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C-LINK SQUARED LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1463)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 31 December 2025 was approximately RM126.6 million, representing an increase of approximately 30.5% from approximately RM97.0 million for the preceding year.
- Gross profit for the year ended 31 December 2025 was approximately RM25.3 million, representing an increase of approximately 3.9% from approximately RM24.3 million for the preceding year.
- Loss attributable to equity holders of the Company for the year ended 31 December 2025 was approximately RM182.1 million, representing an increase in loss of approximately RM160.7 million from loss attributable to equity holders of the Company of approximately RM21.4 million for the preceding year.
- Basic loss per share attributable to equity holders of the Company for the year ended 31 December 2025 was approximately RM6.41 sen, representing an increase in loss per share of approximately RM5.66 sen from approximately RM0.75 sen for the preceding year.
- The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: No final dividend).

The board (the “**Board**”) of directors (the “**Director(s)**”) of C-Link Squared Limited (the “**Company**” or “**we**”) is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024, as follows:

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December

	<i>Notes</i>	2025 RM’000	2024 <i>RM’000</i>
Revenue from contracts with customers	4	126,574	96,990
Cost of sales		<u>(101,283)</u>	<u>(72,658)</u>
Gross profit		25,291	24,332
Other income	5	1,330	1,148
Selling and distribution expenses		(222)	(519)
Administrative expenses		(205,500)	(43,186)
Finance costs	6	<u>(195)</u>	<u>(316)</u>
Loss before tax	7	(179,296)	(18,541)
Income tax expense	8	<u>(2,178)</u>	<u>(2,569)</u>
Loss for the year		<u>(181,474)</u>	<u>(21,110)</u>
Other comprehensive loss			
<i>Item that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of foreign operations		<u>(1,890)</u>	<u>(1,901)</u>
Other comprehensive loss for the year, net of tax		<u>(1,890)</u>	<u>(1,901)</u>
Total comprehensive loss for the year		<u>(183,364)</u>	<u>(23,011)</u>

	<i>Note</i>	2025 RM'000	2024 RM'000
(Loss)/profit attributable to:			
Equity holders of the Company		(182,107)	(21,430)
Non-controlling interests		633	320
		<u>(181,474)</u>	<u>(21,110)</u>
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		(183,739)	(23,086)
Non-controlling interests		375	75
		<u>(183,364)</u>	<u>(23,011)</u>
Loss per share attributable to the equity holders of the Company:			
Basic and diluted (<i>RM sen</i>)	<i>9</i>	<u>(6.41)</u>	<u>(0.75)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December

	Notes	2025 RM'000	2024 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		22,364	22,693
Right-of-use assets		3,581	3,976
Intangible assets		3,098	4,745
Goodwill	11	6,994	191,911
Prepayments		689	830
Deferred tax asset		580	575
		<u>37,306</u>	<u>224,730</u>
Current assets			
Inventories		1,699	2,089
Trade receivables	12	18,761	19,211
Prepayments, deposits and other receivables		12,584	5,546
Income tax recoverable		35	363
Cash and bank balances		53,171	59,723
		<u>86,250</u>	<u>86,932</u>
Total assets		<u>123,556</u>	<u>311,662</u>
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables	13	1,135	1,405
Other payables		5,475	5,792
Contract liabilities		2,400	3,694
Income tax payable		366	93
Loans and borrowings		1,557	2,731
Lease liabilities		508	457
		<u>11,441</u>	<u>14,172</u>
Net current assets		<u>74,809</u>	<u>72,760</u>

	<i>Notes</i>	2025 <i>RM'000</i>	2024 <i>RM'000</i>
Non-current liabilities			
Loans and borrowings		–	1,559
Lease liabilities		144	491
Deferred tax liabilities		159	264
		<u>303</u>	<u>2,314</u>
Total liabilities		<u>11,744</u>	<u>16,486</u>
Net assets		<u>111,812</u>	<u>295,176</u>
Capital and reserves attributable to equity holders of the Company			
Share capital	<i>14</i>	5,189	5,189
Reserves		101,557	285,296
		106,746	290,485
Non-controlling interests		<u>5,066</u>	<u>4,691</u>
Total equity		<u>111,812</u>	<u>295,176</u>
Total equity and liabilities		<u>123,556</u>	<u>311,662</u>

NOTES TO FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The registered office of the Company is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The headquarters and principal place of business of the Company is located at No. 1, Persiaran Sungai Buloh, Taman Industri Sungai Buloh, Kota Damansara, 47810 Petaling Jaya, Selangor, Malaysia. The principal place of business of the Company in the Hong Kong Special Administrative Region (“**Hong Kong**”) of the People’s Republic of China (the “**PRC**”) is located at Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

The principal activity of the Company is investment holding. During the Reporting Period, the Company’s principal subsidiaries were mainly engaged in (i) the provision of outsourced services, including the provision of outsourced document management services and related software applications and enterprise software solutions services in Malaysia as well as the provision of outsourced insurance risk analysis services and insurance marketing services in the PRC (which for the purposes of this announcement only, excludes Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC, unless otherwise specified), (ii) the distribution and sales of medical equipment and pharmaceutical products in the PRC, and (iii) the provision of internet hospital and brick-and-mortar clinical services in the PRC.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance (the “**Companies Ordinance**”). In additions, the consolidated financial statements include applicable disclosures required by Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange. The consolidated financial statements have been prepared on the historical cost basis. The consolidated financial statements are presented in Ringgit Malaysia (“**RM**”) and all values are rounded to the nearest thousand, except when otherwise indicated.

2.2 Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRSs issued by IASB for the first time, which are mandatorily effective for annual periods beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The amendments to IFRSs in the current year have had no material effect on the Group’s results and financial position for the current or prior financial years. The Group has not applied any other new standards or interpretation that is not yet effective for the current accounting year.

3. SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the provision of outsourced services. The Group is also involved in the distribution and sales of medical equipment and pharmaceutical products, and the provision of internet hospital and brick-and-mortar clinical services.

Since over 90% of the Group's revenue is generated by its provision of outsourced services, no operating segments have been aggregated to form the above reportable operating segment.

The Group's revenue from external customers was derived mainly from its operations in Malaysia, Singapore and the PRC for the years ended 31 December 2025 and 2024; and the non-current assets of the Group were mainly located in Malaysia and the PRC as at 31 December 2025 and 2024.

(a) Geographical information

	For the year ended	
	31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Geographical markets		
Malaysia	86,235	71,603
Singapore	3,240	2,398
the PRC	37,099	22,989
	<hr/>	<hr/>
Total revenue from contracts with customers	126,574	96,990
	<hr/> <hr/>	<hr/> <hr/>

(b) Non-current assets

	2025		2024	
	<i>RM'000</i>		<i>RM'000</i>	
Malaysia	29,515	31,488		
the PRC	7,211	192,667		
	<hr/>	<hr/>		
Total	36,726	224,155		
	<hr/> <hr/>	<hr/> <hr/>		

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, prepayments, intangible assets and goodwill but do not include deferred tax assets.

(c) **Information about major customers**

Revenue from the top 5 customer groups of the Group's revenue for each reporting period is set out below:

	Representing % of total revenue	Sales amount RM'000
For the year ended 31 December 2025		
Bank Group A	20.0%	25,350
Bank Group B	13.3%	16,836
Bank Group C (Note)	10.7%	13,524
Bank Group D	7.0%	8,866
Insurance Group E	6.4%	8,040
	<hr/>	<hr/>
Total	57.4%	72,616
	<hr/> <hr/>	<hr/> <hr/>
For the year ended 31 December 2024		
Bank Group A	22.9%	22,252
Bank Group B	16.0%	15,506
Bank Group D	8.5%	8,216
Retail Customer F	5.6%	5,440
Insurance Group E	5.5%	5,328
	<hr/>	<hr/>
Total	58.5%	56,742
	<hr/> <hr/>	<hr/> <hr/>

Note: The revenue for the year ended 31 December 2024 did not contribute over 10% of the total revenue of the Group for that year.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

4.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the year ended	
	31 December	
	2025	2024
	RM'000	RM'000
Type of services		
Outsourced services:		
– Document management	81,640	67,322
– Insurance marketing	34,944	17,227
– Insurance risk analysis	–	111
– Enterprise software solutions:		
– Customised software	6,574	5,181
– Electronic document warehouse services	1,261	1,498
Others:		
– Distribution and sales of medical equipment	1,411	1,032
– Sales of pharmaceutical products	–	2,555
– Internet hospital and brick-and-mortar clinical services	744	2,064
Total revenue from contracts with customers	126,574	96,990
Timing of revenue recognition		
At a point in time	118,739	90,311
Over time	7,835	6,679
Total revenue from contracts with customers	126,574	96,990

4.2 Performance obligations

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

Outsourced document management services

The performance obligation is satisfied at a point in time and payment is generally due upon completion of the service.

Outsourced insurance risk analysis services and insurance marketing services

The performance obligation is satisfied at a point in time when the report or data is delivered to and accepted by its customers and payment is generally due upon completion of the service.

Customised software

The performance obligation is satisfied over-time and payment is generally due upon achieving pre-agreed billing milestones.

Electronic document warehouse services

The performance obligation is satisfied over-time and payment is generally due in advance at the beginning of the service period.

Distribution and sales of medical equipment and pharmaceutical products

The performance obligation upon acceptance of goods by the customer and payment is generally due in advance before delivery.

Internet hospital and brick-and-mortar clinical services

The performance obligation is satisfied at a point in time and payment is generally due upon completion of the service.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 and 2024 is as follows:

	As at 31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Expected to be recognised:		
Within one year	2,415	1,969
More than one year	151	151
	<u>2,566</u>	<u>2,120</u>

The Group applies the practical expedient on the exemption to disclose the information on the remaining performance obligations that have original expected durations of one year or less.

The remaining performance obligations expected to be recognised in more than one year as at 31 December 2025 relate to the enterprise software solutions to be satisfied within or more than two years (2024: within or more than two years).

5. OTHER INCOME

	For the year ended	
	31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Interest income	1,090	1,124
Gains on early termination of lease	23	–
Compensation income from insurance claimed	217	–
Others	–	24
	<u>1,330</u>	<u>1,148</u>

6. FINANCE COSTS

	For the year ended	
	31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Interest expenses on:		
– Term loan	131	271
– Lease liabilities	64	45
	<u>195</u>	<u>316</u>

7. LOSS BEFORE TAX

The following items have been included in arriving at loss before tax:

	For the year ended	
	31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Auditors' remuneration:		
– statutory	682	603
– others	66	102
Cost of services recognised as expenses	91,284	62,762
Cost of inventories recognised as expenses	1,599	1,677
Staff costs (<i>Note (i)</i>)	11,946	11,793
Depreciation of property, plant and equipment (<i>Note (ii)</i>)	926	1,158
Depreciation of right-of-use assets (<i>Note (iii)</i>)	699	610
Amortisation of intangible assets (<i>Note (iv)</i>)	1,647	1,647
Impairment loss on goodwill (<i>Note 11</i>)	184,917	23,323
(Reversal of allowance)/allowance for expected credit losses		
on trade receivables	(65)	47
Bad debts written off:		
– trade receivables	37	–
Allowance/(reversal of allowance) for unutilised leave	55	(66)
Net unrealised (gains)/losses in foreign currency	(503)	38
Legal and other professional fees	2,206	1,790
Software license fee	3,844	1,960
Research and development expenses	602	1,786

Notes:

- (i) Staff costs of approximately RM6,553,000 (2024: approximately RM6,308,000), approximately RM112,000 (2024: approximately RM138,000) and approximately RM5,281,000 (2024: approximately RM5,347,000) are included in “Cost of sales”, “Selling and distribution expenses” and “Administrative expenses” in the consolidated statement of comprehensive income, respectively.
- (ii) Depreciation of property, plant and equipment of approximately RM199,000 (2024: approximately RM264,000) and approximately RM727,000 (2024: approximately RM894,000) have been included in “Cost of sales” and “Administrative expenses” in the consolidated statement of comprehensive income, respectively.
- (iii) Depreciation of right-of-use assets is included in “Administrative expenses” in the consolidated statement of comprehensive income.
- (iv) Amortisation of intangible assets is included in “Cost of sales” in the consolidated statement of comprehensive income.

8. INCOME TAX EXPENSE

	For the year ended	
	31 December	
	2025	2024
	RM'000	RM'000
Current income tax:		
– Malaysia	2,576	2,505
– the PRC	2	96
(Over)/under provision in prior years:		
– Malaysia	(200)	31
– the PRC	(90)	(236)
	2,288	2,396
Deferred tax	(110)	173
Income tax expense	2,178	2,569

9. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Basic loss per share is calculated by dividing the Company's net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following reflects the loss and share data used in the computations for basic and diluted loss per share attributable to equity holders of the Company:

	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Loss for the year attributable to equity holders of the Company for the purposes of basic and diluted loss per share	<u><u>(182,107)</u></u>	<u><u>(21,430)</u></u>
	Number of shares	
	2025	2024
	<i>'000</i>	<i>'000</i>
Weighted average number of shares for the purposes of basic and diluted loss per share	<u><u>2,841,857</u></u>	<u><u>2,841,857</u></u>

The Group had no potential dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

10. DIVIDEND

The Board does not recommend the distribution of a final dividend for the year ended 31 December 2025 (2024: No final dividend).

11. GOODWILL

	Provision of internet hospital and brick-and- mortar clinical services business RM'000
Cost	
As at 1 January 2024	–
Additions through acquisition of a subsidiary	<u>215,234</u>
As at 31 December 2024, 1 January 2025 and 31 December 2025	<u><u>215,234</u></u>
Accumulated impairment losses	
As at 1 January 2024	–
Impairment loss recognised in the year (Note 7)	<u>23,323</u>
As at 31 December 2024 and 1 January 2025	23,323
Impairment loss recognised in the year (Note 7)	<u>184,917</u>
As at 31 December 2025	<u><u>208,240</u></u>
Carrying amount	
As at 31 December 2025	<u><u>6,994</u></u>
As at 31 December 2024	<u><u>191,911</u></u>

Impairment testing

For the year ended 31 December 2025, the recoverable amount of the above cash-generating unit (“CGU”) of internet hospital and brick-and-mortar clinical services business has been determined based on a value in use (“VIU”) calculation. That calculation uses cash flow projections of the CGU based on financial budgets approved by management covering a five-year period at a pre-tax discount rate of 25%. The pre-tax discount rate used reflects current market assessments of the time value of money and the risks specific to the CGU.

The cash flows are forecasted to be increased by 12.5% in average per annum for a five-year period and the cash flows beyond this 5-year period are extrapolated using a 2% growth rate. The growth rates used are based on the estimated growth rate of the CGU taking into account the past performance and industry trend and management expectation of future business performance and prospect of the CGU.

In view of the operating results of the CGU and the management expectation, an impairment loss on goodwill amounted to approximately RM184,917,000 is recognised for the year ended 31 December 2025.

12. TRADE RECEIVABLES

	As at 31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Trade receivables		
Third parties	19,244	19,759
Less: Allowance for expected credit losses	(483)	(548)
	<u>18,761</u>	<u>19,211</u>
Trade receivables, net	<u>18,761</u>	<u>19,211</u>

Trade receivables are non-interest bearing and are generally on 30 days (2024: 30 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

An aging analysis of the trade receivables as at the end of the respective reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Within 1 month	11,933	10,521
1 to 2 months	2,928	3,636
2 to 3 months	1,566	2,752
Over 3 months	2,334	2,302
	<u>18,761</u>	<u>19,211</u>
	<u>18,761</u>	<u>19,211</u>

13. TRADE PAYABLES

	As at 31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Trade payables		
Third parties	991	1,340
Amounts due to a related party	144	65
	<u>1,135</u>	<u>1,405</u>

An aging analysis of the trade payables as at the end of the respective reporting period, based on invoice date, is as follows:

	As at 31 December	
	2025	2024
	<i>RM'000</i>	<i>RM'000</i>
Within 1 month	446	1,151
1 to 2 months	217	254
2 to 3 months	–	–
Over 3 months	472	–
	<u>1,135</u>	<u>1,405</u>

14. SHARE CAPITAL

	Number of shares	
	(<i>'000</i>)	<i>HK\$'000</i>
	Ordinary shares of one third Hong Kong cent each	
Authorised:		
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	4,500,000	15,000

	Number of shares ('000)	<i>HK\$'000</i>	<i>RM'000</i>
Issued and fully paid:			
At 1 January 2024	2,400,000	8,000	4,233
Acquisition of a subsidiary (<i>Note</i>)	<u>474,251</u>	<u>1,581</u>	<u>956</u>
At 31 December 2024, 1 January 2025 and 31 December 2025	<u><u>2,874,251</u></u>	<u><u>9,581</u></u>	<u><u>5,189</u></u>

Note:

On 26 January 2024, the Group acquired the entire equity interest in Sun Join Investment Limited (“**Sun Join**”) and the consideration of which was satisfied by the issue of 474,251,497 shares of the Company (the “**Shares**”) at an issue price of HK\$1 per share. The issue of 474,251,497 Shares of par value of one third Hong Kong cent each amounted to approximately HK\$1,580,838 had been accounted as share capital of the Company and the remaining balance had been accounted as part of the share premium of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are principally engaged in (i) the provision of outsourced services, including the provision of outsourced document management services and related software applications and enterprise software solutions services in Malaysia as well as the provision of outsourced insurance risk analysis services and insurance marketing services in the PRC, (ii) the distribution and sales of medical equipment and pharmaceutical products in the PRC, and (iii) the provision of internet hospital and brick-and-mortar clinical services in the PRC. Our outsourced document management services represent our largest revenue stream which include (a) electronic document delivery; (b) document print and mail fulfilment; (c) magnetic ink character recognition cheque (“**MICR Cheque**”) print and mail fulfilment; (d) medical ID card print and mail fulfilment; and (e) document imaging and scanning services. Our subsidiaries in the PRC are principally engaged in the operation of outsourced insurance risk analysis services and insurance marketing services business, the distribution and sales of medical equipment and pharmaceutical products business, and the provision of internet hospital and brick-and-mortar clinical services in the PRC.

Over the years, we have successfully developed proprietary enterprise software applications which focus on information technologies (“**IT**”) that drive digital transformation for large companies in the banking, insurance and retail industries in Malaysia. Our solutions are mainly developed by our team of experienced IT engineers who have longstanding experience in both the IT and the financial services industries, with the objective of optimising the IT document management system of our clients. Our proprietary enterprise software applications offer our customers tailored solutions that enhance efficiency, security and customer experience. These customised IT solutions are designed to manage complex, transaction-heavy processes and often integrate seamlessly with the financial institution’s infrastructure to facilitate process automation and efficiency. The financial services industry is undergoing a rapid, technology-driven transformation, with cloud computing and artificial intelligence (“**AI**”) acting as primary catalysts to modernize infrastructure and integrate diverse solutions. The Group’s customers in the financial industry are increasingly turning to new technologies not just to modernize their systems but also to integrate a variety of different solutions within a single platform. This shift often leads to increased demand for higher-value services, including AI-driven and enhanced digital platforms, which increases revenue streams for us.

The Group has experienced a transition from cost-intensive method document mail fulfilment to multi-channel digital delivery through IT software solutions, resulting in a shift in our business model. The transition signals a move towards more efficient and potentially more lucrative services as this move could mean higher profit margins because of lower overhead costs and potentially higher-value services. An added positive effect of this shift to digital services is the increased adoption of IT software solutions by banks, including those with overseas branches.

Investing in new technologies is essential for sustained competitiveness, and this requires our constant monitoring of market trends, customer needs and competitive forces to identify opportunities and threats. The Group actively and regularly assesses its performance, strategies and the external environment to evolve its proprietary enterprise IT software and strengthen its competitive edge. By coupling this forward-thinking vision with a strong emphasis on continuous investment in technology, we build a solid foundation for new product development and stay ahead of market shifts.

Furthermore, in recent years, we have successfully expanded and diversified our business in the PRC. On 26 January 2024, the Company completed its acquisition of 100% of the issued shares of Sun Join through its direct wholly-owned subsidiary, Core Squared Limited (the “**Acquisition**”), and further diversified the Group’s business by entering into the businesses of the provision of internet hospital and brick-and-mortar clinical services. Through the Acquisition, the Group has gained access to a comprehensive range of services that encompass both the digital and physical aspects of healthcare, and a ready-made platform is provided to the Group to enter into the internet hospital market which allows the Group to capitalize its growth potential in the PRC. At the same time, the brick-and-mortar clinical services provide a complementary and tangible aspect to the Group’s business. The Acquisition allows the Company to leverage the existing infrastructure, facilities, and expertise of the clinics controlled by Sun Join through its subsidiaries. This combination of virtual and physical healthcare services ensures a comprehensive and holistic approach to patient care, catering to a wide range of healthcare needs in the PRC.

FUTURE PLANS AND PROSPECTS

We intend to achieve sustainable growth in our business and create long-term value for the shareholders of the Company (the “**Shareholders**”). To achieve our goals, we propose to implement the following strategies:

- (i) Expanding the Group’s data processing and technical capacity:
 - converting an existing building we acquired in 2022 into a new tier 2 compliant data centre (the “**Data Centre**”) to upgrade our IT infrastructure for expanding our outsourced document management services and our enterprise software solutions.
- (ii) Expanding the Group’s market presence locally and exploring expansion regionally to capture further market share:
 - maintaining and strengthening our relationship with existing customers and capturing new customers mainly in Malaysia, Singapore, Vietnam and the PRC.

The Group has applied approximately RM6.2 million (equivalent to approximately HK\$12.0 million) out of its internal resources for the design and project management of the Data Centre since 2020. However, as a result of the unprecedented outbreak of the novel coronavirus pandemic (“**COVID-19 Outbreak**”) since the beginning of 2020, the Malaysian Government implemented a series of preventative measures throughout the country, including but not limited to the Movement Control Order (the “**MCO**”). Due to the COVID-19 Outbreak and the countrywide lockdown measures under the MCO, the construction plan of the Group’s new Data Centre facility had been postponed, and as disclosed in the announcement of the Company dated 4 November 2021 (the “**2021 Announcement**”), the Company subsequently decided to acquire and convert an existing building in Malaysia into the Data Centre instead of building one itself. On 10 January 2022, the Group entered into a provisional agreement with an independent third party to acquire a building in Malaysia for such purpose at the consideration of RM12.0 million (equivalent to approximately HK\$22.3 million), of which RM10.3 million (equivalent to approximately HK\$19.5 million) was paid out of the net proceeds of the Company’s share offer and placing (the “**Share Offer**”), further details of which are set out in the Company’s prospectus (the “**Prospectus**”) dated 17 March 2020 and the 2021 Announcement. The Group began the conversion of the building into the Data Centre in June 2022. As at 31 December 2025, the conversion work was still in progress and it is expected that the Data Centre will be ready for use in early 2027. The conversion work was delayed mainly due to unexpected factors, including but not limited to extensions

caused by the (i) design re-evaluation due to evolving data centre landscape in Malaysia, and (ii) application for approval on the building, renovation and construction plans to the local authorities in Malaysia regarding the conversion of building usage.

We expect the construction process of the Data Centre to be completed by the end of 2026 and ready for use in early 2027. This new Data Centre will contribute to our Group's outsourced document management services and enterprise software solutions services by allowing our Group to enhance our document hosting capability for electronic distribution and providing enterprise software solutions to our customers.

The Group has also expanded its footprint in the PRC in recent years. Going forward, the Group expects to develop advanced internet cloud technology and big data analysis to create a comprehensive and efficient service system for customers in the insurance and insurance-related industries in the PRC. In addition, the Group aims to further internationalise and diversify its businesses based on such service system. Potential business opportunities include (i) the insurance big data business, (ii) the development of health management and big health business related to insurance data, and (iii) data cloud services for various small-to-medium enterprises, such as telemedicine and video conferencing. The Group will remain prudent and develop its businesses at a steady pace, and will review our performance, strategies and development regularly.

FINANCIAL REVIEW

Revenue from contracts with customers

Our total revenue amounted to approximately RM126.6 million and RM97.0 million for the years ended 31 December 2025 and 31 December 2024, respectively. Our revenue in 2025 was mainly derived from (i) the provision of outsourced services mainly to financial institutions and retails customers, including the provision of outsourced document management services and related software applications and enterprise software solutions services in Malaysia as well as outsourced insurance risk analysis services and insurance marketing services in the PRC, which in aggregate represented approximately 98.3% (2024: approximately 94.2%) of the total revenue of the Group, (ii) the distribution and sales of medical equipment and pharmaceutical products in the PRC, which represented approximately 1.1% (2024: approximately 3.7%) of the total revenue of the Group, and (iii) the provision of internet hospital and brick-and-mortar clinical services in the PRC, which represented approximately 0.6% (2024: approximately 2.1%) of the total revenue of the Group.

Provision of outsourced services

Outsourced document management services

Our revenue generated from the provision of outsourced document management services represented approximately 64.5% and 69.4% of our total revenue for the years ended 31 December 2025 and 31 December 2024, respectively. The revenue from the provision of outsourced document management services increased by approximately RM14.3 million or 21.3% from approximately RM67.3 million for the year ended 31 December 2024 to approximately RM81.6 million for the year ended 31 December 2025. Such increase in revenue was mainly due to the increase in the revenue generated from the provision of mail fulfilment services as a result of the increase in unit prices charged for such services to cope with the increase in postage costs in Malaysia during the Reporting Period.

Outsourced insurance risk analysis services and insurance marketing services

We provided outsourced insurance risk analysis services and insurance marketing services to our customers in the insurance and insurance related industries in the PRC during the Reporting Period.

Our revenue generated from the provision of outsourced insurance risk analysis services and insurance marketing services represented approximately 27.6% of our total revenue for the year ended 31 December 2025 (2024: approximately 17.9%) and amounted to approximately RM34.9 million (2024: approximately RM17.3 million). Such increase in revenue was mainly attributable to the revenue generated from new customers for insurance marketing services.

Enterprise software solutions

We have provided enterprise software solutions to our customers using our proprietary Streamline software and generated revenue mainly from license fees, maintenance fees and implementation fees during the Reporting Period.

Our revenue generated from the provision of enterprise software solutions represented approximately 6.2% and 6.9% of our total revenue for the years ended 31 December 2025 and 31 December 2024, respectively. Our revenue from the provision of enterprise software solutions services increased by approximately RM1.1 million or 17.3% from approximately RM6.7 million for the year ended 31 December 2024 to approximately RM7.8 million for the year ended 31 December 2025. The increase in revenue generated from the provision of enterprise software solutions during the Reporting Period was mainly due to the increase in customised enterprise software solutions services provided to a financial institution in Singapore.

Distribution and sales of medical equipment and pharmaceutical products

We have been engaging in the distribution and sales of medical equipment business in the PRC since April 2022 and the sales of pharmaceutical products in the PRC through our newly acquired subsidiaries in the PRC since early 2024. Such revenue generated from the distribution and sales of medical equipment and pharmaceutical products was recognised on either a net basis when the Group's subsidiaries acted as an agent in the transactions or a principal basis when the Group's subsidiaries acted as a principal in the transactions.

Our revenue generated from the distribution and sales of medical equipment and pharmaceutical products represented approximately 1.1% (2024: approximately 3.7%) of our total revenue for the year ended 31 December 2025 and amounted to approximately RM1.4 million (2024: approximately RM3.6 million). Such decrease in revenue was mainly due to the decrease in sales of pharmaceutical products caused by the weakened consumer spending sentiment and stricter contract terms imposed by our partner manufacturers in cooperation with the Group in the PRC, including but not limited to requiring substantial advance payments, deposits and minimum initial order quantities, for the production of certain pharmaceuticals and health products to be sold by the Group.

Internet hospital and brick-and-mortar clinical services

We have been engaging in the provision of internet hospital and brick-and-mortar clinical services through our subsidiaries in the PRC following the Acquisition since early 2024. Our revenue generated from the provision of internet hospital and brick-and-mortar clinical services represented approximately 0.6% (2024: approximately 2.1%) of our total revenue for the year ended 31 December 2025 and amounted to approximately RM0.7 million (2024: approximately RM2.1 million).

Cost of sales

Our cost of sales increased by approximately RM28.6 million or 39.4% from approximately RM72.7 million for the year ended 31 December 2024 to approximately RM101.3 million for the year ended 31 December 2025. Such increase in cost of sales was mainly attributable to the increase in postage costs incurred in relation to our document mail fulfilment services in Malaysia.

Gross profit and gross profit margin

Our gross profit increased by approximately RM1.0 million or 3.9% from approximately RM24.3 million for the year ended 31 December 2024 to approximately RM25.3 million for the year ended 31 December 2025. Our gross profit margin decreased by approximately 5.1 percentage points from approximately 25.1% for the year ended 31 December 2024 to approximately 20.0% for the year ended 31 December 2025, which was mainly due to the increase in the portion of revenue generated from lower-margin document mail fulfillment services in Malaysia.

Other income

Our other income amounted to approximately RM1.3 million for the year ended 31 December 2025 (2024: approximately RM1.1 million), which was mainly attributable to the compensation income from insurance claimed.

Selling and distribution expenses

The selling and distribution expenses mainly comprised of the promotional expenses and the staff costs incurred for the provision of outsourced insurance risk analysis services and insurance marketing services, and distribution and sales of medical equipment in the PRC. For the year ended 31 December 2025, the selling and distribution expenses of the Group amounted to approximately RM0.2 million (2024: approximately RM0.5 million).

Administrative expenses

Our administrative expenses increased by approximately RM162.3 million or 375.8% from approximately RM43.2 million for the year ended 31 December 2024 to approximately RM205.5 million for the year ended 31 December 2025. The significant increase was mainly attributable to the impairment loss of goodwill of approximately RM184.9 million (2024: approximately RM23.3 million) in relation to the cash-generating unit principally engaged in the provision of internet hospital and brick-and-mortar clinical services in the PRC. Details of the impairment loss as abovementioned are set out in the section headed “Goodwill and impairment loss of goodwill” in this announcement.

Finance costs

Our finance costs decreased by approximately RM0.1 million or 38.3% from approximately RM0.3 million for the year ended 31 December 2024 to approximately RM0.2 million for the year ended 31 December 2025, which was mainly due to the decrease in the outstanding balance of a term loan of the Group.

Loss before tax

Our loss before tax amounted to approximately RM179.3 million for the year ended 31 December 2025 (2024: loss before tax of approximately RM18.5 million). Such significant increase in loss before tax was mainly due to the impairment loss of goodwill of approximately RM184.9 million as abovementioned.

Income tax expense

Our income tax expense decreased by approximately RM0.4 million or 15.2% from approximately RM2.6 million for the year ended 31 December 2024 to approximately RM2.2 million for the year ended 31 December 2025. Such decrease in income tax expense was mainly due to the decrease in taxable income generated from our outsourced document management services in Malaysia.

Loss for the year

Our loss for the year amounted to approximately RM181.5 million for the year ended 31 December 2025 (2024: loss for the year of approximately RM21.1 million). Such loss for the year was primarily due to the impairment loss of goodwill of approximately RM184.9 million as abovementioned.

Goodwill and impairment loss of goodwill

Background information

On 26 January 2024 (the “**Completion Date**”), the Company completed the acquisition of an aggregate of 100% of the issued shares of Sun Join (together with its subsidiaries, the “**Sun Join Group**”) by Core Squared Limited, a direct wholly-owned subsidiary of the Company. Pursuant to the share purchase agreement dated 28 December 2023 (the “**SPA**”) entered into between the Group and Ms. Zou Cheng (“**Ms. Zou**”) and Ms. Le Xian (“**Ms. Le**”), 284,550,898 and 189,200,529 new Shares (the “**Consideration Shares**”) were issued and allotted to Sun Join Capital Investment Limited, which was wholly-owned by Ms. Zou, and Sun Join Venture Management Limited, which was wholly-owned by Ms. Le, respectively as consideration of the Acquisition. Sun Join Group is principally engaged in the provision of internet hospital and brick-and-mortar clinical services in the PRC. The fair value of the Consideration Shares based on the market price of the Shares on the Completion Date was approximately RM232,349,000 and the net amount of the identifiable assets acquired and liabilities assumed as at the Completion Date amounted to approximately RM17,115,000. According to the requirement of IFRS 3 “Business Combination”, the Company recognized the excess of the fair value of Sun Join Group over the aforesaid net amount of the identifiable assets acquired and liabilities assumed as at the Completion Date as goodwill, which amounted to approximately RM215,234,000 as at the Completion Date.

Impairment assessment of goodwill as at 31 December 2025 and 2024

The Company has engaged an independent valuer (the “**Valuer**”) to perform an independent valuation relating to the impairment loss of goodwill for the years ended 31 December 2025 and 2024.

As at 31 December 2025 and 2024, the details of goodwill and the impairment loss of goodwill for the CGU of Sun Join Group (the “**Sun Join Group CGU**”) are set out as follows:

	Goodwill (after the impairment loss) as at 31 December 2025 <i>RM’000</i>	Goodwill (after the impairment loss) as at 31 December 2024 <i>RM’000</i>	Impairment loss of goodwill during the year ended 31 December 2025 <i>RM’000</i>	Impairment loss of goodwill during the year ended 31 December 2024 <i>RM’000</i>
Sun Join Group CGU	<u>6,994</u>	<u>191,911</u>	<u>184,917</u>	<u>23,323</u>

The Directors performed impairment review of the carrying amounts of goodwill as at 31 December 2025 and 2024 in accordance with International Accounting Standard 36 “Impairment of Assets” (“IAS 36”). IAS 36 defines impairment loss as the amount by which the carrying amount of an asset or a CGU exceeds its recoverable amount. Recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value in use.

In addition to goodwill above, property, plant and equipment and right-of-use assets that generate cash flows together with the goodwill are also included in the Sun Join Group CGU for the purpose of impairment assessment.

Since there are insufficient comparable transactions in the market as at 31 December 2025 and 2024, the Directors measured the recoverable amount of the Sun Join Group CGU to which the goodwill had been allocated by estimating its value in use. According to IAS 36, value in use is defined as “the present value of the future cash flows expected to be derived from an asset or cash-generating unit”.

Valuation methodology

In the process of valuing the CGU, the Valuer has taken into account of the operation and financial information of the CGU and conducted discussions with the management of the Company to understand the status and prospect of the CGU. Estimating the value in use of an asset or CGU involves estimating the future cash inflows and outflows to be derived from continuing use of the asset or CGU and from its ultimate disposal, and applying the appropriate discount rate to those future cash flows. The Valuer has adopted the income-based approach in arriving at the value in use of the CGU. Accordingly, in determining the respective recoverable amounts of the Sun Join Group CGU, which is equivalent to the business value of the Sun Join Group, the Company prepared and estimated the future cash flows expected to arise from Sun Join Group based on financial budgets covering a 5-year period as at 31 December 2025 and 2024 (the “**Cash Flow Forecast**”), where the key assumptions and estimates included the growth rates, discount rates applied and the forecast performance based on the Directors’ view of future business prospects and the future plans, and the Valuer used the Cash Flow Forecast as the basis to arrive at the value in use of the Sun Join Group CGU by using income approach, which is consistent with the requirement of IFRS 13 “Fair Value Measurement” and is a commonly adopted practice of valuers to arrive at the value in use of a CGU.

IFRS 13 states that “the income approach converts future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts”.

Major assumptions of the valuation

The Valuer has adopted certain specific assumptions in the valuation, major ones of which include the following:

- (i) all relevant legal approvals and business certificates or licenses to operate the business in the localities in which the CGU operates or intends to operate would be officially obtained and renewable upon expiry;
- (ii) the projections outlined in the financial information provided are reasonable, reflecting market conditions and economic fundamentals, and will be materialized;
- (iii) there will be sufficient supply of technical staff in the industry in which the CGU operates, and the CGU will retain competent management, key personnel and technical staff to support its ongoing operations and developments;
- (iv) there will be no major change in the current taxation laws in the localities in which the CGU operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;
- (v) there will be no major change in the political, legal, economic or financial conditions in the localities in which the CGU operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the CGU; and
- (vi) interest rates and exchange rates in the localities for the operation of the CGU will not differ materially from those presently prevailing.

During the year ended 31 December 2025, the financial performance of Sun Join Group failed to meet the cash flow forecast as at 31 December 2025 mainly due to the factors affecting each of the segments as stated below: (i) Online sales of pharmaceuticals and health products: (a) Consumer spending sentiment weakened due to the recent overall economic downturn, leading to reduced demand for online pharmaceuticals and health products; (b) In addition, partner manufacturers imposed stricter terms on cooperation with the Group, including but not limited to requiring substantial advance payments, deposits and minimum initial order quantities, for the production of certain pharmaceuticals and health products to be sold by the Group. This hindered the promotion and sales of the pharmaceuticals and health products to be sold by the Group, resulting in sales targets being unsatisfied; and (c) The new regulations on online drug sales and advertising, implemented in 2025, significantly increased the compliance costs for online drug sales. The Group hence ceased its online sale of pharmaceuticals and health products business in the fourth quarter of 2025; (ii) Provision of insurance marketing services to customers: With the prolonged declining macroeconomic conditions, enterprises in the insurance industry in the PRC were generally reducing corporate budgets, leading to a significant decrease in market demand for the insurance marketing services. Meanwhile, fellow suppliers in the industry were generally adopting low-price strategies to capture market share due to the intensified competition within the industry. This has significantly impacted the Group's insurance marketing services business, resulting in underperformance against expectations; (iii) Provision of health consultation and the relevant customer services to life insurance clients of insurance companies (including but not limited to online prescriptions and medicine delivery, chronic disease management services, and examination reports interpretation services): Insurance companies had become more cautious in their collaboration with the Group in respect of health consultation and customer service businesses due to frequent regulatory policy changes in the PRC. Furthermore, the prolonged undesirable macroeconomic environment had reduced demand among life insurance clients for health consultation and related value-added services, affecting the Group's business expansion; (iv) Sales of medical devices: The prolonged economic downturn has led to instability in the medical device supply chain and fluctuations in raw material prices, making cost control for consumables, equipment and technical services challenging. Additionally, the overall significant slowdown in investments in the healthcare sector had reduced demand for medical devices from healthcare institutions; and (v) Offline sales of pharmaceuticals and health products: Factors including but not limited to (a) profit margin compression caused by policy adjustments, such as centralised drug procurement etc., (b) tightening medical insurance policies, and (c) declining consumer spending, had led to the lower than expected offline sales of pharmaceuticals and health products by the Group.

As a result, in the Cash Flow Forecast, the Company considered the actual financial performance of the Sun Join Group CGU for the year ended 31 December 2025 and management's expectations for the market development, where key assumptions and estimates included the growth rates, discount rates applied and the forecast performance based on management's view of future business prospects and the future plans, and adopted a lower revenue growth for the five years ending 31 December 2030.

Based on the Cash Flow Forecast, the recoverable amounts of Sun Join Group CGU amounted to approximately RM7,200,000 as at 31 December 2025 (31 December 2024: approximately RM192,636,000). According to paragraph 104 of IAS 36: "An impairment loss shall be recognised for a cash-generating unit (the smallest group of cash-generating units to which goodwill or a corporate asset has been allocated) if, and only if, the recoverable amount of the unit (group of units) is less than the carrying amount of the unit (group of units). The impairment loss shall be allocated to reduce the carrying amount of the assets of the unit (group of units) in the following order: (a) first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of units); and (b) then, to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units)".

Accordingly, the Directors have determined impairment loss of goodwill directly related to Sun Join Group CGU amounting to approximately RM184,917,000 for the year ended 31 December 2025 (2024: approximately RM23,323,000). No other write-down of the assets of Sun Join Group CGU was considered necessary.

Final dividend

The Board does not recommend the distribution of a final dividend for the year ended 31 December 2025 (2024: No final dividend).

Liquidity and financial resources

As at 31 December 2025, total loans and borrowings of the Group amounted to approximately RM1.6 million (31 December 2024: approximately RM4.3 million), representing a decrease of approximately RM2.7 million or 63.7% as compared with that as at 31 December 2024. The Group's loans and borrowings were at floating interest rates of 4.50% to 6.60% (31 December 2024: floating interest rates of 4.75% to 6.85%) and denominated in RM during the Reporting Period. As at 31 December 2025, the loans and borrowings included nil secured bank loans (31 December 2024: approximately RM1.6 million) with maturity date of more than 1 year but not exceeding 2 years, and secured bank loans of approximately RM1.6 million (31 December 2024: approximately RM2.7 million) with maturity date of less than a year or which were repayable within one year. As at 31 December 2025, loans and borrowings of the Group of approximately RM1.6 million (31 December 2024: approximately RM4.3 million) were secured by first party open charge over the leasehold land, factory building and shoplot of the Group in Malaysia, and the corporate guarantee by the Company.

As at 31 December 2025, the Group had cash and bank balances of approximately RM53.2 million (31 December 2024: approximately RM59.7 million), which were denominated in RM, Renminbi (“**RMB**”) and Hong Kong Dollars (“**HK\$**”).

The Group maintains a solid financial position and is able to meet its obligations when they become due in its ordinary and usual course of business. The current ratio, being the ratio of total current assets to total current liabilities, was around 7.5 times as at 31 December 2025 (31 December 2024: approximately 6.1 times). The Group's working capital requirements were mainly financed by internal resources.

Contingent liabilities

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

Capital commitments

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

Funding and treasury policy

The Group has adopted a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position for the year ended 31 December 2025. To manage the liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. For the year ended 31 December 2025, the Group did not use any risk hedging instrument and would consider using such if the need arises.

Foreign currency risk

The Group mainly operates in Malaysia and the PRC with most of its transactions settled in RM, Singapore Dollar ("SGD") and RMB. The assets, liabilities and transactions arising from the operations are mainly denominated in RM, SGD and RMB. Although the Group may be exposed to foreign currency exchange risks, the Board believes that the future currency fluctuations will not have a material impact on the Group's operations and the Group did not enter into in any derivative contracts to hedge its exposure to foreign exchange risks for the year ended 31 December 2025. The Group has not adopted any formal hedging policies and would consider adopting such policies if the need arises.

Gearing ratio

As at 31 December 2025, the Group's gearing ratio was approximately 1.5% (31 December 2024: approximately 1.5%), representing the total loans and borrowings as a percentage of the total equity attributable to equity holders of the Company as at the end of the respective years. The gearing ratio remained stable as a result of the combined effect of the decrease in total equity attributable to equity holders of the Company as a result of the impairment loss of goodwill of approximately RM184.9 million and the decrease in interest-bearing bank loans from approximately RM4.3 million as at 31 December 2024 to approximately RM1.6 million as at 31 December 2025.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL

The management adopted a prudent investment strategy to utilise surplus cash to generate stable interest income from low-risk investment products. The management also monitored the investment performance of those products on a regular basis.

The Group did not have any significant investment nor did the Group carry out any material acquisition and disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the paragraph headed “Issue of Shares and Use of Proceeds from the Share Offer” in this announcement, the Group does not have other future plans for material investments and capital assets as at the date of this announcement.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY’S SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2025 (including sale of treasury shares). As at 31 December 2025 and up to the date of this announcement, the Company did not hold any treasury shares (as defined under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there are no significant subsequent events undertaken by the Group after 31 December 2025 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group had 168 employees (31 December 2024: 191 employees). The total remuneration cost (including Directors’ remuneration) amounted to approximately RM11.9 million for the year ended 31 December 2025 (2024: approximately RM11.8 million).

The terms of employment of employees conform to normal commercial practice. The remuneration of the employees, Directors and senior management of the Group is set and paid on the basis of the relevant employees', Directors' and senior management's qualifications, competence, work performance, industry experience, relevant market trend and the Group's operating results, etc. Discretionary bonuses are granted to employees based on merit and in accordance with industry practice. Other benefits including share options, retirement benefits, subsidised medical care, pension funds and training programmes are offered to eligible employees.

SHARE OPTION SCHEME

The Company had conditionally adopted a share option scheme on 11 March 2020 (the “**Share Option Scheme**”). Details of the Share Option Scheme are set out in the section headed “Statutory and General Information – F. Share Option Scheme” in appendix V to the Prospectus. No share option has been granted by the Company pursuant to the Share Option Scheme since its adoption.

ISSUE OF SHARES AND USE OF PROCEEDS FROM THE SHARE OFFER

The Shares were listed on the Main Board of the The Stock Exchange on 27 March 2020, with a total of 200,000,000 Shares issued at HK\$0.63 each by way of the Share Offer, raising net proceeds of approximately HK\$73.7 million after deducting underwriting commissions and all related expenses.

Having considered the then property market and business environment in Malaysia as affected by the COVID-19 Outbreak and the development needs of the Group as set out in the 2021 Announcement on 4 November 2021, the Board resolved to, among others, change the use of the unutilised net proceeds which were originally allocated to building the Data Centre to acquiring and convert an existing building in Malaysia into the Data Centre. For details, please refer to the 2021 Announcement.

Subsequently, having duly considered the development needs of the Group as set out in the Company's announcements dated 20 December 2022 (the "**2022 Announcement**"), 28 July 2023 (the "**2023 Announcement**") and 9 June 2025 (the "**2025 Announcement**"), respectively, the Board has, among others, resolved to (i) reallocate the unutilised net proceeds which were originally allocated to "strengthening the Group's technical operation support system" to another existing use of "engaging external software development vendor(s) and developing new applications within the software development plan", (ii) include the development or provision of livestreaming and video technology capabilities, and AI capabilities for its existing and new applications in the Group's software development plan, (iii) reallocate the unutilised net proceeds which were originally allocated to "potential strategic acquisition and business opportunities" partially to the existing use of "stepping up the Group's marketing and sale efforts to reach out to new customers" and partially to the existing purpose of "engaging external software development vendor(s) and developing new applications within the software development plan", (iv) include the engagement of external service provider(s) to provide marketing, sale, customer services and other support services for the Group's Streamline Suite products and services as part of its existing purpose of "marketing and sale efforts to reach out to new customers", and (v) reallocate the unutilised net proceeds which were originally allocated to "acquiring and converting an existing building into a Tier 3 compliant Data Centre and upgrading IT infrastructure" to "acquiring and converting an existing building into a Tier 2 compliant Data Centre and upgrading IT infrastructure". For details, please refer to the 2022 Announcement, the 2023 Announcement and the 2025 Announcement.

A summary of the planned use and actual use of the net proceeds from the Share Offer is set out below:

Purposes of the use of the net proceeds	Percentage of total net proceeds (approximate)	Intended use of net proceeds as stated in the Prospectus (and as amended as set out in the 2021 Announcement, the 2022 Announcement, the 2023 Announcement and the 2025 Announcement)	Actual amount of utilised net proceeds during the Reporting Period and up to 31 December 2025	Actual amount of utilised net proceeds as at 31 December 2025	Actual amount of unutilised net proceeds as at 31 December 2025	Expected timeline for utilisation of unutilised net proceeds as at the date of this announcement
		<i>HK\$'million</i> (approximate)	<i>HK\$'million</i> (approximate)	<i>HK\$'million</i> (approximate)	<i>HK\$'million</i> (approximate)	
To increase technological capability and capacity to develop into other market vertical/parallels	89.8%	66.2	(0.1)	(30.3)	35.9	
– to acquire and convert an existing building into a Tier 2 Data Centre and upgrade IT infrastructure	76.7%	56.5	(0.1)	(20.6)	35.9	31 December 2026
– to engage external software development vendors and develop new applications within the software development plan	13.1%	9.7	–	(9.7)	–	
To expand market presence locally and explore expansion regionally to capture further market share	10.2%	7.5	(1.7)	(7.5)	–	
– to step up the Group's marketing and sale efforts to reach out to new customers	10.2%	7.5	(1.7)	(7.5)	–	
	100.0%	73.7	(1.8)	(37.8)	35.9	

The balance of unutilised net proceeds brought forward to 2025 from the year ended 31 December 2024 amounted to approximately HK\$37.7 million. Notwithstanding that the utilisation of the net proceeds has been delayed as aforementioned, as at 31 December 2025 the net proceeds have been used and are expected to be applied for purposes which are consistent with those as disclosed in the section headed “Future Plans and Proposed Use of Proceeds” of the Prospectus, the 2021 Announcement, the 2022 Announcement, the 2023 Announcement and the 2025 Announcement. The unutilised portion of the net proceeds has been deposited in reputable banks in Malaysia.

The business objectives, future plans and planned use of proceeds as stated in the Prospectus, the 2021 Announcement, the 2022 Announcement, the 2023 Announcement and the 2025 Announcement were based on the best estimation and assumption of future market conditions and industry development made by the Company at the time of preparing the Prospectus, the 2021 Announcement, the 2022 Announcement, the 2023 Announcement and the 2025 Announcement, while the proceeds will be applied based on the actual development of the Group's business, the industry and the economic conditions. As at 31 December 2025 and the date of this announcement, there was no change in the intended use of net proceeds as previously disclosed in the Prospectus, the 2021 Announcement, the 2022 Announcement, the 2023 Announcement and the 2025 Announcement. The Company will keep observing the business environments and trends in the industries which the Group is engaged in, in order to evaluate the use of the net proceeds from the Share Offer to ensure it is for the best interests of the Company and the Shareholders as a whole, and to consider and implement alternative plans as and when necessary and make any necessary announcements in accordance with the Listing Rules.

ISSUE OF SECURITIES

The Company had not issued any of the Company's securities for cash (including securities convertible into equity securities) or sold any treasury shares for cash during the year ended 31 December 2025.

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**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. The Company has made specific enquiries with all the Directors and all the Directors have confirmed that they have complied with the Model Code during the year ended 31 December 2025.

The Company's relevant employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the year ended 31 December 2025.

CODE ON CORPORATE GOVERNANCE PRACTICES

Save as the deviation disclosed below, the Company had complied with all applicable Code Provisions set forth in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules during the year ended 31 December 2025.

Under Code Provision 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. During the Reporting Period, Mr. Ma Shengcong (“**Mr. Ma**”) has been holding the roles of the chairman of the Board and the chief executive officer of the Company. Mr. Ma has been primarily responsible for overseeing and monitoring the Group’s daily operations and participating in formulating and assessing the Company’s goals and objectives. Mr. Ma is also responsible for developing strategic business plans and exploring new business opportunities for the Company’s subsidiary in the PRC, which is principally engaged in the operation of outsourced insurance risk analysis services, insurance marketing services, and the distribution and sales of medical equipment business. Taking into account the significance of effective management and the implementation of our business strategies, the Directors (including the independent non-executive Directors) consider it is the most suitable for Mr. Ma to hold both the positions of chairman of the Board and the chief executive officer of the Company, and the existing arrangements are beneficial and in the interests of the Company and the Shareholders as a whole.

Under the leadership of Mr. Ma, the Board has been able to work effectively and perform its responsibilities with key and appropriate issues discussed in a timely manner. In addition, all major decisions are made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive Directors on the Board offering independent perspectives. The Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers and authorities between the Board and the management of the Company.

To maintain a high standard of corporate governance practices of the Company, the Board will review the effectiveness of the structure and composition of the Board from time to time in light of prevailing circumstances, and will continue to review and consider splitting the roles of the chairman and the chief executive officer at an appropriate time by taking into account the circumstances of the Group as a whole.

AUDIT COMMITTEE

The Board has established its audit committee (the “**Audit Committee**”) with written terms of reference (revised and adopted by the Board on 1 January 2023) in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Mr. Yang Junhui, Mr. Xie Yaozu and Mr. Qian Jianguang. Mr. Yang Junhui is currently the chairman of the Audit Committee.

The Audit Committee has considered and reviewed the accounting principles and policies adopted by the Group, the consolidated financial information and the annual results announcement of the Company for the year ended 31 December 2025. The Audit Committee is of the view that the annual results for the year ended 31 December 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

SCOPE OF WORK OF CCTH CPA LIMITED

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of comprehensive income and the related notes to the financial information thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company’s auditors, CCTH CPA Limited, to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by the Company’s auditors 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 assurance has been expressed by the Company’s auditors on this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company is scheduled to be held on Monday, 29 June 2026 (the “**2026 AGM**”). The circular (including the notice convening the AGM) will be published on the respective websites of the Stock Exchange and the Company, and dispatched to the Shareholders (where applicable) in the manner required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' entitlement to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the 2026 AGM, the unregistered holder of Shares must lodge all transfer documents accompanied by the relevant share certificates with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 23 June 2026.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The annual results announcement is published on the websites of both the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.clinksquared.com>). The 2025 annual report of the Group for the year ended 31 December 2025 containing all the information required by the Listing Rules will be dispatched to the Shareholders (where applicable) in the manner required by the Listing Rules and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
C-Link Squared Limited
Ma Shengcong

Chairman of the Board and executive Director

Hong Kong, 30 March 2026

As at the date of this announcement, the executive Directors are Mr. Ma Shengcong and Ms. Zhang Ying, the non-executive Directors are Mr. Ling Sheng Shyan and Dr. Wu Xianyi, and the independent non-executive Directors are Mr. Yang Junhui, Mr. Qian Jianguang and Mr. Xie Yaozu.