SmarTone Telecommunications Holdings Limited

(Incorporated in Bermuda with limited liability)
(Stock code: 315)

2025 / 2026 ANNUAL RESULTS ANNOUNCEMENT

(All references to "$" are to the Hong Kong dollars)

- Profit attributable to equity holders of $525 million, up 10% year-on-year
- Revenue of $6,604 million and underlying EBIT of $749 million, up 6% and 7% respectively on an underlying basis
- Market remains challenging with total service revenue being down 3%; ARPU for postpaid mobile business also down
- The Board has recommended a final dividend of 17.5 cents per share, bringing the full-year dividend to 32 cents per share

CHAIRMAN'S STATEMENT

Business review

Against an intensely competitive mobile market, SmarTone's profit attributable to equity holders increased 10% to $525 million. Revenue increased to $6,604 million and underlying EBIT to $749 million, being 6% and 7% higher than the prior year respectively on an underlying basis. The business continued to diversify its sources of revenue and contribution. 5G Home Broadband revenue increased 10%, while Enterprise Solutions revenue grew 17%.

But these numbers mask the severity of the challenges we face. Competition in our core consumer postpaid market remained particularly intense. Granted that we see growth in 5G Home Broadband and Enterprise Solutions revenues, but our total service revenue still declined by 3% as compared to the previous year. ARPU for our postpaid mobile business is also down from $222 a year ago to $220 by end of this financial year. Six years after launching 5G in 2020, our current 5G subscriber penetration rate is still only 50%, leaving significant room for improvement. These are all clear indicators that we need to take actions to substantially strengthen our business.

In times of severe competition and eroding ARPU, the Company will focus on initiatives that deliver the most value to our subscribers. We have built a world-class network for our customers, and we will continue to launch initiatives that enhance our customers' lives in this digital and AI world. The Company is also focused on optimizing our operational efficiency and cost control. We have already used various AI tools to improve productivity. Our operating cost in the past year came down by 6% to $1,518 million, and there are a lot more opportunities to further improve without impacting quality. As we have already invested heavily in building a robust 5G network in previous years, our capex is starting to come down, and in the past year capex was 21% lower than the previous year. Our capex will likely go down further in the coming years as we focus on optimizing the existing network for performance and efficiency.

Delivering the best network experience in Hong Kong

The SmarTone experience is anchored in the fact that we provide a great network and deliver the best connectivity experience to our customers. Following the renewal of our exclusive 850MHz spectrum and the acquisition of new 6/7GHz spectrum, we deployed the so-called "Golden Spectrum" in the 3.3GHz and 3.5GHz bands across high-density urban districts and transport hubs, materially raising capacity and download speeds where demand is greatest. We have the most spectrum capacity per subscriber amongst all mobile operators in Hong Kong, which gives us an inherent advantage to serve our customers. It allows us to provide fast and consistent voice and data services in peak periods and in crowded areas.

We design the network around the moments when its performance matters most. This principle guided our investment during the year across major MTR stations, Kai Tak Sports Park, the Hong Kong Coliseum and other high-traffic locations, and in emerging destinations such as GO PARK and the Northern Metropolis. In particular, our connectivity at MTR stations is exceptionally strong and consistent, as we invest disproportionate resources to ensure the best customer experience. We are also conscious that AI has changed customer behaviour. Our subscribers now use their phones a lot more to interact with AI apps, from searching for information, asking for health advice to identifying investment opportunities. They also use "uplink" more as they often upload pictures to ask AI models specific questions. We are optimizing our network precisely to address such changes in behaviour.

Deepening loyalty and capturing emerging segments

In a saturated and highly competitive market, strengthening the relationship with loyal, higher-value customers remains a priority. During the year, we piloted "SmarTone Priority", a flagship membership programme for our top customers. At the same time, we continued to expand into customer segments with attractive long-term potential, particularly students, young professionals and talents arriving from Chinese Mainland. We have developed propositions and customer journeys around their specific needs and buying preferences.

AI is becoming an increasingly important part of our customer proposition. We have launched a major new service called "AI Connect", which allows subscribers to use almost any app without geographical restrictions. It is much easier to use than the traditional VPN, and much safer to use from a security point of view. We have also launched services such as personal AI consultations and dedicated specialized AI hubs within stores to help educate our customers on how to use AI. The continued focus on customer service was recognised with nine awards at the 40th Hong Kong Retail Management Association Service Talent Awards.

Driving enterprise growth through industry solutions

As enterprises accelerate their digital transformation, we have deepened our position as a trusted technology partner delivering integrated connectivity, cloud, cybersecurity and digital solutions with SmartHome, SmartMall, SmartHotel, Smart Property Management, Smart Construction and SmarTransport. We have received positive feedback from our customers and from external organizations. Our SmartHome proposition received the Best Smart Home Customer Experience Award at the Network X Awards, while our enterprise products and services were recognised in PC Market's Best of IT Awards. These awards provide recognition of the progress being made in developing relevant solutions for both residential and business customers.

We also continued to work closely with SHKP to leverage the Group's ecosystem to access new customers and serve existing customers better. Across developments including International Gateway Centre, Cullinan Harbour, GO PARK, Sierra Sea and YOHO West, we have incorporated SmartConnect 5G Wi-Fi and smart IoT capabilities into these developments from the outset. This enables connectivity and digital services to form part of the customer experience by design, rather than being added subsequently.

Dividend

The Board has proposed a final dividend of 17.5 cents per share, bringing the full-year dividend to 32 cents per share, same as last financial year.

Outlook

Looking ahead, the market is likely to remain highly competitive in the near future. For the long-term health and sustainability of the Company, it is imperative for us to reverse the decline of our total services revenue. It is equally important for us to halt the erosion of ARPU. We will address these challenges by further listening to our customers' needs, and offering services and value-add that our customers treasure.

We take pride in the fact we have a built first-rate network in Hong Kong, for Hong Kong. In the last twelve months Hong Kong has seen a rapid ramp-up of AI usage, but what is often forgotten is that AI is actually heavily dependent on the mobile network to function. We believe our network is a critical backbone for Hong Kong's future technology development. We are committed to further enhancing and investing in our network to ensure our customers fully enjoy the benefits of digitization and AI.

SmarTone is part of the SHKP Group and we believe there is high potential for SmarTone to further leverage the Group's customers and resources. The Group has a highly successful "The Point" loyalty program which has more than 3 million members, and it also has strong B2C businesses like shopping malls, hotels, supermarket (Yata), residential leasing, property management and also residential sales. SmarTone will work together with other businesses within the Group to deliver superior services to our customers, and to attract new customers to the SHKP Group community.

Appreciation

I would like to extend my heartfelt gratitude to our customers and shareholders for their support and trust, and to my fellow directors for their continued guidance. To our staff, I offer my sincere thanks for their unwavering commitment, professionalism and hard work, which are the cornerstone of our success.

Kwok Ping-luen, Raymond
Chairman

Hong Kong, 3 September 2026

MANAGEMENT DISCUSSION AND ANALYSIS
(Financial figures are expressed in Hong Kong dollars)

Review of financial results

During the year under review, the Group's profit attributable to shareholders was $525 million (2024/25: $479 million), representing a 10% increase over last year.

The Group's total revenue was $6,604 million, a 6% increase from $6,253 million for last financial year. This growth was primarily driven by higher handset and accessory sales.

The Group has continued to rigorously enhance cost control measures and operational efficiency during the year. Consequently, our staff costs and other operating expenses were reduced by 8% and 4% year-on-year, to $659 million and $859 million, respectively.

Depreciation, amortization, and loss on disposal decreased by $56 million or 3%, resulting in a total of $1,637 million (2024/25: $1,693 million). This reduction is primarily attributable to lower depreciation charges on fixed assets due to our cautious capital expenditure management and reduced depreciation charges on right-of-use assets following rental negotiations in recent years.

Finance income was $76 million, increased by $6 million or 8% year-on-year, reflecting the strong cash position of the Group. Finance cost primarily represented accretion expenses on spectrum utilization fees, lease liabilities and asset retirement obligation. It has decreased by $4 million or 4% year-on-year, amid the reduction of accretion expenses on spectrum utilization fees.

Income tax expense amounted to $200 million (2024/25: $189 million), reflecting an effective tax rate of 27.6% (2024/25: 28.3%). In light of the uncertainty of the tax deductibility of the spectrum utilization fee, certain related payments have been treated as non-deductible in calculating the tax provision. As a result, the Group's effective tax rate was higher than the applicable standard tax rate. The Group will continue to vigorously defend its position and pursue tax deduction of the spectrum utilization fee from the Inland Revenue Department. As at 30 June 2026, the Group's current income tax liabilities of $820 million (30 June 2025: $740 million) included a provision of $697 million (30 June 2025: $633 million) which has been made on the assumption that all spectrum utilization fee payments were not tax deductible. At the same time, tax reserve certificates of $424 million (30 June 2025: $399 million) have been purchased by the Group in this regard.

Capital structure, liquidity and financial resources

The Group maintained a strong balance sheet for the year under review. During the year, the Group was mainly financed by share capital and internally generated funds. As at 30 June 2026, the Group had a total equity of $5,478 million (30 June 2025: $5,305 million), including share capital and reserves of $110 million (30 June 2025: $110 million) and $5,368 million (30 June 2025: $5,195 million), respectively.

The Group's cash resources remained robust with cash and bank balances including short-term bank deposits of $2,592 million as at 30 June 2026, increased by $564 million or 28% when compared with the position as at 30 June 2025. Total borrowings of the Group was $57 million as at 30 June 2026, as compared to $62 million as at 30 June 2025.

The Group has generated net cash from operating activities of $2,229 million during the year (2024/25: $2,133 million). The Group's major outflows of funds during the year were payments for purchase of fixed assets, spectrum utilization fee, leases and dividends. The Group maintains a strong and healthy cash flow as a result of refined cost control, cautious capital expenditure as well as stringent fund management.

The Group will continue to fund its capital expenditures and working capital requirements for next financial year with internal cash resources.

Treasury policy

The Group invests its surplus funds in accordance with a treasury policy approved by the board of directors. Surplus funds are placed in bank deposits and invested in financial assets at amortized cost. Bank deposits and financial assets at amortized cost are predominantly maintained in Hong Kong dollars and US dollars.

The Group maintains banking facilities under which performance bonds and letters of credit are issued by banks in support of its business operations and contractual obligations.

Charges on assets

The Group's bank borrowings were secured by certain assets of the Group with carrying amount of $58 million as at 30 June 2026 (30 June 2025: $61 million).

Interest rate exposure

As at 30 June 2026, the Group's total borrowing of $57 million is subject to floating interest rate. Management considers the corresponding interest rate exposure will not have any material impact to the Group given the low level of borrowing. The Group does not currently undertake any interest rate hedging.

Functional currency and foreign exchange exposure

The functional currency of the Company is the Hong Kong dollar. The Group is exposed to other currency movements, principally in terms of certain trade receivables, bank deposits, financial asset at fair value through other comprehensive income, financial assets at amortized cost and trade payables denominated in United States dollars. The trade payables denominated in United States dollars is partially hedged with our deposits in United States dollars.

Guarantees

As at 30 June 2026, the Group provided performance guarantees of $645 million (30 June 2025: $718 million) in the course of normal business operation.

Employees, share award scheme and share option scheme

The Group had 1,507 full-time employees as at 30 June 2026 (30 June 2025: 1,656), with the majority of them based in Hong Kong. Total staff costs were $659 million for the year ended 30 June 2026 (2024/25: $715 million).

Employees receive a remuneration package consisting of basic salary, bonus and other benefits. Bonus payments are discretionary and depend, inter-alia, on both the Group's performance and the individual employee's performance. Benefits include retirement schemes, medical and dental care insurance. Employees are provided with both internal and external training appropriate to each individual's requirements.

A share award scheme was adopted by the Group as an incentive arrangement to recognize the contributions by certain employees and to attract and retain suitable personnel for the development of the Group. During the year under review, no unvested shares (30 June 2025: Nil) were outstanding as at 30 June 2026.

The Group has share option scheme under which the Company may grant options to participants, including directors and employees, to subscribe for shares of the Company. As at 30 June 2026, 4,000,000 share options were outstanding (30 June 2025: 4,000,000).

RESULTS

The Board of Directors of SmarTone Telecommunications Holdings Limited (the "Company") is pleased to present the consolidated profit and loss account and the consolidated statement of comprehensive income for the year ended 30 June 2026 and the consolidated balance sheet as at 30 June 2026 of the Company and its subsidiaries (the "Group"), along with selected explanatory notes.

Consolidated Profit and Loss Account
For the year ended 30 June 2026

	Notes	**2026 $000**	2025 $000
Service revenue and other related service		**4,228,872**	4,415,349
Handset and accessory sales		**2,374,752**	1,838,098
Revenues	3	**6,603,624**	6,253,447
Cost of inventories sold		**(2,295,081)**	(1,801,501)
Cost of services provided		**(404,190)**	(395,345)
Staff costs		**(658,701)**	(714,645)
Other operating expenses, net	6	**(859,143)**	(896,896)
Depreciation, amortization and loss on disposal		**(1,637,296)**	(1,692,851)
Operating profit		**749,213**	752,209
Expected credit loss on financial assets at amortized cost	6	**-**	(50,000)
Finance income	4	**75,507**	69,656
Finance costs	5	**(99,860)**	(104,247)
Profit before income tax	6	**724,860**	667,618
Income tax expense	7(a)	**(200,118)**	(188,717)
Profit after income tax		**524,742**	478,901
Profit attributable to Company's shareholders		**524,742**	478,901
Earnings per share for profit attributable to Company's shareholders during the year (expressed in cents per share)	8		
Basic		**47.7**	43.5
Diluted		**47.7**	43.5

Consolidated Statement of Comprehensive Income
For the year ended 30 June 2026

	2026 **$000**	2025 $000
Profit for the year	**524,742**	478,901
Other comprehensive income/(loss)		
Item that may be reclassified subsequently to profit and loss:		
Currency translation differences	**370**	(79)
Item that will not be reclassified subsequently to profit and loss:		
Fair value gain/(loss) on financial asset at fair value through other comprehensive income	**147**	(1,789)
Other comprehensive income/(loss) for the year	**517**	(1,868)
Total comprehensive income for the year attributable to Company's shareholders	**525,259**	477,033

Consolidated Balance Sheet
At 30 June 2026

	Notes	**2026 $000**	2025 $000
Non-current assets			
Fixed assets		**3,018,592**	3,067,242
Customer acquisition costs		**93,727**	93,244
Contract assets		**39,637**	41,298
Right-of-use assets		**684,738**	805,416
Interest in an associate		**3**	3
Financial asset at fair value through other comprehensive income		**5,009**	4,862
Financial assets at amortized cost		**2,321**	2,321
Intangible assets		**3,383,701**	3,696,376
Deposits and prepayments and other receivables		**126,434**	142,031
Deferred income tax assets		**7,286**	7,640
Total non-current assets		**7,361,448**	7,860,433
Current assets			
Cash and cash equivalents		**2,591,792**	2,028,081
Trade receivables	10	**400,651**	414,066
Contract assets		**91,692**	98,638
Deposits and prepayments		**250,766**	278,327
Other receivables		**115,670**	138,002
Inventories		**76,400**	87,217
Tax reserve certificates	7(b)	**430,622**	402,764
Total current assets		**3,957,593**	3,447,095
Current liabilities			
Trade payables	11	**335,183**	351,855
Other payables and accruals		**655,319**	675,383
Contract liabilities		**432,908**	468,019
Lease liabilities		**462,531**	485,400
Current income tax liabilities	7(b)	**819,544**	739,864
Bank borrowings		**3,926**	4,718
Spectrum utilization fee liabilities		**259,051**	248,060
Total current liabilities		**2,968,462**	2,973,299

Consolidated Balance Sheet
At 30 June 2026

	2026	2025
	$000	$000
Non-current liabilities		
Asset retirement obligations	**44,013**	45,901
Contract liabilities	**5,584**	8,698
Lease liabilities	**240,272**	330,588
Bank borrowings	**52,917**	56,882
Spectrum utilization fee liabilities	**2,363,028**	2,421,198
Deferred income tax liabilities	**166,280**	165,708
Total non-current liabilities	**2,872,094**	3,028,975
Net assets	**5,478,485**	5,305,254
Capital and reserves		
Share capital	**110,095**	110,095
Reserves	**5,368,390**	5,195,159
Total equity	**5,478,485**	5,305,254

Notes to the Consolidated Financial Statements

1 General information

SmarTone Telecommunications Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in the provision of telecommunications services and the sale of handsets and accessories in Hong Kong.

The Company is a limited liability company incorporated in Bermuda. The address of its head office and principal place of business is 31/F, Millennium City 2, 378 Kwun Tong Road, Kwun Tong, Hong Kong.

The Company has its listing on The Stock Exchange of Hong Kong Limited (the "SEHK").

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 3 September 2026.

2 Summary of material accounting policies

The material accounting policies are applied in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with HKFRS Accounting Standards ("HKFRS") and Hong Kong Companies Ordinance ("HKCO")

The consolidated financial statements of the Group have been prepared in accordance with HKFRS and disclosure requirements of the HKCO Cap. 622. The consolidated financial statements have been prepared on a historical cost basis, except for the financial asset at fair value through other comprehensive income, measured at fair value.

(ii) Amendment to standard adopted by the Group

The Group has applied the following amendment to standard for the first time for its annual reporting period commencing on 1 July 2025.

HKAS 21 and HKFRS 1 (Amendments)	Lack of Exchangeability

The adoption of the amendment to standard did not have any material effect on the results and financial position of the Group.

2 Summary of material accounting policies *(continued)*

(a) Basis of preparation *(continued)*

(iii) New standards and amendments to standards and interpretations not yet adopted

Certain new standards and amendments to standards and interpretations have been published that are not mandatory for 30 June 2026 reporting period and have not been early adopted by the Group.

HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
HKFRS Amendments	Annual Improvements to HKFRS Accounting Standards – volume 11[2]
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments[2]
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
HK-Interpretation 5 (Amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[3]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
HKFRS 19 (Amendments)	Subsidiaries without Public Accountability: Disclosures[3]
HKFRS 21 (Amendments)	Translation to a Hyperinflationary Presentation Currency[3]
HKFRS 20	Regulatory Assets and Regulatory Liabilities[4]

[1] 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.
[4] Effective for annual periods beginning on or after 1 January 2029.

The Group does not expect that these new standards and amendments to standards and interpretations would have any material impact on its results and financial position, except for HKFRS 18 which may have impact to the presentation of the consolidated financial statements for the year ending 30 June 2028.

3 Revenues

Revenues include income generated from the provision of mobile telecommunications services, and the sales of handsets and accessories. An analysis of revenues is as follows:

	2026	2025
	$000	$000
Mobile telecommunications services	**4,228,872**	4,364,249
Handsets and accessories sales	**2,374,752**	1,838,098
One-off income from exiting from Macau	**-**	51,100
	6,603,624	6,253,447

The Group's revenues from the provisions of services and delivery of goods by timing of satisfaction of performance obligations are as follows:

	2026	2025
	$000	$000
Timing of revenue recognition:		
Over time	**4,228,872**	4,415,349
At a point in time	**2,374,752**	1,838,098
	6,603,624	6,253,447

In a manner consistent with the way in which information is reported internally to the Group's chief operating decision-maker for the purpose of resource allocation and performance assessment, the Group has identified only one reportable segment, which is mobile telecommunications business.

4 Finance income

	2026	2025
	$000	$000
Interest income from financial assets at amortized cost	**-**	2,442
Interest income from bank deposits	**75,507**	67,214
	75,507	69,656

5 Finance costs

	2026 $000	2025 $000
Interest expense on bank borrowings	**1,710**	2,001
Accretion expenses		
Spectrum utilization fee liabilities	**57,071**	60,996
Lease liabilities	**40,526**	40,734
Asset retirement obligations	**553**	527
Net exchange gain on financing activities	**-**	(11)
	99,860	104,247

Accretion expenses represent changes in the spectrum utilization fee liabilities, lease liabilities and asset retirement obligations due to passage of time calculated by applying an effective interest rate method of allocation to the amount of the liabilities at the beginning of the year.

6 Profit before income tax

Profit before income tax is stated after charging/(crediting) the following:

	2026 $000	2025 $000
Other operating expenses, net		
- Network costs	**499,524**	517,884
- Short-term and low-value leases	**35,793**	40,567
- Impairment loss of trade receivables (note 10)	**5,615**	4,504
- Auditor's remuneration		
- Audit services	**2,084**	2,053
- Non-audit services	**716**	784
- Net exchange loss/(gain)	**803**	(1,227)
- Others	**314,608**	332,331
Loss on disposal of fixed assets	**4,209**	7,818
Depreciation of fixed assets	**505,166**	524,746
Depreciation of right-of-use assets	**579,014**	605,262
Amortization of spectrum utilization fee	**468,997**	473,333
Amortization of customer acquisition costs	**79,910**	82,107
Reversal of impairment loss of inventories	**(146)**	(346)
Expected credit loss on financial assets at amortized cost (Note)	**-**	50,000

Note:
Expected credit loss was recognized or reversed to reflect the change in credit risk for the financial assets at amortized cost.

7 Income tax

(a) Income tax in the consolidated profit and loss account reports:

	2026 $000	2025 $000
Current income tax		
Hong Kong profits tax	**197,112**	183,911
Non-Hong Kong tax	**2,080**	1,925
Total current income tax expense	**199,192**	185,836
Deferred income tax expense	**926**	2,881
Income tax expense	**200,118**	188,717

A reconciliation of the tax expense applicable to profit before income tax at the Hong Kong tax rate to the income tax expense as follows:

	2026 $000	2025 $000
Profit before income tax	**724,860**	667,618
Tax at the Hong Kong tax rate of 16.5% (2025: 16.5%)	**119,602**	110,157
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Interest income	**(12,454)**	(11,464)
Expected credit loss on financial assets at amortized cost	**-**	8,250
Temporary differences/non-deductible expenses	**91,518**	86,143
Difference in non-Hong Kong tax rates	**751**	(803)
Utilisation of unrecognized tax loss	**-**	(3,689)
Tax loss not recognized	**701**	123
Income tax expense	**200,118**	188,717

(b) Included in the current income tax liabilities was a provision of $697 million (2025: $633 million) which has been made on the assumption that all spectrum utilization fee and related payments by the Group were not tax deductible. The Group is still in progress of pursuing tax deduction for these payments with the Inland Revenue Department. At the same time, tax reserve certificates totalling $424 million (2025: $399 million) have been purchased in this regard.

8 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to Company's shareholders
- by the weighted average number of ordinary shares outstanding during the financial year and excluding shares held for share award scheme.

	2026 Cents	2025 Cents
Basic earnings per share attributable to Company's shareholders	**47.7**	43.5

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

	2026 Cents	2025 Cents
Diluted earnings per share attributable to Company's shareholders	**47.7**	43.5

	2026 $000	2025 $000
Profit attributable to Company's shareholders used in calculating basic earnings per share and diluted earnings per share	**524,742**	478,901

8 Earnings per share *(continued)*

(c) Weighted average number of shares used as the denominator

	2026 Number	2025 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and diluted earnings per share	**1,100,951,601**	1,101,720,037

9 Dividends

	2026 $000	2025 $000
Interim dividend, paid, of 14.5 cents (2025: 14.5 cents) per fully paid share	**159,638**	159,733
Final dividend, proposed, of 17.5 cents (2025: 17.5 cents) per fully paid share	**192,667**	192,667
	352,305	352,400

At a meeting held on 3 September 2026, the directors proposed a final dividend of 17.5 cents per fully paid share. This proposed dividend is not reflected as a dividend payable in these financial statements, but will be reflected as an appropriation of retained profits for the year ending 30 June 2027.

The proposed final dividend is calculated based on the number of shares in issue at the date of approval of these financial statements.

10 Trade receivables

The credit periods granted by the Group to its customers generally range from 15 days to 45 days from the date of invoice (2025: same). An ageing analysis of trade receivables, net of provision, based on invoice date is as follows:

	2026	2025
	$000	$000
0 - 30 days	**259,198**	302,753
31 - 60 days	**18,584**	17,618
61 - 90 days	**9,416**	5,090
Over 90 days	**113,453**	88,605
	400,651	414,066

There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. This resulted in a loss of $5,615,000 (2025: $4,504,000) for the impairment of its trade receivables during the year ended 30 June 2026.

11 Trade payables

An ageing analysis of trade payables based on invoice date is as follows:

	2026	2025
	$000	$000
0 - 30 days	**192,802**	175,680
31 - 60 days	**34,891**	47,362
61 - 90 days	**38,169**	38,176
Over 90 days	**69,321**	90,637
	335,183	351,855

REVIEW OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group for the year ended 30 June 2026 have been audited by the independent auditor of the Company, PricewaterhouseCoopers. The unqualified independent auditor's report will be included in the Company's 2025/26 Annual Report.

DIVIDENDS

The Directors recommended the payment of a final dividend for the year ended 30 June 2026 of 17.5 cents per share (2024/25: 17.5 cents). The proposed final dividend, together with the interim dividend of 14.5 cents per share paid by the Company during the year (2024/25: 14.5 cents), makes a total dividend for the year of 32.0 cents per share (2024/25: 32.0 cents).

Subject to approval of the shareholders at the forthcoming Annual General Meeting, the proposed final dividend will be paid in cash on or about Monday, 16 November 2026 to shareholders whose names appear on the Register of Members of the Company on Thursday, 5 November 2026.

CLOSURE OF REGISTER OF MEMBERS

The Annual General Meeting of the Company is scheduled to be held on Wednesday, 28 October 2026. For determining the entitlement to attend and vote at the Annual General Meeting, the Register of Members of the Company will be closed from Friday, 23 October 2026 to Wednesday, 28 October 2026, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 22 October 2026.

The record date for entitlement to the proposed final dividend is Thursday, 5 November 2026. For determining the entitlement to the proposed final dividend, the Register of Members of the Company will be closed for one day on Thursday, 5 November 2026 during which no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited (address as per above) for registration no later than 4:30 p.m. on Wednesday, 4 November 2026.

PURCHASE, SALE OR REDEMPTION OF SHARES

At no time during the year ended 30 June 2026 was there any purchase, sale or redemption by the Company, or any of its subsidiaries, or the Company's shares.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the financial statements of the Group for the year ended 30 June 2026 as well as the report of the Risk Management Committee and the report of Internal Audit. The Committee was satisfied that the accounting policies and methods of computation adopted by the Group are appropriate and in line with the market participants in Hong Kong. The Committee found no unusual items that were omitted from the financial statements and was satisfied with the disclosure of data and explanations shown in the financial statements. The Committee was also satisfied that adequate and effective risk management and internal control systems have been maintained by the Group for the year ended 30 June 2026.

The financial information disclosed above complies with the disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

CORPORATE GOVERNANCE

The Company is committed to building and maintaining high standards of corporate governance. Throughout the year ended 30 June 2026, the Company has applied the principles and complied with the requirements set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules, except for the following deviation:

Code Provision C.1.6 of the CG Code provides that independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Lam Kwok-fung, Kenny, Independent Non-Executive Director, was unable to attend the annual general meeting of the Company held on 4 November 2025 due to other prior engagements. The remaining ten Independent Non-Executive Directors and Non-Executive Directors (representing 91% of all independent non-executive and non-executive members of the Board at the time) attended the said meeting in person or through electronic means to listen to the views expressed by the shareholders.

The Board will continue to monitor and review the Company's corporate governance practices to ensure compliance with the CG Code.

Full details of the report on corporate governance will be set out in the Company’s 2025/26 Annual Report.

By order of the Board
Mak Yau-hing, Alvin
Company Secretary

Hong Kong, 3 September 2026

As at the date of this announcement, the Executive Directors of the Company are Mr. FUNG Yuk-lun, Allen (Deputy Chairman), Ms. LAU Yeuk-hung, Fiona (Chief Executive Officer) and Mr. CHAU Kam-kun, Stephen; Non-Executive Directors are Mr. KWOK Ping-luen, Raymond (Chairman), Mr. CHEUNG Wing-yui (Deputy Chairman), Mr. David Norman PRINCE, Mr. SIU Hon-wah, Thomas, Dr. POON Sun-cheong, Partick and Mr. WONG Hong-kit; Independent Non-Executive Directors are Dr. LI Ka-cheung, Eric, JP, Mr. NG Leung-sing, JP, Mr. GAN Fock-kin, Eric, Mr. LAM Kwok-fung, Kenny, Mr. LEE Yau-tat, Samuel and Mr. Peter KUNG.