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CROSSTEC Group Holdings Limited
易緯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3893)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

	For the year ended 30 June	
	2026	2025
Operating results (HK\$'000)		
Revenue	65,313	55,409
Gross profit	11,229	9,501
Gross profit ratio	17.2%	17.1%
Loss for the year	(146,258)	(28,211)
Loss from issue of convertible bonds	(119,809)	—
Loss for the year before loss from issue of convertible bonds	(26,449)	(28,211)

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of CROSSTEC Group Holdings Limited (the “**Company**”) announces the consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 30 June 2026 (the “**Year**”), together with the comparative figures for the year ended 30 June 2025 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended	
		30 June	
		2026	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	3	65,313	55,409
Direct costs		(54,084)	(45,908)
Gross profit		11,229	9,501
Other income	4	1,187	316
Other gains and losses, net	4	855	511
Impairment losses on property, plant and equipment and right-of-use assets		–	(3,695)
Impairment loss on intangible assets		(2,059)	–
Impairment losses under expected credit loss model, net		(5,326)	(965)
Loss from issue of convertible bonds		(119,809)	–
Administrative expenses		(22,349)	(22,069)
Finance costs	5	(8,753)	(11,498)
Loss before income tax	6	(145,025)	(27,899)
Income tax expense	7	(1,233)	(312)
Loss for the year		(146,258)	(28,211)
Loss for the year attributable to:			
The owners of the Company		(145,228)	(28,211)
Non-controlling interests		(1,030)	–
		(146,258)	(28,211)
<i>Other comprehensive income</i>			
Item that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		835	927
Other comprehensive income for the year		835	927
Total comprehensive expense for the year		(145,423)	(27,284)
Total comprehensive expense for the year attributable to:			
The owners of the Company		(144,443)	(27,284)
Non-controlling interests		(980)	–
		(145,423)	(27,284)
Loss per share			
Basic and diluted (HK cents)	8	(27.84)	(16.82)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 June	
		2026	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		4,294	4,960
Right-of-use assets		—	—
Intangible asset		291	3,133
Deposits	10	393	373
		4,978	8,466
Current assets			
Trade and other receivables	10	21,910	14,563
Contract assets		54,327	34,245
Income tax recoverable		201	201
Cash and cash equivalents		12,438	9,718
		88,876	58,727
Total assets		93,854	67,193
Current liabilities			
Trade and other payables	11	35,189	40,609
Contract liabilities		5,315	3,556
Lease liabilities		1,098	993
Other borrowings	12	—	50,000
Shareholder's loan	12	—	30,000
Tax payable		1,538	312
		43,140	125,470
Net current assets (liabilities)		45,736	(66,743)
Total assets less current liabilities		50,714	(58,277)
Non-current liabilities			
Lease liabilities		1,421	2,401
Other borrowings	12	39,752	5,000
Convertible bonds	13	21,408	—
		62,581	7,401
Total liabilities		105,721	132,871
NET LIABILITIES		(11,867)	(65,678)
Capital and reserves			
Share capital	14	8,466	1,866
Reserves		(22,184)	(67,544)
Equity attributable to owners of the Company		(13,718)	(65,678)
Non-controlling interests		1,851	—
CAPITAL DEFICIENCY		(11,867)	(65,678)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

CROSSTEC Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 18 March 2016, as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the registered office is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The headquarter and principal place of business in Hong Kong is located at Unit 1301, 13/F, Technology Plaza, 651 King’s Road, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively as the “**Group**”) are provision of integrated interior solutions services, online game integrated services and property management services. The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company. All values are rounded to nearest thousands (HK\$’000) unless otherwise stated.

2. BASIS OF PREPARATION

(a) Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

(b) Basis of measurement and going concern assumption

(i) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis at the end of each reporting period.

(ii) Going concern assumption

The Group incurred a loss of approximately HK\$146,258,000 for the year ended 30 June 2026, and as of that date, the Group had convertible bonds and other borrowings amounted to approximately HK\$21,408,000 and HK\$39,752,000, respectively. The convertible bonds are due for maturity in 2028, while the other borrowings are repayable from 2028 to 2031. Also, the Group had capital deficiency of approximately HK\$11,867,000. However, the Group had cash and cash equivalents of approximately HK\$12,438,000.

In assessing the appropriateness of the use of the going concern basis in the preparation of the consolidated financial statements, the directors of the Company have prepared a cash flow forecast covering a period up to December 2027. The directors of the Company have given careful consideration to the future liquidity and performance of the Group and the Group's available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. The following considerations have been taken into account in the cash flow forecast:

- The Group has entered into subscription agreements with Hexing Investment Limited (“**HIL**”) and MK Investment Group Limited (“**MKI**”) respectively, pursuant to which HIL and MKI have conditionally agreed to subscribe and the Company has conditionally agreed to allot and issue convertible bonds in the principal amounts of HK\$57,100,000 and HK\$38,400,000 respectively, which shall be satisfied by discharging part of the payment obligation of the Company on the loans and relevant interests of HIL and MKI respectively. The subscription agreements were completed on 22 September 2025. During the year, totaling of 660,000,000 shares have been completed conversion of convertible bonds. By the date of 20 July 2026, all convertible bonds have been fully converted.
- The Group has a total facility line granted by an independent third party of HK\$43,505,000 based on the facility letter dated 18 November 2025 and 1 April 2026. As at the approval date of these consolidated financial statements, the Group has drawn down the loan facility amounted to HK\$34,752,000 as at 30 June 2026; and remaining of HK\$8,753,000 of facility line available for further draw down.
- The Group will continue its efforts to enhance its operation to improve its cash flow from operations to strengthen its working capital.

The directors anticipate that the Group will have sufficient funds to continue as a going concern in the next 12 months from the end of the reporting period based on the above measures implemented.

2.1 APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

(a) Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 July 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lock of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(b) New and Amendments to HKFRS Accounting Standards in issue but not yet effective

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

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

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

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

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

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all of the new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

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

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

3. REVENUE AND SEGMENT INFORMATION

Revenue

Revenue includes the net invoiced value of goods sold, design and project consultancy services, maintenance services, property management and sales agency services rendered and contract revenue earned from the interior solutions projects by the Group and online game integrated services rendered by the Group. The amounts of each significant category of revenue recognised are as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Time of revenue recognition		
Revenue – over time		
Income from interior solutions projects	55,664	49,513
Maintenance service income	140	18
Design and project consultancy service income	1,676	25
Online game integrated services	1,147	4,066
Property management services	250	–
	<u>58,877</u>	<u>53,622</u>
Revenue – at a point in time		
Sales millwork and furniture	258	1,787
Property sales agency services	6,178	–
	<u>6,436</u>	<u>1,787</u>
	<u><u>65,313</u></u>	<u><u>55,409</u></u>

Segment information

Information reported to the Group's chief operating decision makers ("CODM"), for the purpose of resources allocation and performance assessment of segment performance focuses on types of goods or services delivered or provided. The Group's operating and reportable segments are: i) trading of millwork and furniture and provision of interior design, project consultancy, maintenance and interior solution services ("**Integrated Interior Solutions Services**"), ii) provision of promotional and other supporting services of online game for the game publisher ("**Online Game Integrated Services**") and (iii) provision of property management services and property sales agency services ("**Property Management Services**").

During the year ended 30 June 2026, the Group commenced the business engaging in property management services and property sales agency services and it is considered as a new operating and reportable segment by the CODM.

Management monitors the results of the Group's operating and reportable segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment results is evaluated based on reportable segment profit (loss), which is a measure of adjusted loss before taxation without allocation of loss from issue of convertible bonds, finance costs and other corporate income as well as corporate expenses.

The following is an analysis of the Group's revenue and results by operating and reportable segments.

For year ended 30 June 2026

Segment revenue	Integrated Interior Solutions Services HK\$'000	Online Game Integrated Services HK\$'000	Property Management Services HK\$'000	Total HK\$'000
External sales	<u>57,738</u>	<u>1,147</u>	<u>6,428</u>	<u>65,313</u>
Revenue				65,313
Segment result	(8,983)	(1,692)	(105)	(10,780)
Reconciliation:				
Finance costs				(8,753)
Loss from issue of convertible bonds				(119,809)
Corporate and other unallocated income				1,032
Corporate and other unallocated expense				<u>(6,715)</u>
Loss before taxation				<u><u>(145,025)</u></u>
Segment assets	81,362	346	3,055	84,763
Reconciliation:				
Corporate and unallocated assets				<u>9,091</u>
Total assets				<u><u>93,854</u></u>
Segment liabilities	(23,256)	(3,885)	(2,134)	(29,275)
Reconciliation:				
Other borrowings and shareholder's loan				(39,752)
Corporate and unallocated liabilities				<u>(36,694)</u>
Total liabilities				<u><u>(105,721)</u></u>
Other segment information				
Depreciation of property, plant and equipment	666	–	–	666
Amortisation of intangible asset	–	783	–	783
Impairment loss on intangible asset	–	2,059	–	2,059
Impairment losses under expected credit loss model, net	<u>5,326</u>	<u>–</u>	<u>–</u>	<u>5,326</u>

For the year ended 30 June 2025

	Integrated Interior Solutions Services <i>HK\$'000</i>	Online Game Integrated Services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue			
External sales	51,343	4,066	55,409
Revenue			55,409
Segment result	(6,881)	224	(6,657)
Reconciliation:			
Finance costs			(11,498)
Corporate and other unallocated income			269
Corporate and other unallocated expense			(10,013)
Loss before taxation			(27,899)
Segment assets	51,883	8,881	60,764
Reconciliation:			
Corporate and unallocated assets			6,429
Total assets			67,193
Segment liabilities	(23,252)	(4,936)	(28,188)
Reconciliation:			
Other borrowings and shareholder's loan			(85,000)
Corporate and unallocated liabilities			(19,683)
Total liabilities			(132,871)
Other segment information			
Additions to non-current assets	3,219	–	3,219
Depreciation of property, plant and equipment	666	–	666
Depreciation of right-of-use assets	169	–	169
Amortisation of intangible asset	–	783	783
Impairment losses on property, plant and equipment and right-of-use assets	3,695	–	3,695
Impairment losses under expected credit loss model, net	965	–	965

Geographical information

The following table sets out the information about the geographical location of the Group's revenue from external customers and non-current assets other than financial instruments ("**Specified non-current assets**").

The Group comprises the following main geographical segments:

(a) Revenue from external customers by locations of customers

	2026 HK\$'000	2025 HK\$'000
Hong Kong (place of domicile)	9,731	18,697
People's Republic of China ("PRC") (excluding Hong Kong)	6,083	32,796
Australia	49,499	3,916
	<u>65,313</u>	<u>55,409</u>

(b) Specified non-current assets by locations of assets

	2026 HK\$'000	2025 HK\$'000
Hong Kong (place of domicile)	4,294	4,960
PRC	291	3,133
	<u>4,585</u>	<u>8,093</u>

Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's total revenue during the year is as follows:

	2026 HK\$'000	2025 HK\$'000
Client A [#]	21,584	—**
Client B [#]	6,976	—**
Client C [#]	—*	26,541
Client D [#]	—*	14,588

* Revenue from relevant customers were less than 10% of the Group's total revenue for the reporting period.

** Nil revenue of the customers for the respective reporting period.

[#] Revenue from integrated interior solutions services segment.

In the following table, revenue is disaggregated by primary geographical markets of customers, major products and service lines.

	Sales of millwork and furniture		Interior solutions projects		Maintenance services		Design and project consultancy services		Online game integrated services		Property sales agency services		Property management service		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Primary geographical markets of customers																
- Hong Kong	-	-	8,444	14,588	140	18	-	25	1,147	4,066	-	-	-	-	9,731	18,697
- Australia	-	-	41,395	3,916	-	-	1,676	-	-	-	6,178	-	250	-	49,499	3,916
- PRC (excluding Hong Kong)	258	1,787	5,825	31,009	-	-	-	-	-	-	-	-	-	-	6,083	32,796
Total	258	1,787	55,664	49,513	140	18	1,676	25	1,147	4,066	6,178	-	250	-	65,313	55,409

4. OTHER INCOME AND OTHER GAINS AND LOSSES, NET

	2026 HK\$'000	2025 HK\$'000
Other income		
Bank interest income	4	19
Rental income	667	-
Sundry income	516	297
	<u>1,187</u>	<u>316</u>
Other gains and losses, net		
Gain on early termination of lease	-	606
Exchange loss, net	(28)	(95)
Gain on disposal of subsidiaries	883	-
	<u>855</u>	<u>511</u>

5. FINANCE COSTS

	2026 HK\$'000	2025 HK\$'000
Interest on other borrowings	3,368	6,925
Interest on shareholder's loan	1,036	4,500
Interest on lease liabilities	153	73
Interest on convertible bonds	4,196	-
	<u>8,753</u>	<u>11,498</u>

6. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Depreciation on:		
– Property, plant and equipment	666	666
– Right-of-use assets	–	169
Amortisation of intangible asset	783	783
Auditor's remuneration	730	730
Impairment losses under expected credit loss model, net in respect of:		
– Trade receivables	472	451
– Retention receivables	30	432
– Contract assets	4,595	82
– Other receivables	229	–
Employee benefit expenses (including directors' and chief executive's remuneration):		
Wages and salaries	11,175	11,955
Post-employment benefits – contribution to defined contribution retirement plan	187	215
Other benefits	862	1,236
	<u>12,224</u>	<u>13,406</u>

7. INCOME TAX EXPENSE

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

	2026 HK\$'000	2025 HK\$'000
Current tax		
– Hong Kong	58	41
– PRC Enterprise Income Tax	(1)	271
– Australia	1,176	–
Income tax expense	1,233	312

The Company was incorporated in the Cayman Islands and is exempted from income tax. It is not subject to tax in other jurisdictions.

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

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Under the applicable corporate tax law in Australia, income tax is charged at 25% (2025: 25%) of the estimated assessable profits.

Income tax on assessable profits of overseas subsidiaries are calculated at the rates applicable in the respective jurisdictions.

8. LOSS PER SHARE

The calculation of the basic loss per share amount is based on the loss for the year attributable to the owners of the Company, and the weighted average number of ordinary shares of approximately 521,683,000 (2025: 167,706,000).

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	2026 HK\$'000	2025 HK\$'000
Loss		
Loss for the purpose of basic and diluted loss per share	<u>(145,228)</u>	<u>(28,211)</u>
	Number of shares	
	2026 '000	2025 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share (<i>Note</i>)	<u>521,683</u>	<u>167,706</u>

Note: For the year ended 30 June 2026, there is an anti-dilutive impact due to the loss for the year attributable to owners of the Company. The Group had no dilutive potential ordinary shares in issue during the year ended 30 June 2025.

9. DIVIDEND

No dividend has been paid or declared by the Company for the year ended 30 June 2026 (2025: Nil).

10. DEPOSITS AND TRADE AND OTHER RECEIVABLES

	2026 HK\$'000	2025 HK\$'000
Trade receivables, net	11,138	3,121
Retention receivables, net	–	60
Deposits and other receivables	2,311	1,813
Prepayments	<u>8,854</u>	<u>9,942</u>
Total	22,303	14,936
Less: Non-current portion		
Refundable deposits	<u>(393)</u>	<u>(373)</u>
Total current portion	<u>21,910</u>	<u>14,563</u>

Trade receivables are non-interest bearing. The Group does not hold any collateral or other credit enhancements over these balances. The credit period granted to trade customers is within 30 days in general and up to 60 days for provision of Integrated Interior Solutions Services and within 150 days for provision of Online Game Integrated Services upon the issue of the invoice.

The following is an analysis of trade receivables (net of impairment losses allowance under expected credit loss model) by age, based on the invoice dates:

	2026 HK\$'000	2025 <i>HK\$'000</i>
Less than 1 month	8,230	1,438
1 to 3 months	39	1,298
3 to 6 months	–	257
More than 6 months but less than 1 year	2,869	48
More than 1 year	–	80
	11,138	3,121

11. TRADE AND OTHER PAYABLES

	2026 HK\$'000	2025 <i>HK\$'000</i>
Trade payables	17,165	6,541
Other payables and accruals	13,101	18,252
Accrued interest	4,923	15,816
Total	35,189	40,609

The Group's trade payables are non-interest bearing and generally have payment terms of 31 to 90 days in general.

An ageing analysis of trade payables, based on the invoice dates, is as follows:

	2026 HK\$'000	2025 <i>HK\$'000</i>
Less than 1 month	9,087	–
1 to 3 months	239	1,087
3 to 6 months	67	820
More than 6 months but less than 1 year	6,837	1,648
More than 1 year	935	2,986
	17,165	6,541

12. OTHER BORROWINGS AND SHAREHOLDER'S LOAN

	2026		2025	
	Current <i>HK\$'000</i>	Non-current <i>HK\$'000</i>	Current <i>HK\$'000</i>	Non-current <i>HK\$'000</i>
Unsecured				
Other borrowings	–	39,752	50,000	5,000
Shareholder's loan	–	–	30,000	–
	<u>–</u>	<u>–</u>	<u>30,000</u>	<u>–</u>
	<u>–</u>	<u>39,752</u>	<u>80,000</u>	<u>5,000</u>

As at 30 June 2026 and 30 June 2025, total current and non-current other borrowings and shareholder's loan were scheduled to repay as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Other borrowings:		
On demand or within one year	–	50,000
More than two years but less than five years	39,752	–
More than five years	–	5,000
	<u>–</u>	<u>55,000</u>
	<u>39,752</u>	<u>55,000</u>
Shareholder's loan:		
On demand or within one year	–	30,000
	<u>–</u>	<u>30,000</u>
	<u>–</u>	<u>30,000</u>

13. CONVERTIBLE BONDS

On 22 September 2025, the Company issued convertible bonds with 2% coupon rate at principal amounts of HK\$38,400,000 (“**MKI CB**”) and HK\$57,100,000 (“**HIL CB**”) to MK Investment Group Limited and Hexing Investment Limited respectively to set off the borrowings from them of principal amounts of HK\$30 million and HK\$50 million respectively and part of relevant accrued interests thereon.

The convertible bonds will mature on the third anniversary of the date of issue of the convertible bonds. The convertible bonds can be converted into 868,181,818 conversion shares at any time between the issue date and the maturity date at the bondholders’ discretion at an initial conversion price of HK\$0.11 per share.

The fair value of the convertible bonds is estimated and determined by Crank-Nicolson finite-difference method, which incorporates contractual terms from the convertible bonds issuance documents and valuation parameters observed from market source.

The fair value of the convertible bonds is measured at approximately HK\$215 million as at the issue date, i.e. 22 September 2025. The difference of approximately HK\$120 million between the fair value and the aggregate principal value of the convertible bonds was recognised as a loss from issue of convertible bonds in the profit or loss during the year ended 30 June 2026.

14. SHARE CAPITAL

Ordinary shares of HK\$0.01 (2025: HK\$0.01) each

	Ordinary share per unit HK\$	Number of shares (’000)	HK\$’000
Authorised:			
At 1 July 2024, 30 June 2025, 1 July 2025 and 30 June 2026	0.01	10,000,000	100,000
Issued and fully paid:			
At 1 July 2024	0.01	155,520	1,555
Issuance of shares, net of issuing expenses (Note (i))	0.01	31,104	311
At 30 June 2025 and 1 July 2025	0.01	186,624	1,866
Issuance of shares upon conversion of convertible bonds (Note (ii))	0.01	660,000	6,600
At 30 June 2026	0.01	846,624	8,466

Notes:

- (i) On 7 February 2025, the Company entered into the placing agreement with the placing agent pursuant to which the placing agent has conditionally agreed, as the placing agent of the Company, to procure on a best effort basis not less than six placees to subscribe for up to 31,104,000 ordinary shares with par value of HK\$0.01 each at a price of HK\$0.20 each (the “**2025 Placing**”). The aforesaid placing was completed on 28 February 2025. The new shares rank *pari passu* with the existing shares in all respects. Further details were set out in the Company’s announcements dated 7 February 2025 and 28 February 2025.
- (ii) During the year, MKI CB in respect of the principal amount of HK\$31,900,000 was converted into 290,000,000 ordinary shares of the Company while HIL CB in respect of the principal amount of HK\$40,700,000 was converted into 370,000,000 ordinary shares of the Company at the conversion price of HK\$0.11 per ordinary shares. The conversion shares rank *pari passu* with the existing shares in all respects. Further details were set out in the Company’s announcements dated 26 November 2025, 13 January 2026, 22 January 2026, 6 February 2026, 11 February 2026, 13 March 2026, 1 April 2026, 14 April 2026, 27 April 2026, 11 May 2026 and 28 May 2026.

15. EVENTS AFTER REPORTING PERIOD

Save as disclosed elsewhere in the consolidated financial statements, the Group has following significant events after reporting period:

From 1 July 2026 to 20 July 2026, convertible bonds with principal amount of HK\$22,900,000 in aggregate were converted into 208,181,818 ordinary shares of the Company at the conversion price of HK\$0.11 per share. Further details were set out in the Company’s announcements dated 9 July 2026 and 20 July 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the provision of Integrated Interior Solutions Services, Online Game Integrated Services and Property Management Services. The Group has been conducting its business since 1999 and has been developing its business in the PRC, Australia, and other countries.

For the Year, the Group's revenue, gross profit and net loss were approximately HK\$65.3 million (2025: approximately HK\$55.4 million), approximately HK\$11.2 million (2025: approximately HK\$9.5 million) and approximately HK\$146.3 million (2025: approximately HK\$28.2 million) respectively, representing an increase of approximately 17.9%, 18.2% and 418.4%.

In order to stay competitive in the market, the management of the Company has put resources and emphasized on developing the local business in the PRC and Hong Kong, as well as exploring business in Australia in the Year. In addition to maintaining good business relationship with the existing large brand customers, the Group has well established new business relationships with certain internationally recognized brands and property owners for their sizeable projects.

The increase in the consolidated net loss of the Group for the Year is mainly attributable to the loss from issue of convertible bonds of approximately HK\$119.8 million. The loss for the Year before the loss from issue of convertible bonds was approximately HK\$26.4 million (2025: approximately HK\$28.2 million), representing a decrease of approximately 6.2%.

BUSINESS STRATEGIES AND OUTLOOK

Despite the uncertainties of the global situation, it is on the right track that the Group is putting more effort to overseas business as well as strengthen the competitive advantage of the local business.

Geographically speaking, as the Group is dedicated to putting more resources and efforts on exploring the business opportunities in relation to the interior solutions projects in the PRC, Hong Kong and Australian market, very positive results have been received recently. We have established numerous business relationship with new clients who are internationally recognized brands and property owners and we have also been working closely with them for their expansion projects. Considering the huge development potential, we believe that the Group's business will be promising in the coming years.

Based on the high qualities of products and services provided by the Group, the management of the Company is confident that long-term business relationships will be built up and more projects will be undergoing in the near future.

In addition to the core business, in order to broaden the income sources, the Company has been exploring other business opportunities. In June 2024, the Group was granted a license to reproduce, distribute and publish a licensed game in the PRC for a term of five years and has commenced the gaming business in the Year. In the third quarter of 2026, the Group has also been exploring and developing a computer-aided design platform leveraged by the use of artificial intelligence (AI). The Group wishes to provide design services in relation to interior solutions projects through such platform in near future.

Further, the Company is still exploring the suitable business partner to co-operate in a form of strategic co-operation alliance or other possible way of development. The Company will keep the Shareholders updated and informed by way of announcement(s) as and when appropriate.

Last but not least, the Group has been making efforts to solicit potential acquisition targets which may have synergy with the existing business of the Group for its ongoing strategic growth and such strategy remains unchanged in the coming year.

REVIEW

Revenue

The Group generated revenue principally from providing seven major categories of sales and services, mainly including: (i) sales of millwork and furniture (2026: approximately HK\$0.3 million; 2025: approximately HK\$1.8 million), (ii) interior solutions services (2026: approximately HK\$55.7 million; 2025: approximately HK\$49.5 million), (iii) design and project consultancy services (2026: approximately HK\$1.7 million; 2025: approximately HK\$25,000); (iv) maintenance services (2026: approximately HK\$140,000; 2025: approximately HK\$18,000); (v) online game integrated services (2026: approximately HK\$1.1 million; 2025: approximately HK\$4.1 million); (vi) property management services (2026: approximately HK\$0.3 million; 2025: Nil); and (vii) property sales agency services (2026: approximately HK\$6.2 million; 2025: Nil).

Revenue of the Group increased by approximately 17.9% from approximately HK\$55.4 million in 2025 to approximately HK\$65.3 million in 2026. The increase in revenue was mainly due to more large projects were made during the Year.

Direct costs

Direct costs of the Group primarily consisted of costs of material, subcontracting charges, labour costs and other direct expenses. Direct costs increased by approximately 17.8% from approximately HK\$45.9 million in 2025 to approximately HK\$54.1 million in 2026. The increase was mainly due to the increase in revenue of the Group.

Gross profit and gross profit ratio

The Group recorded a gross profit of approximately HK\$11.2 million in the Year with a gross profit ratio of approximately 17.2% (2025: gross profit of approximately HK\$9.5 million with a gross profit ratio of approximately 17.1%). There was no material change in the gross profit ratio.

Loss from issue of convertible bonds

The fair value of the convertible bonds is measured at approximately HK\$215 million as at the issue date, i.e. 22 September 2025. The difference of approximately HK\$120 million between the fair value and the aggregate principal value of the convertible bonds was recognised as a loss from issue of convertible bonds in the profit or loss during the year ended 30 June 2026.

Administrative expenses

Administrative expenses of approximately HK\$22.3 million in the Year (2025: approximately HK\$22.1 million) mainly consisted of operating expenses such as employee benefits, marketing expenses and legal and professional fees. The administrative expenses remained stable during the Year.

Finance costs

Finance costs decreased from approximately HK\$11.5 million for the year ended 30 June 2025 to approximately HK\$8.8 million in the Year, mainly attributable to the decrease in other borrowings and shareholder's loan as a result of issue of the convertible bonds.

Income tax expense

Income tax expense mainly represented current tax paid/payable for profits tax in Australia.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group derived cash inflow mainly from (i) operating activities primarily through provision of Integrated Interior Solutions Services, Online Game Integrated Services and Property Management Services; and (ii) financing activities such as borrowings and equity fund raisings. Cash outflow from operating activities primarily comprises direct costs, administrative expenses and other operating expenses.

As at 30 June 2026, the cash and bank balances amounted to approximately HK\$12.4 million (2025: approximately HK\$9.7 million).

As at 30 June 2026 and 2025, the Group did not have any bank facilities.

In view of the Group's current level of cash and bank balances, funds generated internally from operations and the financing sources, the Board believes the Group has sufficient resources to support its operations and meet its foreseeable capital expenditures in the coming year.

During the year ended 30 June 2025, the Group completed the 2025 Placing. The gross proceeds from the 2025 Placing was approximately HK\$6.2 million and the net proceeds (after deduction of placing fees and other expenses of the 2025 Placing) from the 2025 Placing was approximately HK\$6,010,000, representing a net placing price of approximately HK\$0.193 per placing share. The net proceeds of the 2025 Placing were fully utilized as the intended use and approximately HK\$3,000,000 was used for the payment of subcontracting charges for the interior solutions projects of the Group and the remaining approximately HK\$3,010,000 was used for the Group's general working capital.

Borrowings and gearing ratio

As at 30 June 2026, the Group had other borrowings and shareholder's loan of approximately HK\$39.8 million and HK\$Nil respectively (30 June 2025: approximately HK\$55.0 million and HK\$30.0 million respectively).

As at 30 June 2026, the Group had convertible bonds of approximately HK\$21.4 million (30 June 2025: Nil).

The gearing ratios (calculated as bank and other borrowings divided by total equity) were negative as at 30 June 2026 and 2025 as the Group's equities were in deficit position as at these two dates.

CHARGE ON ASSETS

As at 30 June 2026 and 2025, a Company's subsidiary (which holds a building of approximately HK\$4.3 million as at 30 June 2026 and approximately HK\$5.0 million as at 30 June 2025 respectively) provided a corporate guarantee to an independent lender in respect of a borrowing of HK\$5.0 million.

CONTINGENT LIABILITIES

As at 30 June 2026 and 2025, the Group had no significant contingent liabilities.

SIGNIFICANT INVESTMENT HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have any significant investment held as at 30 June 2026 nor any plans for material investments and capital assets.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 22 August 2016 (the “**Share Option Scheme**”). The Company had not granted any share options under the Share Option Scheme up to 30 June 2026. The Share Option Scheme ended on 11 September 2026.

HUMAN RESOURCES AND EMPLOYEES' REMUNERATION

As at 30 June 2026, the Group had 52 employees (2025: 35 employees). Total employee benefits (including Directors' and chief executive's remuneration) were approximately HK\$12.2 million (2025: approximately HK\$13.4 million). The Group remunerates its employees based on their qualifications, performance, experience and prevailing industry practice. Competitive remuneration package is offered to retain elite employees, including salaries, medical insurance, discretionary bonuses as well as mandatory provident fund schemes for employees in Hong Kong. Apart from basic remuneration, share options may be granted under the Share Option Scheme to eligible employees on the basis of their individual performance to attract and retain talents to contribute the Group. In order to achieve a standard and quality production of works and to develop individual's potential, the Group's employees are encouraged to attend monthly sharing sessions, lectures and training courses which related to the nature of their duties. In addition to internal trainings, the Group also encourages employees to enroll in courses organised by external organisations and institutes.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had no material capital commitment (2025: Nil).

FOREIGN EXCHANGE RISK

The Group adheres to prudent financial management principle to control and minimise financial and operational risks. The Group is exposed to foreign currency risk primarily through sales and purchases that are denominated in Thai Baht, Singapore dollars, United States dollars, Renminbi (RMB), Euro (EUR), Australian dollars (AUD) and Great Britain Pound. The management of the Company is aware of the possible exchange rate exposure due to the continuing fluctuation of RMB and AUD and will closely monitor its impact on the performance of the Group to see if any hedging policy is necessary. Presently, there is no hedging policy with respect to the foreign exchange exposure.

EVENTS AFTER REPORTING PERIOD

For the events after the reporting period, please refer to note 15 in this announcement for details.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Part 2 of Appendix 14 to the Listing Rules as its own code of corporate governance.

Save as the deviation from code provision C.2.1 of the CG Code as described below, the Board considers that the Company has fully complied, to the extent applicable and permissible, with the code provisions as set out in the CG Code during the Year.

Code Provision C.2.1 requires the roles between the chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Wang Rong (“**Mr. Wang**”) assumes the roles of both the chairman of the Board (the “**Chairman**”) and the chief executive officer of the Company (the “**Chief Executive Officer**”) since 23 November 2023. In view of Mr. Wang’s extensive experience in the industry, personal profile and critical role in the Group, the Board considers that it is beneficial to the business prospects of the Group that Mr. Wang continues to act as both the Chairman and the Chief Executive Officer. The Board believes that vesting both the roles of Chairman and Chief Executive Officer in the same person has the benefit of providing a strong and consistent leadership to the Group and allows for more effective planning and management of the Group. In addition, the Board is of the view that the balanced composition of executive and the independent non-executive Directors on the Board and the various committees of the Board (primarily comprising independent non-executive Directors) in overseeing different aspects of the Company’s affairs would provide adequate safeguards to ensure a balance of power and authority. The Board will continue to review and consider splitting the roles of Chairman and Chief Executive Officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

The Company will continue to review and enhance its corporate governance practice to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

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 code of conduct regarding dealings in the securities of the Company by the Directors.

Having made specific enquiry, all the Directors confirmed that they have complied with the required standards set out in the Model Code during the Year. Employees who are likely to be in possession of inside information of the Company are also subject to compliance with guidelines on no less exacting terms than the Model Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company’s listed securities during the Year.

SCOPE OF WORK OF RONGCHENG (HONG KONG) CPA LIMITED

The figures in respect of this announcement of the Group's results for the Year have been agreed by the Group's auditor, Rongcheng (Hong Kong) CPA Limited, to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by Rongcheng (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Rongcheng (Hong Kong) CPA Limited on this announcement.

AUDIT COMMITTEE

The Company has established an audit Committee of the Company (the “**Audit Committee**”) on 22 August 2016 with written terms of reference in compliance with the Listing Rules and the CG Code. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process, risk management and internal control systems, and review of the Group's financial information. The Audit Committee comprises all three independent non-executive Directors, namely Mr. Tse Kwok Hing Henry (as committee chairman), Ms. Lee Kwai Sheung and Mr. Ma Jian. The Audit Committee has reviewed the Group's consolidated annual results for the Year and is of the opinion that the preparation of such results has complied with the applicable accounting standards and the requirements under the Listing Rules, and that adequate disclosure has been made.

DIVIDEND

The Board has resolved not to recommend the payment of any dividend for the Year (2025: Nil).

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

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

APPRECIATION

The Company would like to take this opportunity to thank all our valued Shareholders and various stakeholders of the Company for their continuous support. Also, the Company would like to express its appreciation to all the staff for their efforts and commitments to the Group.

On behalf of the Board
CROSSTEC Group Holdings Limited
Wang Rong
Executive Director

Hong Kong, 30 September 2026

As at the date of this announcement, the Board comprises Mr. Wang Rong as an executive Director; and Ms. Lee Kwai Sheung, Mr. Tse Kwok Hing Henry and Mr. Ma Jian as independent non-executive Directors.