion in Hengqin, while also exploring opportunities in overseas markets including the Middle East and Portuguese-speaking countries.

Aligning with the Macau SAR Government's "1+4" diversification strategy, the Group is targeting emerging sectors such as "Big Health", modern financial services, high technology, and conference and exhibitions to reduce reliance on gaming and hospitality-related customers. Through expanded sales and marketing efforts in new geographic markets, relationships are being built with enterprises across a wider range of industries, positioning the Group to serve customers in sectors such as healthcare, retail, financial services, and public services, both within and outside Macau. Through these combined strategies, the Group aims to build a more resilient and diversified revenue portfolio, reducing vulnerability to adverse conditions in any single market or sector.

Uncertainties related to overruns and/or delays in projects

The Group's IT solution projects typically have durations ranging from 1 to 5 years. Various factors, including technical challenges or resource constraints, may affect project schedules and costs. Delays could lead to penalty clauses, additional unbudgeted costs, or project termination, materially affecting business and financial performance.

Robust project management controls mitigate this risk. A structured project governance framework is established for each engagement, with clearly defined roles, responsibilities, and escalation procedures. Project managers conduct regular reviews comparing budgeted costs against actual expenditure, and regular status meetings identify potential delays early. Technology-enabled dashboards track real-time progress and resource allocation.

During project initiation, risk assessments are conducted and contingency plans developed, including buffer time and budget reserves for high-risk activities. Given that delays can arise from third-party suppliers, an approved vendor list is maintained with regular performance evaluations, and contracts include clear service level agreements to ensure timely delivery. When overrun risk is identified, management acts promptly to allocate appropriate additional resources. Transparent communication with clients is maintained throughout the project lifecycle, with any potential delays or scope changes communicated early and formally documented. Upon project completion, post-implementation reviews capture lessons learned to continuously improve project estimation and execution capabilities.

The Board will continue to monitor the above risks and update the Group's risk management strategies as necessary to safeguard the interests of the Company and its Shareholders.

CAPITAL COMMITMENTS

As at 31 December 2025, the Group had capital commitments of approximately HK\$258,000 (31 December 2024: HK\$677,000) relating to capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statement. The decrease in capital commitments is mainly attributable to the fact that no significant office renovation projects were being undertaken as at 31 December 2025.

As at 31 December 2025, the Group's share of the capital commitments made jointly with other joint ventures related to its joint ventures amounted approximately HK\$49,500,000 (31 December 2024: nil) related to contributions to a subsidiary but not recognised.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group executed guarantees of approximately HK\$155.0 million (31 December 2024: nil) in favour of the relevant banks in respect of facilities granted to subsidiaries. As at 31 December 2025, HK\$70.7 million of the facilities (31 December 2024: nil) had been utilised.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no significant investment, material acquisition or disposal of subsidiaries and associated companies by the Group during FY2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group had no other future plans for material investments or capital assets.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed a total of 350 employees (including three executive Directors and excluding one non-executive Director and three independent non-executive Directors), as compared to a total of 341 employees (including four executive Directors and excluding one non-executive Director and three independent non-executive Directors) as at 31 December 2024. The remuneration packages that the Group offers to its employees include salary, commissions, discretionary performance bonuses, pension scheme and other cash subsidies. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of its decisions with respect to salary raises, bonuses and promotions. The total staff costs incurred by the Group for FY2025 were approximately HK\$148.6 million compared to approximately HK\$136.9 million for FY2024. Various on-the-job trainings were provided to the employees based on their job duties' needs.

The remuneration of the Directors is decided by the Board upon recommendation from the remuneration committee of the Company having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted the share option scheme on 20 June 2022 where options to provide eligible participants with the opportunity to acquire proprietary interests in the Company and to encourage eligible participants to work towards enhancing the value of the Company. No share options have been granted to the eligible participants under the share option scheme during FY2025.

PLEDGE OF ASSETS

The following assets of the Group were pledged to secure banking facilities and a bank guarantee requested by a supplier as of 31 December 2025 and 31 December 2024:

	2025 <i>HK\$ million</i>	2024 <i>HK\$ million</i>
Investment property	4.8	4.7
Pledged bank deposits	62.6	10.7
	67.4	15.4

EVENTS AFTER THE REPORTING PERIOD

There were no other significant events after the end of the reporting period and up to the date of this announcement that either require adjustment to the financial statement or are material to the understanding of the Group's current position.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during FY2025 and up to the date of this announcement.

DIVIDEND

The Board has resolved not to recommend the declaration of final dividend for FY2025 (FY2024: nil).

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and to the best knowledge of the Board, as at the date of this announcement, the Company has maintained a public float of not less than 25% of the issued Shares (excluding treasury shares) as required under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

CORPORATE GOVERNANCE PRACTICES

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Company has adopted the code provisions stated in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**CG Code**").

Except for the deviation from code provision C.2.1 of the CG Code, the Company's corporate governance practices have complied with the CG Code for FY2025. Under code provisions C.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. Mr. Chao is the chairman of the Board and the chief executive officer of the Company. In view of the fact that Mr. Chao has been responsible for the day-to-day management of the Group since 2010 and the steady development of the Group, the Board believes that with the support of Mr. Chao's extensive experience and knowledge in the business of the Group, vesting the roles of both chairman and chief executive officer in Mr. Chao strengthens the consistent and solid leadership of the Group, thereby allowing efficient business planning and decision which is in the best interest of the Group and the Shareholders as a whole.

The Directors consider that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstances. Notwithstanding the above, the Board is of the view that the current management structure is effective for the operations, and sufficient checks and balances are in place. The Board will continue to review the effectiveness of the corporate governance structure of the Company in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group’s senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities. Having made specific enquiries with all the Directors, all the Directors confirmed that they have complied with the Model Code during FY2025.

AUDIT COMMITTEE

The Company has established its audit committee (the “**Audit Committee**”) on 20 June 2022 in compliance with Rule 3.21 of the Listing Rules and with written terms of reference in compliance with the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Mr. Man Wing Pong, Dr. U Seng Pan and Mr. Suen Chi Wai. Mr. Man Wing Pong has been appointed as the chairman of the Audit Committee and he possesses the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules. The primary duties of the Audit Committee are, among others, to review and supervise the financial reporting process and internal control procedures of the Group, and to develop and review the policies and procedures for corporate governance and make recommendations to the Board.

REVIEW OF ANNUAL RESULTS

The annual results of the Group for FY2025 have been reviewed by the Audit Committee, including the accounting principles and practices adopted by the Group. Based on their review and discussions with the management of the Company, there is no disagreement by the Audit Committee with the accounting treatment adopted by the Group and the Audit Committee was satisfied that the annual results were prepared in accordance with applicable accounting standards and fairly present the Group’s financial position and results for FY2025.

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 FY2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 30 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The register of members of the Company will be closed from Monday, 15 June 2026 to Thursday, 18 June 2026, both days inclusive, for the purpose of determining the identity of members who are entitled to attend and vote at the Company's forthcoming annual general meeting (the "AGM") scheduled to be held on Thursday, 18 June 2026. In order to be eligible to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share register 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 Friday, 12 June 2026.

The circular containing the details of the AGM will be published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.boardware.com), and will be despatched to the Shareholders in due course.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual result announcement of the Company is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.boardware.com). The annual report of the Company for FY2025 containing all the information required by the Listing Rules will be despatched to the Shareholders and published on the aforesaid websites in due course.

By order of the Board
BoardWare Intelligence Technology Limited
Chao Ka Chon
Chairman and Executive Director

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises Mr. Chao Ka Chon, Ms. Chiu Koon Chi and Mr. Ng Hong Kei as executive Directors; Mr. Li Haodong as non-executive Director; and Mr. Man Wing Pong, Dr. U Seng Pan and Mr. Suen Chi Wai as independent non-executive Directors.