



WINOX

WINOX HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6838

2025

Annual Report

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Corporate Information and Key Dates

BOARD OF DIRECTORS

Yiu Hon Ming (Chairman)
Yiu Tat Sing (Deputy Chairman)
Li Chin Keung (Managing Director)
Law Wai Ping
Chau Kam Wing Donald (Finance Director)
Yiu Ho Ting
Hou Bojian*
Wong Lung Tak Patrick*
Wu Ming Lam*

* Independent Non-Executive Director

AUDIT COMMITTEE

Wong Lung Tak Patrick (Chairman)
Hou Bojian
Wu Ming Lam

REMUNERATION COMMITTEE

Wong Lung Tak Patrick (Chairman)
Yiu Hon Ming
Hou Bojian
Wu Ming Lam

NOMINATION COMMITTEE

Yiu Hon Ming (Chairman)
Law Wai Ping
Hou Bojian
Wong Lung Tak Patrick
Wu Ming Lam

COMPANY SECRETARY

Huen Lai Chun

AUTHORISED REPRESENTATIVES

Yiu Hon Ming
Huen Lai Chun

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35th Floor, One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2, 1/F, Sunray Industrial Centre
610 Cha Kwo Ling Road, Yau Tong
Kowloon, Hong Kong

Telephone: (852) 23493776

Facsimile: (852) 23493780

Website: <http://www.winox.com>

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

INFORMATION OF SHARES

Place of Listing	:	Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange")
Stock Code	:	6838
Board Lot	:	2,000 shares
Financial Year End	:	31 December

Financial Highlights

	Year ended 31 December 2025 HK\$'000	Year ended 31 December 2024 HK\$'000	Change
RESULTS HIGHLIGHTS			
Revenue	533,340	681,678	-21.8%
Gross profit	74,608	109,444	-31.8%
Loss for the year	(61,476)	(20,329)	202.4%
Basic and diluted loss per share (HK cents)	(10.2)	(3.4)	200.0%
Total dividend per share (HK cents)	-	0.5	
– Interim dividend (HK cents)	-	0.5	
– Final dividend (HK cents)	-	-	
	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000	Change
BALANCE SHEET HIGHLIGHTS			
Total assets	1,014,724	1,169,745	-13.3%
Total borrowings	16,521	67,783	-75.6%
Net assets	925,303	942,735	-1.8%
Net assets per share (HK\$)	1.54	1.57	-1.9%
Return on equity ¹ (%)	-6.6%	-2.2%	4.4 pts
Current ratio	3.95	2.32	
Gearing ratio ²	0.02	0.06	

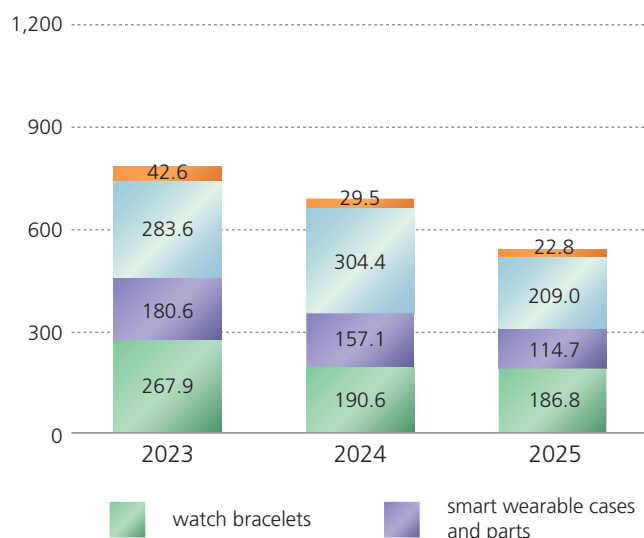
¹ Based on equity attributable to shareholders at year end

² Gearing ratio = Total borrowings/Total assets

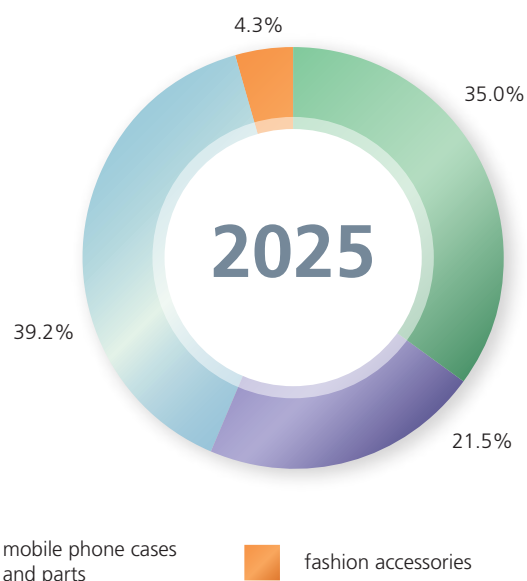
REVENUE BY PRODUCTS

For the year ended 31 December

HK\$ million

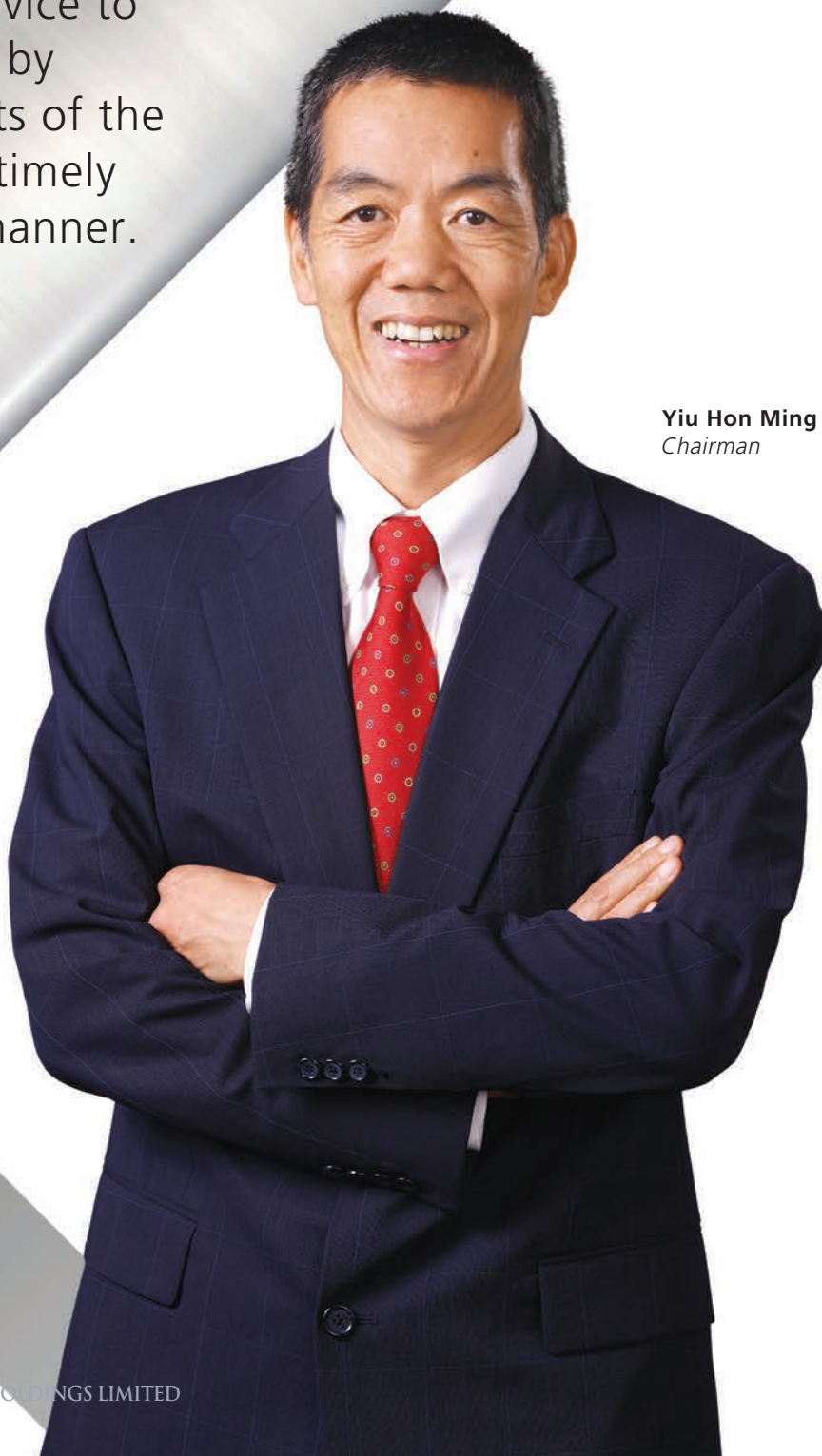


REVENUE DISTRIBUTION BY PRODUCTS



Mission

We strive to satisfy the needs of clients and provide quality service to the best we could by producing products of the highest quality in timely and competitive manner.



Yiu Hon Ming
Chairman

Dear Shareholders,

On behalf of the board ("Board") of directors ("Director(s)") of Winox Holdings Limited ("Company", together with its subsidiaries, "Group"), I am pleased to present the Group's annual results for the financial year ended 31 December 2025.

FINANCIAL PERFORMANCE

The challenges in year 2025 were further deepened due to the weak global consumer market. The revenue of the Group for the year ended 31 December 2025 was reduced by 21.8% to HK\$533,340,000 (2024: HK\$681,678,000) as compared to last year. Loss for the year amounted to HK\$61,476,000 (2024: HK\$20,329,000) and basic loss per share for the year was HK10.2 cents (2024: HK3.4 cents).

Despite the loss made in the year 2025, the Group's financial positions remains strong and healthy in which our net current assets and cash and bank deposits and balances amounted to HK\$254,360,000 and HK\$196,967,000 respectively as at 31 December 2025.

DIVIDENDS

In light of the Group's financial performance and the prevailing uncertain economic environment, preserving capital strength remains our foremost financial priority. Accordingly, the Board did not declare an interim dividend for the six months ended 30 June 2025 (2024: HK0.5 cents) and has resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

BUSINESS REVIEW

For the year ended 31 December 2025, the global demand for luxury personal goods was severely impacted by a confluence of adverse factors. These included the prolonged military conflict between Russia and Ukraine, the reciprocal tariffs imposed by the US in April 2025, and the slow recovery of China's economy.

Consequently, revenue from our watch bracelets and fashion accessories for the year ended 31 December 2025 decreased by 2.0% and 22.8% respectively as compared to the previous year. Similarly, revenue from our mobile phone cases and parts declined by 31.3% year-on-year.

Furthermore, intense domestic competition among Mainland manufacturers, particularly within the consumer electronics sector, led to a 27.0% decrease in revenue from our smart wearable cases and parts.

In response to these prolonged weak consumer markets and the numerous uncertainties and challenges ahead, the Group has implemented a workforce streamlining plan alongside other cost reduction policies. These decisive actions were taken to strengthen the Group's resilience and navigate the expected multi-year of weak luxury personal goods market. As part of this initiative, an amount of HK\$12,450,000 has been paid for the year ended 31 December 2025 in employment termination compensation.

CORPORATE SUSTAINABILITY

The Group offers a diversified portfolio of top-notch stainless steel products to its customers. We work closely with our customers and suppliers to deliver quality and cost-effective products efficiently, which enables us to maintain long and fruitful business relationships with our customers. We are committed to achieving long-term business sustainability by building on our already excellent operational efficiency.

APPRECIATION

I would like to express my sincerely appreciation to my fellow Directors, customers, staff, suppliers and other stakeholders for their contributions and support to the Group for an unusual year of 2025.

Yiu Hon Ming

Chairman

Hong Kong, 30 March 2026

Management Discussion and Analysis



BUSINESS REVIEW

The principal focus of Winox Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) remains on the development and manufacture of premium stainless steel products, and our major business segments are, namely, watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories.

During the year ended 31 December 2025, the world’s major economies have been facing different challenges, the escalated tariff war raised by US in April 2025 created great uncertainties to the world economy, the Euro zone has been adversely affected by the prolonged military conflict between Russia and Ukraine, the outbreak of war in Middle East and the effectiveness of the China’s implemented series of consumers’ stimulation measures has yet to be observed. Under this backdrop, the world demand for luxury personal goods has become sluggish and the sales of the Group’s products were inevitably affected.

The revenue of our watch bracelets and fashion accessories for the year ended 31 December 2025 decreased by 2.0% and 22.8% respectively as compared to last year. The revenue of our mobile phone cases and parts decreased by 31.3% as compared to last year.

Furthermore, intense domestic competition among Mainland manufacturers, particularly within the consumer electronics sector, led to a 27.0% decrease in revenue from our smart wearable cases and parts.

Facing the prolonged weak consumer markets and others uncertainties and challenges lies ahead, the Group implemented a workforce streamlining plan and other cost reduction policies in 2025. During the year ended 31 December 2025, an amount of HK\$12,450,000 employment termination compensation has been paid.

Nevertheless, the Group’s financial positions remains strong and healthy in which our net current assets and cash and bank deposits and balances amounted to HK\$254,360,000 and HK\$196,967,000 respectively as at 31 December 2025.

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2025, the Group's revenue decreased by 21.8% to HK\$533,340,000 (2024: HK\$681,678,000) as compared to last year. Revenue attributable to watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories were 35.0%, 39.2%, 21.5% and 4.3% respectively (2024: 28.0%, 44.7%, 23.0% and 4.3%).

During the year, the Group's revenue of watch bracelets reported a decrease of 2.0% to HK\$186,834,000 (2024: HK\$190,626,000) as compared to last year.

During the year, revenue of mobile phone cases and parts was HK\$208,962,000 (2024: HK\$304,378,000), representing a decrease of 31.3% as compared to last year.

Revenue of smart wearable cases and parts for the year recorded a decrease of 27.0% to HK\$114,749,000 (2024: HK\$157,130,000).

Revenue of fashion accessories for the year recorded a decrease of 22.8% to HK\$22,795,000 (2024: HK\$29,544,000).

Gross Profit

Gross profit for the year decreased by 31.8% to HK\$74,608,000 (2024: HK\$109,444,000) as compared to last year. Gross profit margin for the year decreased by 2.1 percentage points to 14.0% (2024: 16.1%) which was mainly due to the decrease in sales and severe market competition in terms of price cutting amongst domestic manufacturers.

Loss for the Year

Loss for the year was HK\$61,476,000 (2024: HK\$20,329,000) and basic loss per share for the year was HK10.2 cents (2024: HK3.4 cents).

Cost of Sales

Cost of sales included costs of production materials and labour, and manufacturing overhead and other costs. The following table sets forth the breakdown of the cost of sales for the year ended 31 December 2025:

	2025 HK\$'000	2024 HK\$'000
Direct materials costs	220,421	278,148
Direct labour costs	163,938	204,247
Manufacturing overhead and other costs	74,373	89,839
	458,732	572,234

For the year ended 31 December 2025, direct materials costs accounted for about 48.1% (2024: 48.6%) of the total cost of sales.

Direct labour costs, and manufacturing overhead and other costs accounted for about 35.7% and 16.2% (2024: 35.7% and 15.7%) of the total cost of sales respectively.

Other Income

Other income for the year amounted to HK\$9,176,000 (2024: HK\$16,474,000), representing a decrease of 44.3% as compared to last year which were mainly due to the decrease in time deposit interest.

Other Gains and Losses

Other losses for the year amounted to HK\$7,445,000 (2024: gains of HK\$384,000) which were mainly due to the increase in net foreign exchange loss caused by appreciation of Renminbi during the year.

Expenses

Selling and distribution costs decreased by 9.1% to HK\$12,495,000 for the year as compared to HK\$13,752,000 for last year.

Administrative and other expenses increased by 0.7% to HK\$99,240,000 (2024: HK\$98,596,000) for the year as compared to last year. During the year ended 31 December 2025, an amount of HK\$12,450,000 employment termination compensation has been paid.

Research and development expenses decreased by 9.6% to HK\$25,153,000 (2024: HK\$27,834,000) as compared to last year.

During the year, finance costs amounted to HK\$1,808,000 (2024: HK\$2,866,000), representing a decrease of 36.9% as compared to last year which was mainly due to the decrease in average balance of bank borrowings.

Taxation

Hong Kong Profits Tax

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable 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%. Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

PRC Enterprise Income Tax (the "EIT")

Under the Law of the PRC on EIT ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate of group entities in the PRC is 25%. Certain PRC subsidiaries of the Group were awarded the High and New Technology Enterprise ("HNTE") certificate in current year to be eligible to a tax rate of 15% for three years until 31 December 2025. The recognition as a HNTE is subject to review every three years by the relevant government bodies.

According to relevant laws and regulations promulgated by the State Administration of Tax of the PRC, enterprises engaging in research and development activities are entitled to claim 200% (2024: 200%) of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the year ("Super Deduction").

The Group has made its best estimate for the Super Deduction to be claimed for the subsidiaries in ascertaining their assessable profits for the year.

Inventories

	2025 HK\$'000	2024 HK\$'000
Raw materials	7,776	8,656
Work in progress	17,329	41,101
Finished goods	10,051	14,487
	35,156	64,244

As at 31 December 2025, the Group recorded an inventory balance of HK\$35,156,000 (31 December 2024: HK\$64,244,000), representing a decrease of 45.3%. The inventory turnover of the Group for year ended 31 December 2025 was 39.5 days as compared to 39.8 days for the year ended 31 December 2024.

Trade Receivables

As at 31 December 2025, the trade receivables of the Group amounted to HK\$72,669,000 (31 December 2024: HK\$166,055,000). The credit periods granted to our customers were considered on individual basis ranging from 30 days to 90 days. Generally, no credit would be granted to customers which are new, short-term and placing orders in immaterial scale. As most of our customers were internationally renowned brand owners, we considered we were exposed to relatively minimal default risk. As at 20 March 2026, approximately HK\$67,117,000 of the gross carrying amount of trade receivables as at 31 December 2025 has been received. The trade receivables turnover of the Group for the year ended 31 December 2025 was 81.7 days (for the year ended 31 December 2024: 82.7 days).

Trade Payables

As at 31 December 2025, the trade payables of the Group amounted to HK\$33,502,000 (31 December 2024: HK\$116,514,000). The trade payables were primarily related to the purchase of raw materials from suppliers with credit periods ranging from 30 days to 90 days. The trade payables turnover of the Group for the year ended 31 December 2025 was 59.7 days (for the year ended 31 December 2024: 64.7 days).

Liquidity, Indebtedness and Charges on Assets

During the year, the Group maintained a satisfactory liquidity level. As at 31 December 2025, net current assets of the Group was HK\$254,360,000 (31 December 2024: HK\$297,079,000). Besides, the Group had cash and bank deposits and balances of HK\$196,967,000 (31 December 2024: HK\$222,249,000), of which 10.3% was in Hong Kong dollars, 36.8% was in Renminbi, 52.5% was in United States dollars, and 0.4% was in Swiss Franc and other currencies.

As at 31 December 2025, the Group's outstanding bank borrowings totalled HK\$16,521,000 (31 December 2024: HK\$67,783,000), of which 100% was in Renminbi. According to Hong Kong Accounting Standards, the Group classified the bank borrowings contained repayment on demand clause as current liabilities in the consolidated statement of financial position as at 31 December 2025. All bank borrowings as at 31 December 2025 were classified under current liabilities. According to the repayment schedule, HK\$16,521,000 was repayable within one year.

Part of the bank borrowings was secured by certain of the Group's assets with an aggregate carrying value of HK\$33,944,000 as at 31 December 2025. The charged assets included a piece of land in Dongguan where our factory situated and certain properties constructed thereon and the bills receivables. The banking facilities to the Company's wholly-owned subsidiaries were also secured by corporate guarantees in favour of the bank from the Company.

As at 31 December 2025, the total unutilised banking facilities available to the Group amounted to HK\$68,205,000 (2024: HK\$51,242,000).

As at 31 December 2025, the Group's gearing ratio was 0.02 (31 December 2024: 0.06), which was calculated on the basis of total borrowings over total assets of the Group.

Treasury

The Group adopted conservative treasury policies in cash and financial management for the year. Cash was generally placed in short-term deposits. The Group's liquidity and financing requirements were reviewed regularly.

For the year ended 31 December 2025, the Group's revenue was denominated in Hong Kong dollars, Renminbi and United States dollars, contributing to 38.0%, 25.5% and 36.5% of the total revenue respectively (2024: 30.9%, 24.8% and 44.3%).

The expenses of the Group for the year were mainly denominated in Renminbi, as the Group's production plants were located in the PRC and the labour costs and manufacturing overhead were mainly denominated in Renminbi. The appreciation and depreciation of Renminbi might affect the overall production costs of the Group.

Hong Kong dollars was pegged with United States dollars, the Directors considered the Group was exposed to limited risk in this aspect.

The Group did not use any financial instruments for hedging purposes during the year and the Group did not have any hedging instruments as at 31 December 2025. We would continue to monitor closely the exchange rate risk arising from the Group's existing operations and new investments in future. We would implement the necessary hedging arrangement to mitigate any significant foreign exchange risk when and if appropriate.

Capital Commitments

Capital expenditure contracted for but not yet provided by the Group as at 31 December 2025 was HK\$29,861,000 (31 December 2024: HK\$46,935,000), which was mainly related to the acquisition of property, plant and equipment.

Contingent Liabilities

As at 31 December 2025, save for the granting of corporate guarantees by the Company to its wholly-owned subsidiaries as described above, the Group did not have any other significant contingent liabilities.

Employment and Remuneration Policy

As at 31 December 2025, the total number of employees of the Group was 1,861 (2024: 2,455). During the year, staff costs (including Directors' emoluments) amounted to HK\$238,000,000 (2024: HK\$273,309,000). Remuneration of the employees which included salary and discretionary bonus was based on the Group's results and individual performance. Medical and retirement benefits schemes were made available to all levels of personnel. The Remuneration Committee of the Company is responsible for making recommendations to the Board on the remuneration packages of Directors and senior management, with reference to their duties, responsibilities and performance, and the results of the Group. No Director will be involved in deciding his/her own remuneration.

OUTLOOK

As we progress through 2025, the global economy continues to face significant headwinds. These challenges include the ongoing U.S.-China tariff war and escalating trade sanctions imposed by the U.S., which threaten to further destabilize global trade; the protracted military conflict between Russia and Ukraine; the outbreak of military conflict in the Middle East at the end of February 2026; heightened geopolitical tensions in other regions; China's persistently slow economic recovery; and intense domestic competition within the manufacturing sector, creating substantial survival challenges for businesses.

In navigating this complex landscape, the Group will continue to implement strategic measures to mitigate these uncertainties. While we remain focused on revenue growth, our foremost priority is to ensure consistent and sustainable long-term profitability. To achieve this, we are committed to enhancing operational efficiency, optimizing resource allocation, and strengthening overall profitability. These are all critical steps toward securing the Group's sustainable growth and building a more resilient future.

Directors, Senior Management and Company Secretary

EXECUTIVE DIRECTORS

YIU HON MING, *Chairman*

Mr. Yiu Hon Ming, aged 67, is the Chairman of the Board. He was appointed as a Director of the Company on 28 January 2010. He resigned as the Managing Director of the Company on 15 June 2020. Mr. Yiu is also a director of each of the wholly-owned subsidiaries of the Company. He is the founder of the Group and has over 30 years of experience in metallic products manufacturing industry. Mr. Yiu provides leadership to the Board, organises Board meetings and facilitates effective coordination among Directors. Mr. Yiu also founded other businesses which include real estate investment and development and jewellery retailing. Mr. Yiu completed a business management course organised by School of Continuing Education, Tsinghua University (清華大學繼續教育學院) in April 2007. Mr. Yiu is the husband of Ms. Law Wai Ping and the father of Ms. Yiu Ho Ting, both are Executive Directors of the Company. He is also the father of Mr. Yiu Tat Sing, the Deputy Chairman and an Executive Director of the Company. He is also a controlling shareholder of the Company, and a director of each of Ming Fung Investment Limited, the immediate holding company of the Company, and Ming Fung Holdings (Hong Kong) Limited, the ultimate holding company of the Company.

YIU TAT SING, *Deputy Chairman*

Mr. Yiu Tat Sing (former name is Yiu Tat Kui), aged 37, was appointed as an Executive Director of the Company on 26 March 2019 and appointed as the Deputy Chairman of the Board on 15 June 2020. He graduated from the University of Bristol, the United Kingdom, and obtained a Bachelor's degree in Economics and Management in 2011. Mr. Yiu joined the Group in 2011. He was a Deputy Manager of administration department at Winox Enterprise Company Limited ("Winox Enterprise"), a wholly-owned subsidiary of the Company, from August 2011 to December 2018. He has been the Business Development Manager of Winox Management Limited, a wholly-owned subsidiary of the Company, since January 2019. He is also a director of Max Surplus Corporation Limited, Winox Watch Manufactory (Dongguan) Limited ("Winox Watch") and Huizhou Fengcai Precious Metal Manufacturing Limited, Yingtai Precision Manufacturing Technology (Dongguan) Company Limited, Winox Precision Manufacturing Technology (Huizhou) Company Limited and Yingdafeng Precision Manufacturing Technology (Dongguan) Company Limited, all being wholly-owned subsidiaries of the Company. He is also a director of Ming Fung Investment Limited, the immediate holding company of the Company. Mr. Yiu is the son of Mr. Yiu Hon Ming, the Chairman and an Executive Director of the Company, and Ms. Law Wai Ping, an Executive Director of the Company. Mr. Yiu is also the brother of Ms. Yiu Ho Ting, an Executive Director of the Company.

LI CHIN KEUNG

Mr. Li Chin Keung, aged 57, was appointed as an Executive Director of the Company on 24 March 2015 and was also appointed as the Managing Director of the Company on 15 June 2020. He has been the general manager of Winox Enterprise and Winox Watch, both being wholly-owned subsidiaries of the Company, since July 2010, in charge of overall management of the Group. Mr. Li is also the general manager of Winox Management Limited, Bo Luo Ming Fung Kitchen Appliance Manufacturing Limited, Huizhou Fengcai Precious Metal Manufacturing Limited and Shengfeng Precision Manufacturing (Huizhou) Company Limited, all being wholly-owned subsidiaries of the Company. He is also a director and the general manager of Fengda Precision Technology (Dongguan) Company Limited, Yingtai Precision Manufacturing Technology (Dongguan) Company Limited, Winox Precision Manufacturing Technology (Huizhou) Company Limited and Yingdafeng Precision Manufacturing Technology (Dongguan) Company Limited, all being wholly-owned subsidiaries of the Company.

Mr. Li joined Stelux Industries Limited in 1991 and held various positions during his tenure there including computer programmer, production material control manager, manager of sales department, assistant general manager and assistant manager of logistics department. Mr. Li joined the Group in 1999 and was responsible for the production and administrative work of the Group. He was the deputy general manager of Winox Manufacturing Company Limited for the period from October 1999 to March 2005. Mr. Li took the position of sales manager from April 2005 to December 2007, and was responsible for the European jewellery and related accessories markets and successfully opened up the European leading brand market for the Company. Mr. Li was then transferred to Winox Enterprise as a sales manager from January 2008 to August 2008. During the period from August 2008 and June 2010, Mr. Li was appointed as an assistant general manager of Winox Enterprise. In July 2010, he was promoted to the general manager of Winox Enterprise and Winox Watch. Mr. Li graduated from The Hong Kong Polytechnic University with a Diploma in Industrial and Operations Management in November 1998 and is the holder of a Diploma in Computing Studies (Technical Applications) awarded by the Chai Wan Technical Institute of the Vocational Training Council in September 1991.

LAW WAI PING

Ms. Law Wai Ping, aged 61, is an Executive Director of the Company. She was appointed as a Director of the Company on 11 March 2011. Ms. Law is also a director of Winox Management Limited, Winox Enterprise, Super Powerful Limited, Max Surplus Corporation Limited, Winox Ventures Limited, Winox Development Limited, Glorify Land Management Limited, Winox Holdings Limited, which was incorporated in the British Virgin Islands, Feng Cai Limited, Prime Yield Developments Limited, Frayda Group Limited, Winox Watch and Huizhou Fengcai Precious Metal Manufacturing Limited, all being wholly-owned subsidiaries of the Company. Ms. Law has over 30 years of experience in the management of metallic product business and is primarily responsible for the Group's corporate resources management. She also partakes in formulating the development strategies of the Group. Ms. Law is the wife of Mr. Yiu Hon Ming, the Chairman and an Executive Director of the Company, the mother of Ms. Yiu Ho Ting, an Executive Director of the Company, and the mother of Mr. Yiu Tat Sing, the Deputy Chairman and an Executive Director of the Company. She is also a controlling shareholder of the Company, and a director of Ming Fung Holdings (Hong Kong) Limited, the ultimate holding company of the Company.

CHAU KAM WING DONALD, Finance Director

Mr. Chau Kam Wing, Donald, aged 63, is the Finance Director of the Company. He was appointed as a Director of the Company on 11 March 2011 and is responsible for overseeing the financial management of the Group. Mr. Chau has over 30 years of experience in auditing, taxation and financial management and had been appointed as financial controller of certain listed companies in Hong Kong. Mr. Chau obtained a master's degree in business administration from the University of San Francisco, United States in December 2000. He is also a Fellow Member of The Association of Chartered Certified Accountants and a practising member of the Hong Kong Institute of Certified Public Accountants. Mr. Chau is currently an independent non-executive director of China Water Affairs Group Limited, Carpenter Tan Holdings Limited, Ching Lee Holdings Limited and Kangda International Environmental Company Limited, which are listed on the Main Board of the Stock Exchange. Mr. Chau is also an independent non-executive director of Eco-Tek Holdings Limited, which is listed on the Growth Enterprise Market of the Stock Exchange.

YIU HO TING

Ms. Yiu Ho Ting, aged 40, was appointed as an Executive Director of the Company on 24 March 2015. She graduated from the Imperial College London, the United Kingdom and obtained a Master's degree in Mechanical Engineering. Ms. Yiu joined the Group in 2011. Currently, she serves as a manager of human resources and administration department and is mainly responsible for the human resources and internal operations management of the Group. Before joining the Group, she worked in a real estate company for 2 years, in charge of the internal operations management. Ms. Yiu is the daughter of Mr. Yiu Hon Ming, the Chairman and an Executive Director of the Company, and Ms. Law Wai Ping, an Executive Director of the Company. Ms. Yiu is also the sister of Mr. Yiu Tat Sing, the Deputy Chairman and an Executive Director of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

HOU BOJIAN

Mr. Hou Bojian (former name: Hou Bojian), aged 66, was appointed as an Independent Non-executive Director of the Company on 27 May 2024. He is a holder of the professional qualification certificate of Hong Kong securities industry and the fund manager qualification certificate of the Asset Management Association of China. Mr. Hou received his master's degree in economics from Jinan University in July 1988. He was granted the title of accountant by Guangdong accountant professional title appraisal panel in October 1992. He is also a member of The Hong Kong Independent Non-Executive Director Association (HKINEDA) and a member of The Association of Chinese Internal Auditors (ACIA).

Mr. Hou was an independent non-executive director of Harbin Bank Co., Ltd. (6138.HK), which is listed on the Main Board of the Stock Exchange from March 2019 to August 2025. He has been a managing director of Hong Kong HT Strategy Ltd. (香港匯通策略有限公司) since October 2011; a director and the chairman of the audit committee of the board of directors of Shanghai Tonglian Financial Services Co., Ltd. (上海通聯金融服務有限公司) since August 2011; a supervisor of Shanghai Rensheng Import and Export Co., Ltd. (上海仁生進出口有限公司) since August 2011; a director of Guangzhou Renhui Investment Co., Ltd. (廣州仁匯投資有限公司) since December 2010; a director of Guangzhou Renhui Trade Development Co., Ltd. (廣州仁輝貿易發展有限公司) since April 2009; and the deputy chief executive officer of Hong Kong Ren Tong Group Limited (香港仁通集團有限公司) since August 2008.

Mr. Hou served as a director of Shenzhen Zhongzhanxin Technology Fund Investment Partnership (深圳中展信科技基金投資合夥企業) from December 2015 to February 2017; an executive director of Full Apex (Holdings) Limited (BTY.SG) from April 2005 to August 2008; an executive director, the deputy general manager and the chief financial officer of Guangdong Investment Limited (0270.HK) from July 1992 to January 2001; from 1992 to 2001, held several positions during the same period, including a non-executive director of Guangdong Land Holdings Limited (0124.HK, originally known as Guangdong Brewery Holdings Limited), a non-executive director of Guangdong Tannery Limited (1058.HK), a director of Hi Sun Technology (China) Limited (0818.HK, originally known as Guangdong Building Industries Limited), an executive director of Guangnan (Holdings) Limited (1203.HK), the chairman of the supervisory committee of Guangdong Teem (Holdings) Limited, a director of Hong Kong Baiyue Finance Limited (香港百粵金融財務有限公司), a director of Hong Kong Citybus Ltd. (香港城市巴士有限公司), a director of Hong Kong Far East Landfill Technologies Limited (香港遠東垃圾堆填有限公司), a director and the chief financial officer of Hong Kong Guangdong Transportation Co., Ltd. (香港廣東交通有限公司), a director of Hong Kong Guangdong Electricity Co., Ltd. (香港廣東電力有限公司), a director of Wharney Guang Dong Hotel Hong Kong, a director of Guangdong Hotel Hong Kong, and a deputy managing director of Hong Kong Bidacheng Investment Co., Ltd. (香港必達成投資有限公司); the vice general manager of the finance department and the general manager of the accounting department of Guangdong Holdings Group (香港粵海集團) from May 1989 to July 1992; the chief financial officer of Shenzhen Guangdong Hotel Co., Ltd. (深圳粵海酒店有限公司) from July 1988 to May 1989; and a technician at Guangdong Yuedong Diesel Engine Factory (廣東粵東柴油機廠) from 1976 to 1981.

WONG LUNG TAK PATRICK

Professor Patrick Wong Lung Tak, BBS, JP, aged 78, was appointed as an Independent Non-Executive Director of the Company on 24 June 2011. Professor Wong is a Certified Public Accountant (Practising) in Hong Kong, a Chartered Secretary and a Certified Tax Advisor (Hong Kong) and the Managing Practising Director of Patrick Wong CPA Limited. He has over 50 years experience in the accountancy profession. Professor Wong holds a Doctor of Philosophy degree in Business. He was awarded a Badge of Honour by the Queen of England in 1993. He has been appointed a Justice of the Peace in 1998 and was awarded a Bronze Bauhinia Star in 2010 by the Government of the Hong Kong Special Administrative Region. He was appointed Adjunct Professor, School of Accounting and Finance of The Hong Kong Polytechnic University from 2002 to 2013. Professor Wong is currently an independent non-executive director of Galaxy Entertainment Group Limited, Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited, The Cross-Harbour (Holdings) Limited, and Water Oasis Group Limited, all of which are companies listed on the Main Board of the Stock Exchange. Professor Wong was an independent non-executive director of C C Land Holdings Limited, which is listed on the Main Board of the Stock Exchange, from October 2007 to May 2023.

WU MING LAM

Mr. Wu Ming Lam, aged 78, was appointed as an Independent Non-Executive Director of the Company on 24 March 2015. Mr. Wu has more than 30 years of experience in the industry of industrial products manufacturing. Mr. Wu has founded a number of corporations engaging in industrial production and investment business in Hong Kong since 1976. Currently, he serves as a director in Full Tat Company Limited, Cadillac Enterprises Limited, Roysun Development Company Limited, Cearn Co., Limited, Kowloon Spring Factory Limited, and Eastern Rainbow Precision Limited, and is in charge of resources management for those corporations, and participates in the development of company's strategies.

SENIOR MANAGEMENT AND COMPANY SECRETARY

CHAN KAI MING, *Head of Factory (Division B)*

Mr. Chan Kai Ming, aged 71, is the Head of Factory (Division B) of Winox Enterprise and Winox Watch and also partakes in the marketing issues of Winox Enterprise. Mr. Chan joined the Stelux Group in 1987 and joined our Group in 1999. Mr. Chan is mainly responsible for the management of our factories in China and the development and production of Swiss brand watch products as well as leading the Company for self innovation. Mr. Chan has over 30 years of experience in metallic products manufacturing industry and is the holder of a bachelor of science degree awarded by The Hong Kong Polytechnic University in November 2009.

HUEN LAI CHUN, *Company Secretary*

Ms. Huen Lai Chun, aged 60, is the company secretary of the Company. She was appointed as the company secretary and an authorised representative of the Company on 13 June 2014. Ms. Huen is a fellow of The Association of Chartered Certified Accountants, and an associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute. Ms. Huen has over 10 years of experience in handling the secretarial and compliance related matters of listed corporations.

Report of Directors

The Directors are pleased to present the annual report together with the audited consolidated financial statements of Winox Holdings Limited and its subsidiaries for the year ended 31 December 2025 ("Annual Report").

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment holding company which provides corporate management services to its subsidiaries.

The Group is principally engaged in the development and manufacturing of stainless steel products such as watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories. The activities and particulars of its principal subsidiaries are set out in note 33 to the consolidated financial statements.

There was no significant change in the nature of the Group's principal activities during the year.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including an indication of likely future developments in the Group's business, can be found in the Financial Highlights, Chairman's Statement and Management Discussion and Analysis set out on page 3, pages 4 to 5 and pages 6 to 10 of this Annual Report respectively. These discussions form part of this Report of Directors.

KEY RISKS AND UNCERTAINTIES

Our Group's financial condition, results of operations and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to our Group's businesses. The followings are the key risks and uncertainties identified by our Group. There may be other risks and uncertainties in addition to those shown below which are not known to our Group or which may not be material now but could turn out to be material in the future.

Risks relating to the industry

Business of the Group depends substantially on the global economic and market conditions. During periods of slowing economic growth or recession, consumer spending may drop as customers are less willing to spend money. As our products are ultimately sold by our ultimate brand owners as part of their products to consumers in the high-end retail market, a drop in consumer spending power in luxury products could lead to a drop in demand for the brand owners' products, and in turn lower the demand of our products and thereby adversely affecting our results of operations and financial condition. To manage and reduce the risk, the Board intends to focus on stainless steel products, target high-end customers, and diversify our product portfolio by extending our product category to accessories for mobile phone and wearable devices, and makes prudent decision on expansion plans.

Risks relating to concentration of customers

The largest and top five customers of the Group accounted for approximately 32.7% and 65.0% of our total revenue for the year ended 31 December 2025 respectively (2024: 19.4% and 56.1%). There is no assurance that our business relationship with our major customers will continue in the future. The Group is using its best endeavor to expand the customers base.

Risks relating to conducting business in the PRC

Our results, financial condition and prospect are to a significant degree subject to the economic, political and legal developments in the PRC, as a substantial part of our assets and business operations are located in the PRC. The economic, political and social conditions, as well as government policies, including taxation policies, of the PRC, could affect our business. To manage the risk, the Board has appointed certain senior management to closely monitor the economic, political, legal, institutional and social developments in the PRC, and maintained conservative treasury policy in cash management, such as holding cash in Hong Kong.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group attaches great importance to environmental protection and carefully takes various environmental factors into account in the operation and decision-making processes to optimise the use of resources, strictly comply with the applicable environmental regulations and other statutory requirements and reduce waste and pollution, as well as actively encourages its stakeholders to protect the environment and contribute to environmental protection.

We have adopted the following principles to minimise the impact on the environment from our operations:

- Comply with all relevant environmental regulations and other statutory requirements;
- Monitor, identify and review the impact from the Group's operations on the environment on a regular basis; and
- Require all staff to address environmental responsibilities, such as implementing green office measures, to enhance their environmental awareness.

The Group has constructed environmental facilities in its factories in the PRC. We have also established a system to monitor waste and sewage generated from production processes, and installed chemical sewage treatment facility to monitor proper disposal of contaminants, and make them fit for recycling to ensure the compliance with relevant environmental regulations and standards in the PRC.

The Group deals with hazardous waste cautiously. In addition to the compliance with statutory environmental requirements on storage of hazardous waste, additional waste disposal measures have been implemented. Such waste has been regularly disposed by qualified hazardous waste management companies recognised by local environmental protection bureau in accordance with environmental requirements in order to reduce adverse environmental impact.

In the meantime, the Group has introduced energy-saving facilities at its PRC's factories, in which energy-efficient lighting is adopted to reduce power consumption. In addition, an incentive system has been employed for use of raw materials to promote waste reduction and conservation of resources.

The Company believes that the environmental systems and facilities of our factories in the PRC have complied with the relevant national and local regulations on environmental protection in the PRC.

To keep stakeholders abreast of the Group's sustainable development performance in respect of its important relevant areas, a separate environmental, social and governance (ESG) report is published on an annual basis. The Company has followed the Environmental, Social and Governance Reporting Code as set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") when preparing its ESG report. The Company's ESG report covering the period from 1 January 2025 to 31 December 2025 is available on the websites of both the Company (www.winox.com) and the Stock Exchange (www.hkexnews.hk).

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The principal activities of the Group during the year were development and manufacturing of stainless steel products such as watch bracelets, mobile phone cases and parts, smart wearable cases and parts, and fashion accessories. During the year, as far as the Company is aware, there was no material breach or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHERS

The Company is of the view that it has been maintaining a good relationship with the following key stakeholders of the Group:

- employees and workers
- major customers
- major suppliers, such as, suppliers for production materials and component parts
- bankers

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2025 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 39 of this Annual Report and in the accompanying notes to the consolidated financial statements.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

RESERVES

As at 31 December 2025, reserves of the Company available for distribution to the Shareholders were approximately HK\$336,498,000 (2024: HK\$335,570,000). Details of movements in the reserves of the Group and the Company during the year are set out in the Consolidated Statement of Changes in Equity and note 32 to the consolidated financial statements on page 41 and pages 77 to 78 of this Annual Report respectively. Under the Companies Act of the Cayman Islands, as at 31 December 2025, the share premium account of the Company amounting to approximately HK\$203,244,000 (2024: HK\$203,244,000) is distributable to the Shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business. The share premium account of the Company may also be distributed in the form of fully paid bonus shares to be issued to Shareholders.

DIVIDEND POLICY

The Company has adopted a dividend policy of distributing to its Shareholders all funds surplus to the operating needs of the Group as determined by the Board with a target dividend payout ratio in respect of each financial year of not less than 25% of profit attributable to its Shareholders.

The distribution of dividend depends on, among others, the Group's current and future operations, operating results, liquidity position, capital requirements, the interests of the Shareholders, the dividends received from the Company's subsidiaries and associate companies, and other factors that the Board considered relevant.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, and assets and liabilities of the Group for the last five financial years is set out on page 80 of this Annual Report.

DONATIONS

During the year, the Group made charitable and other donations amounting to HK\$271,000 (2024: HK\$175,000).

FIXED ASSETS

Details of movements in property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of share capital of the Company are set out in note 25 to the consolidated financial statements.

BORROWINGS

Details of the Group's borrowings as at 31 December 2025 are set out in note 22 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

DIRECTORS

The Directors during the year and up to the date of this Annual Report were:

Executive Directors

Mr. Yiu Hon Ming (*Chairman*)

Mr. Yiu Tat Sing (*Deputy Chairman*)

Mr. Li Chin Keung (*Managing Director*)

Ms. Law Wai Ping

Mr. Chau Kam Wing Donald (*Finance Director*)

Ms. Yiu Ho Ting

Independent Non-executive Directors

Mr. Hou Bojian

Mr. Carson Wen (*retired on 26 May 2025*)

Professor Wong Lung Tak Patrick

Mr. Wu Ming Lam

Mr. Carson Wen retired from his office as an Independent Non-executive Director at the Company's annual general meeting held on 26 May 2025 to facilitate the Company's compliance with the revised Listing Rules on long-serving independent non-executive directors and to support the Board's commitment to good governance and orderly refreshment.

In accordance with article 84 of the Articles of Association of the Company, Ms. Law Wai Ping, Mr. Chau Kam Wing Donald and Mr. Wu Ming Lam shall retire by rotation and, being eligible, have offered themselves for re-election at the Company's forthcoming annual general meeting.

Biographical details of Directors, senior management and Company Secretary of the Company as at the date of this Annual Report are set out on pages 11 to 14 of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

As at 31 December 2025, the Company has three Independent Non-executive Directors, namely, Mr. Hou Bojian, Professor Wong Lung Tak Patrick and Mr. Wu Ming Lam, representing one-third of the Board.

The Company has received from each of them an annual confirmation of independence based on the independence guidelines as set out in Rule 3.13 of the Listing Rules. The Company considers all of them to be independent.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group during the year are set out in note 10 to the consolidated financial statements.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year and up to the date of this Annual Report, to the best knowledge of the Directors, none of the Directors and their respective associates was considered to have any interests in the businesses which compete or were likely to compete, either directly or indirectly, with the businesses of the Group, other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group.

NON-COMPETITION UNDERTAKING

On 25 June 2011, the controlling shareholders of the Company, Mr. Yiu Hon Ming ("Mr. Yiu") and Ms. Law Wai Ping ("Ms. Law"), who are also Directors, entered into a deed of non-competition undertaking ("NCU Deed") with the Company under which each of Mr. Yiu and Ms. Law has undertaken that he/she will not, and will procure that his/her associates (other than members of the Group) will not:

- (a) directly or indirectly whether as principal or agent or through any person, firm, company or organisation carry on, participate or be interested or engaged in any business in any form or manner that is, directly or indirectly, in competition with the business of any member of our Group in the PRC, Hong Kong or any part of the world in which any member of our Group may from time to time operate;
- (b) directly or indirectly, solicit, interfere with or entice away from any member of our Group any person, firm, company or organisation who to, Mr. Yiu's and/or Ms. Law's knowledge, as at the date of the NCU Deed, was or had been or would after the date of the NCU Deed be, a customer, supplier, distributor or management, technical staff or employees (of managerial grade or above) of any member of our Group; and
- (c) exploit his/her knowledge or information obtained from our Group to compete, directly or indirectly, with the business carried on by our Group from time to time.

During the year, both Mr. Yiu and Ms. Law have complied with the terms of the NCU Deed. Each of them have provided to the Company a written confirmation in respect of their compliance with the terms of NCU Deed on a half-yearly basis for the year.

The Independent Non-executive Directors have reviewed the status of compliance with the undertakings in the NCU Deed by Mr. Yiu and Ms. Law for the year ended 31 December 2025 and have confirmed that, as far as they can ascertain, Mr. Yiu and Ms. Law have complied with the terms of the NCU Deed for the year ended 31 December 2025.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, or the Company's subsidiaries or holding companies or fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association of the Company, each Director and other officers of the Company shall be indemnified out of the assets and profits of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, or the Company's subsidiaries or holding companies or fellow subsidiaries, a party to any arrangements to enable Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

SHARE SCHEMES

During the year ended 31 December 2025, the Company did not have any share schemes.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 December 2025, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive of the Company have taken or deemed to have under such provisions of the SFO); (ii) recorded in the register required to be kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules ("Model Code"), were as follows:

(a) The Company

Director	Notes	Capacity	Total number of ordinary shares interested or deemed to be interested (Long positions)	Approximate percentage of total issued share capital of the Company
Yiu Hon Ming	1	Interest in controlled corporation and interest of spouse	398,040,000	66.34%
Law Wai Ping	2	Beneficial owner, interest in controlled corporation and interest of spouse	398,040,000	66.34%
Yiu Ho Ting	3	Beneficial owner and interest of spouse	6,909,600	1.15%
Yiu Tat Sing	4	Beneficial owner	7,480,000	1.24%
Li Chin Keung	5	Interest of spouse	5,464,800	0.91%

Notes:

- Mr. Yiu Hon Ming ("Mr. Yiu") is legally and beneficially interested in 60% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company. Mr. Yiu is the husband of Ms. Law Wai Ping ("Ms. Law"). By virtue of the SFO, Mr. Yiu is deemed to be interested in the same block of ordinary shares in which Ms. Law is interested.
- Ms. Law is legally and beneficially interested in 40% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company. In addition, Ms. Law is directly and beneficially interested in 2,040,000 shares of the Company, representing 0.34% of the entire issued share capital of the Company. Ms. Law is the wife of Mr. Yiu. By virtue of the SFO, Ms. Law is deemed to be interested in the same block of ordinary shares in which Mr. Yiu is interested.
- Ms. Yiu Ho Ting ("Ms. Yiu") is directly and beneficially interested in 5,688,000 shares of the Company. In addition, her husband, Mr. Cheung Justin Chi Yen ("Mr. Cheung"), is directly interested in 1,221,600 shares of the Company. By virtue of the SFO, Ms. Yiu is deemed to be interested in the same block of ordinary shares in which Mr. Cheung is interested.
- Mr. Yiu Tat Sing is directly and beneficially interested in 7,480,000 shares of the Company. In addition, he has an interest in 500,000 shares of the Company, representing 0.08% of the entire issued share capital of the Company, through Winholme Holdings Limited (a limited liability company incorporated in the British Virgin Islands) in which he has an interest of approximately 11.77% of the entire issued share capital of Winholme Holdings Limited.
- Mr. Li Chin Keung ("Mr. Li") is directly and beneficially interested in 4,500,000 shares of the Company. Ms. Cheung Wing Yan ("Ms. Cheung"), wife of Mr. Li, is directly interested in 964,800 shares of the Company. By virtue of the SFO, Mr. Li is deemed to be interested in the same block of ordinary shares in which Ms. Cheung is interested.

(b) Associated Corporations

Director	Notes	Associated corporation	Capacity	Total number of securities interested in associated corporation (Long positions)	Approximate percentage of total issued share capital of associated corporations
Yiu Hon Ming	1	Ming Fung Holdings (Hong Kong) Limited	Beneficial owner	60 ordinary shares	60%
		Ming Fung Investment Limited	Interest in controlled corporation	840 ordinary shares	95.45%
Law Wai Ping	2	Ming Fung Holdings (Hong Kong) Limited	Beneficial owner	40 ordinary shares	40%
		Ming Fung Investment Limited	Interest in controlled corporation	840 ordinary shares	95.45%

Notes:

- Mr. Yiu is legally and beneficially interested in 60% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company.
- Ms. Law is legally and beneficially interested in 40% of the entire issued share capital of Ming Fung Holdings (Hong Kong) Limited, which in turn is directly interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited, which in turn is directly interested in 396,000,000 shares of the Company, representing 66% of the entire issued share capital of the Company.

Save as disclosed above, as at 31 December 2025, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive of the Company have taken or deemed to have under such provisions of the SFO); (ii) entered in the register required to be kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 December 2025, each of the following persons and entities, other than a Director or chief executive of the Company, had or were deemed to have interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Director	Notes	Capacity	Total number of ordinary shares interested or deemed to be interested (Long positions)	Approximate percentage of total issued share capital of the Company
Ming Fung Investment Limited	1	Beneficial owner	396,000,000	66%
Ming Fung Holdings (Hong Kong) Limited	1	Interest in controlled corporation	396,000,000	66%
David Michael Webb and Karen Anne Webb	2	Interest in controlled corporation	48,164,000	8.03%

Notes:

1. Ming Fung Holdings (Hong Kong) Limited is interested in approximately 95.45% of the entire issued share capital of Ming Fung Investment Limited.
2. Of the 48,164,000 shares of the Company jointly held by Mr. David Michael Webb and Ms. Karen Anne Webb, 19,785,200 shares of the Company were held through their jointly wholly-owned company, Member One Limited, and 28,378,800 shares of the Company were held through their jointly wholly-owned company, Preferable Situation Assets Limited. Mr. David Michael Webb passed away on 13 January 2026.

Save as disclosed above, as at 31 December 2025, the Company has not been notified by any person or entity who had or were deemed to have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standard of corporate governance. Details of the corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 25 to 34 of this Annual Report.

RELATED PARTIES TRANSACTIONS

The lease agreement entered on 31 March 2023 between Fengtai (Dongguan) Technology Development Service Company Limited ("Fengtai Co") as the lessor and Yingtai Precision Manufacturing Technology (Dongguan) Company Limited ("Yingtai"), an indirect wholly-owned subsidiary of the Company in the PRC, as the lessee for the lease of an aggregate gross floor area of 10,350 square meters located at Block V of the factory building situated at No. 60 Lianying Road, Xin Malian Village, Dalang Town, Dongguan City, Guangdong Province, the PRC ("Premises") expired on 31 March 2025.

On 31 March 2025, Fengtai Co as the lessor and Yingtai as the lessee entered into a new lease agreement for the lease of certain levels of the Premises with an aggregate gross floor area of 10,180 square meters for a term of two years from 1 April 2025 to 31 March 2027 for a total rent of RMB3.669 million (equivalent to approximately HK\$3.976 million) ("New Lease Agreement"). Fengtai Co (a limited liability company established in the PRC) is indirectly wholly-owned by Field Gain Investments Limited (a limited liability company incorporated in the British Virgin Islands) which is in turn held as to (i) 50% by Mr. Yiu Hon Ming, the Chairman of the Board and an Executive Director, and (ii) 50% by Mr. Yiu Tat Sing, the Deputy Chairman of the Board and an Executive Director. Therefore, Fengtai Co is an associate of Mr. Yiu Hon Ming and Mr. Yiu Tat Sing, and constitutes a connected person of the Company under Rule 14A.07(4) of the Listing Rules.

Pursuant to HKFRS 16, the Premises leased under the New Lease Agreement was recognised by the Group as right-of-use assets with an estimated value of approximately RMB3.515 million (equivalent to approximately HK\$3.809 million), and the transaction contemplated under the New Lease Agreement is recognised as the acquisition of right-of-use assets which constitutes an one-off connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratio stipulated under Rule 14.07 of the Listing Rules in respect of the New Lease Agreement on the basis of the estimated value of right-of-use assets in the amount of approximately RMB3.515 million (equivalent to approximately HK\$3.809 million) exceeds 0.1% but does not exceed 5%, the transaction contemplated under the New Lease Agreement is subject to the reporting and announcement requirements, but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Premises which is in the proximity of the Group's existing production facilities is used by the Group to carry out its production of smart wearable cases and parts.

The details of the connected transaction contemplated under the New Lease Agreement are set out in the announcement of the Company dated 31 March 2025.

Save for the connected transaction contemplated under the New Lease Agreement above, the related party transactions in respect of the fee received for management and administrative service and the lease agreement entered with Mr. Yiu Hon Ming as set out in note 28 to the consolidated financial statements constituted exempt connected transactions under Rules 14A.98 and 14A.76(1) of the Listing Rules respectively. The Company confirmed that it had complied with the disclosure requirements under Chapter 14A of the Listing Rules.

MAJOR SUPPLIERS AND CUSTOMERS

For the year ended 31 December 2025, the largest and top five customers of the Group accounted for approximately 32.7% and 65.0% of the total revenue of the Group respectively (2024: 19.4% and 56.1%).

The aggregate purchases during the year attributable to the Group's largest and top five suppliers were approximately 12.6% and 37.4% of the Group's total purchases respectively (2024: 19.2% and 67.3%).

To the best knowledge of the Directors, none of the Directors, their close associates (within the meaning of Part XV of the SFO) or any Shareholder (holding more than 5% of the Company's share capital) had any interest in the five largest customers and/or suppliers of the Group during the year.

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

For the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 31 December 2025, the Company did not hold any of treasury shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to its existing Shareholders.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of not less than 25% of the Company's total issued share capital held by the public during the year and up to the date of this Annual Report.

SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDER

On 14 February 2020, Max Surplus Corporation Limited (“Max Surplus”) and Winox Enterprise Company Limited (“Winox Enterprise”), both are wholly-owned subsidiaries of the Company, as borrowers, entered into a letter of banking facility with a financial institution respectively, for a term loan facility in an aggregate principal amount of up to HK\$65,000,000. The loan facilities (a) are interest bearing, and are secured for Max Surplus and not secured for Winox Enterprise; (b) are repayable by 36 equal monthly instalments, commencing one month after drawdown if the loans under the facilities are used to finance the general working capital requirements of the Group, or are repayable by 60 equal monthly instalments, commencing one month after drawdown if the loans under the facilities are used to finance the capital expenditure requirements of the Group; and (c) contain repayment on demand clause at the discretion of the financial institution. In 2020, HK\$20,000,000 was drawn on 16 April 2020 and HK\$15,000,000 was drawn on 27 May 2020. In 2021, HK\$20,000,000 was drawn on 22 March 2021 and HK\$10,000,000 was drawn on 7 April 2021. All were fully repaid on 28 February 2025.

On 22 October 2021, Max Surplus, as borrower, entered into a letter of banking facility with the same financial institution for a revolving loan facility in a principal amount of USD1,000,000 and a term loan facility in a principal amount of HK\$150,000,000. The revolving loan under these facilities was used for premium financing of a life insurance policy. The term loan under these facilities will be used to finance the capital expenditure requirements of the Group and is repayable by 60 equal monthly instalments, commencing one month after drawdown. The undrawn amount under the term loan facility was cancelled after 29 February 2024. The USD1,000,000 loan, which was drawn on 4 January 2022 from the revolving loan facility, was fully repaid on 17 May 2023, and HK\$20,000,000 which was drawn on 16 January 2023 from the term loan facility was fully repaid on 28 February 2025. The rights, interest and benefits in and under the above insurance policy have been assigned to the lender as a security for the above facilities granted to Max Surplus. Upon full repayment of the loans, the insurance policy was surrendered on 26 March 2025.

Pursuant to these facilities letters, the controlling shareholder of the Company, Mr. Yiu Hon Ming and his family are required, at all times, to hold not less than 50% of the issued shares of the Company (“Specific Performance Obligations”). The breach of the Specific Performance Obligations will cause a default in respect of these loan facilities and the financial institution shall have the right to terminate the commitments and declare all outstanding amounts together with interests accrued thereon and all other sums payable under these loan facilities be immediately due and payable.

As at 31 December 2025, the amount of loan outstanding under these loan facilities was nil and the unutilised facilities available for drawdown amounted to nil.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company’s securities.

INDEPENDENT AUDITOR

During the year, Messrs. Deloitte Touche Tohmatsu was appointed as the independent auditor of the Company. A resolution will be proposed at the forthcoming annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as the independent auditor of the Company.

On behalf of the Board

Yiu Hon Ming
Chairman

Hong Kong, 30 March 2026

Corporate Governance Report

The Company is committed to establishing and maintaining high standard of corporate governance and believes that good corporate governance system provides a sustainable and solid foundation for the Company to manage business risks, enhance transparency, advance accountability and maximise Shareholders' interests.

Throughout the year ended 31 December 2025, the Company has applied the principles of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Listing Rules and complied with all the applicable code provisions of the CG Code.

The Company has formulated and adopted its Corporate Governance Policy and it is the responsibility of the Board to perform the corporate governance duties. The Corporate Governance Policy outlines certain essential corporate governance principles under the CG Code and intends to provide appropriate guidance on the effective application and promotion of corporate governance principles in the Company. The Corporate Governance Policy is available on the website of the Company.

CORPORATE STRATEGY, BUSINESS MODEL AND CULTURE

Our Culture and Values

Our mission is to strive to satisfy the needs of our customers and provide quality service to the best we could by producing products of the highest quality in timely and competitive manner. This mission guides the Group to integrate economic growth, environmental protection and social responsibility in its business strategies to design, manufacture and supply high quality products to our customers aiming to drive sustainable value for its stakeholders and the communities. A healthy corporate culture across the Group is vital for achieving its mission towards sustainable growth. The followings are the core culture principles to guide the behaviours of our employees, and ensure that our mission, values and business strategies are aligned to it.

Culture of Quality First

We put "Quality First" as our most important culture amongst others within our Group. Without quality products we are not able to build long-term relationship with our renowned customers and to create sustainable values for our stakeholders. We continue to optimise our quality control system and perform stringent quality control measures in all aspects of our production flow to ensure that our products will continue to meet our customers' requirements.

Culture of Integrity

Integrity underpins the behaviours of our employees in working with each other and conducting business with our customers and suppliers. We have human resources management policies in place to promote a caring environment with mutual respect and inclusive atmosphere in the workplace. We have Code of Conduct and Anti-Corruption Policy to guide our employees and all of these policies are supported by mandatory and regular training courses.

Culture of Environmental Protection

We recognise the importance of environmental protection and have adopted stringent measures for environmental protection not only to ensure the compliance by us with the prevailing environmental protection laws and regulations but also to try to do more to preserve the environment and resources of the globe.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions of Directors. The Model Code applies to Directors, and relevant employees and officers who are likely to be in possession of unpublished price-sensitive information of the Company. Having made specific enquiry of all Directors, each of them confirmed that he/she has complied with the required standards set out in the Model Code during the year ended 31 December 2025 and up to the date of this Annual Report.

THE BOARD

The Board guides and monitors the business and affairs of the Company to enhance long-term Shareholders' value. It is also the responsibility of the Board to determine the appropriate corporate governance practices applicable to the Company's circumstances and to ensure processes and procedures are in place to achieve the Company's corporate governance objectives.

Board Composition

As at 31 December 2025, the Board consisted of nine Directors (including the Chairman), amongst which six are Executive Directors and three are Independent Non-executive Directors.

Executive Directors

Mr. Yiu Hon Ming (*Chairman*)
Mr. Yiu Tat Sing (*Deputy Chairman*)
Mr. Li Chin Keung (*Managing Director*)
Ms. Law Wai Ping
Mr. Chau Kam Wing Donald (*Finance Director*)
Ms. Yiu Ho Ting

Independent Non-executive Directors

Mr. Hou Bojian
Mr. Carson Wen (retired on 26 May 2025)
Professor Wong Lung Tak Patrick
Mr. Wu Ming Lam

The Board focuses on formulating the Group's overall strategic strategies, monitoring performance, and providing leadership and control for effective management. The Board has delegated the authority and responsibility for business strategies implementation and day-to-day administration and operations of the Group's business to the Managing Director and senior management.

Major corporate matters that are specifically reserved to the Board include but not limited to:

- formulating the Group's business strategies;
- establishing corporate governance practices and internal control systems; and
- monitoring performance of the management and providing guidance to the management.

Major duties and responsibilities of senior management include but not limited to:

- setting up offices for companies of the Group;
- executing business strategies and initiatives adopted by the Board;
- implementing proper and sufficient internal control systems and risk management procedures; and
- ensuring compliance with relevant statutory requirements and rules and regulations.

There was in place a directors' and officers' liabilities insurance coverage in respect of legal actions against the Directors and officers of the Company arising from corporate activities during the year.

Biographical details of Directors, which demonstrate a diversity of skills, expertise, experience and qualifications in the Board, are set out in the section entitled "Directors, Senior Management and Company Secretary" of this Annual Report. Save as disclosed herein, there is no other financial, business, family or material/relevant relationship between Board members.

Independent Non-Executive Directors

The Board has three Independent Non-Executive Directors, namely, Mr. Hou Bojian, Professor Wong Lung Tak Patrick and Mr. Wu Ming Lam, representing at least one-third of the Board. Professor Wong Lung Tak Patrick, an Independent Non-executive Director, is a practising certified public accountant in Hong Kong who possesses over 50 years of experience in the accountancy profession. He has appropriate accounting and related financial management expertise.

All Independent Non-executive Directors were appointed with specific term of 3 years and are subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles of Association of the Company. The terms of them are as follows:

Mr. Hou Bojian	Three years from the date of his election on 27 May 2024
Professor Wong Lung Tak Patrick	Three years from the date of his re-election on 26 May 2025
Mr. Wu Ming Lam	Three years from the date of his re-election on 29 May 2023

Each of the Independent Non-Executive Directors meets the independence guidelines set out in Rule 3.13 of the Listing Rules and has provided to the Company the annual confirmation as to his independence for the year.

In addition, none of the Independent Non-executive Directors have any involvement in the daily management of the Company, or any financial or other interests or relationships in the business of the Company or there exist any circumstances which would materially interfere with their exercise of independent judgment, therefore the Company considers all Independent Non-Executive Directors to be independent.

Board Independence

The Company recognizes that Board independence is key to good corporate governance. To ensure that independent views and input are available to the Board, the majority of members of all Board committees are Independent Non-executive Directors; in assessing the suitability of a candidate, the Nomination Committee will review the candidate's biographies (including his/her qualifications and time commitment) and take into account the composition of the Board, the professional experience and skills of the Directors, and the Company's Nomination Policy and Board Diversity Policy; the Nomination Committee examines annually whether each of the Independent Non-executive Directors meets the guidelines for assessment of independence set out in Rule 3.13 of the Listing Rules, has any involvement in the daily management of the Company or has any financial or other interest or relationship in the Company's business or any circumstance that could materially interfere with the exercise of his/her independent judgment, and ensures an annual confirmation of independence from each Independent Non-executive Director; in assisting the Directors to properly perform their duties, all Directors may seek advice from the Company Secretary of the Company or independent professional advisers at the Company's expenses; and all Independent Non-executive Directors only receive a fixed fee.

Directors' Commitments and Continuous Professional Development

The Company has received confirmation from each Director that he/she has given sufficient time and attention to the affairs of the Company for the year ended 31 December 2025. Directors have disclosed to the Company the number and nature of offices held in Hong Kong and overseas listed public companies or organisations.

Each newly appointed Director receives an induction on his/her appointment to ensure that he/she has proper understanding of the operations and business of the Group and is fully aware of his/her responsibilities and obligations under the Listing Rules, applicable laws and other relevant statutory requirements. Directors are continually provided with updates on statutory and regulatory developments, and evolution of the business environment so as to facilitate them to discharge their duties.

According to the records maintained by the Company, Directors received continuous professional development with an emphasis on the roles, functions and duties of being a director of a listed company in compliance with Rule 3.09F and Rule 3.09G of the Listing Rules during year ended 31 December 2025:

	Corporate governance/ updates on laws, rules & regulations	Accounting/ financial/ management or other professional skills
Executive Directors		
Yiu Hon Ming	✓	✓
Yiu Tat Sing	✓	✓
Li Chin Keung	✓	✓
Law Wai Ping	✓	✓
Chau Kam Wing Donald	✓	✓
Yiu Ho Ting	✓	✓
Independent Non-executive Directors		
Hou Bojian	✓	✓
Wong Lung Tak Patrick	✓	✓
Wu Ming Lam	✓	✓

AUDIT COMMITTEE

The Audit Committee of the Company was established on 25 June 2011 with written terms of reference specifying its authority and duties which is available on the Company's website. The Audit Committee comprises wholly Independent Non-executive Directors.

Members of the Audit Committee

Professor Wong Lung Tak Patrick (*Chairman*)
Mr. Hou Bojian
Mr. Carson Wen (retired on 26 May 2025)
Mr. Wu Ming Lam

Main functions of the Audit Committee are:

- reviewing the accounting policies and practices, and supervising the Company's financial reporting process;
- monitoring the performance of both the internal and external auditors;
- reviewing and examining the effectiveness of risk management and internal control systems;
- considering major investigation findings on risk management and internal control matters; and
- ensuring compliance with applicable statutory accounting and reporting requirements, legal and regulatory requirements.

The Audit Committee is provided with sufficient resources to discharge its responsibilities. For the year ended 31 December 2025, the Audit Committee held four meetings, among others, to review with external auditor and senior management the interim and annual results of the Group as well as the accounting principles and practices being adopted, and internal control and financial reporting matters. Our Finance Director, senior management, internal auditor and external auditor, as appropriate, attended the meetings to respond to any queries raised by the Audit Committee. The Audit Committee also reviewed the external auditor's independence and made recommendations to the Board on the re-appointment of external auditor.

REMUNERATION COMMITTEE

The Remuneration Committee of the Company was established on 25 June 2011 with written terms of reference specifying its authority and duties which is available on the Company's website. The Remuneration Committee comprises four members, amongst which three are Independent Non-executive Directors and one is Executive Director.

Members of the Remuneration Committee

Professor Wong Lung Tak Patrick (*Chairman*)
 Mr. Yiu Hon Ming
 Mr. Hou Bojian
 Mr. Carson Wen (retired on 26 May 2025)
 Mr. Wu Ming Lam

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration packages of Directors and senior management, with reference to their duties, responsibilities and performance, and the results of the Group. No Director will be involved in deciding his/her own remuneration.

For the year ended 31 December 2025, the Remuneration Committee held two meetings to discuss the remuneration packages of Directors and senior management of the Company.

Remuneration of Directors and Senior Management

Particulars in relation to the remuneration of the Directors and the five highest paid employees as required to be disclosed pursuant to Appendix D2 to the Listing Rules are set out in note 10 to the consolidated financial statements.

Pursuant to code provision E.1.5 of the CG Code, the remuneration of the members of senior management by band for the year ended 31 December 2025 is set out below:

	Number of Individual
HK\$1,000,001 – HK\$2,000,000	1

NOMINATION COMMITTEE

The Nomination Committee of the Company was established on 25 June 2011 with written terms of reference specifying its authority and duties which is available on the Company's website. The Nomination Committee comprises five members, amongst which three are Independent Non-executive Directors and two are Executive Directors.

Members of the Nomination Committee

Mr. Yiu Hon Ming (*Chairman*)
 Ms. Law Wai Ping (appointed on 26 May 2025)
 Mr. Hou Bojian
 Mr. Carson Wen (retired on 26 May 2025)
 Professor Wong Lung Tak Patrick
 Mr. Wu Ming Lam

The Nomination Committee, with an aim to build up a strong and diverse Board, is responsible for identifying suitable and qualified individuals, in particular those who can add value to the management through their expertise in relevant strategic business areas, to be Board members, and recommending to the Board on relevant matters relating to the appointment and re-appointment of Directors, if necessary. Details of the procedure for Shareholders to propose a person for election as a Director are outlined in the "Nomination Policy" which is available on the Company's website.

For the year ended 31 December 2025, the Nomination Committee held two meetings to review the structure, size and composition (including the skills, knowledge and experience) of the Board and Board Diversity Policy, assess the independence of Independent Non-executive Directors and make recommendations to the Board on the re-appointment and appointment of Directors taking into account their experience and qualifications.

Board Diversity Policy

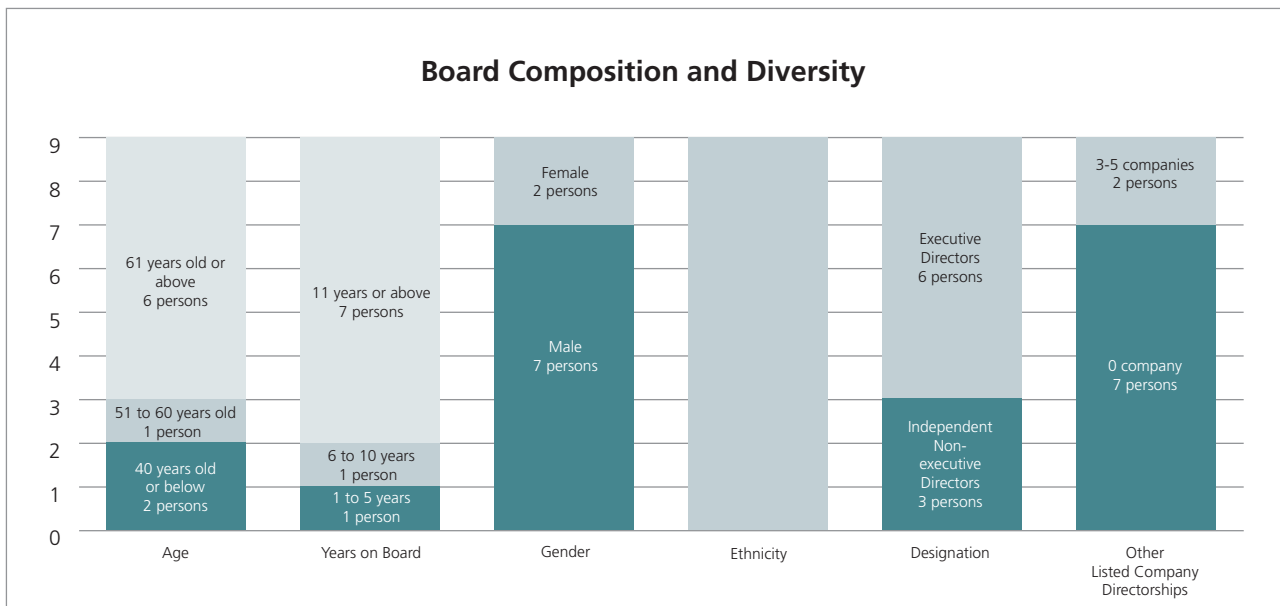
The Nomination Committee has adopted a board diversity policy of the Company which sets out the approach to achieve diversity on the Board.

The Board recognises the benefits of board diversity and endeavours to ensure that the Board has the appropriate balance and level of skills, experience and perspectives required to support the execution of the Group’s business strategies. The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on the candidates’ merits and contributions to the Board.

The Board shall review the implementation and effectiveness of the Board Diversity Policy on an annual basis to ensure its continuous effectiveness. The Nomination Committee will assess the merits and contribution brought by the Directors to the Board against the objective criteria, with due regard to the benefits of diversity on the Board that would complement the Company’s corporate strategies.

The Board overall is satisfied with the implementation and effectiveness of the Board Diversity Policy for the year. The Company also considers that the current Board composition is characterised by diversity, whether considered in terms of gender, professional background and skills.

The following chart shows the diversity profile of the Board as at 31 December 2025:



The Company did not set up any plans or measurable goals in respect of gender ratio of all employees (including senior management). For the details of employee’s gender ratio of the Group during the year, please refer to the ESG report for the year of the Company.

BOARD AND COMMITTEE MEETINGS

During the year ended 31 December 2025, the Board held six meetings. At these meetings, the Board, among others, reviewed and discussed the Group's business updates and strategies. The individual attendance record of each Director at the Board meetings, Board committee meetings and general meeting during the year is set out below:

Directors	Number of meetings attended/held						
	Board	Audit Committee	Remuneration Committee	Nomination Committee	Environmental, Social and Governance Committee	Internal Control Committee	General meeting
Executive Directors							
Yiu Hon Ming	6/6	N/A	2/2	2/2	N/A	0/0	1/1
Yiu Tat Sing	6/6	N/A	N/A	N/A	1/1	N/A	1/1
Li Chin Keung	6/6	N/A	N/A	N/A	1/1	0/0	1/1
Law Wai Ping	6/6	N/A	N/A	N/A	N/A	N/A	1/1
Chau Kam Wing Donald	6/6	N/A	N/A	N/A	1/1	N/A	1/1
Yiu Ho Ting	6/6	N/A	N/A	N/A	N/A	N/A	1/1
Independent Non-executive Directors							
Hou Bojian	6/6	4/4	2/2	2/2	N/A	N/A	1/1
Carson Wen (retired on 26 May 2025)	2/3	1/2	1/2	1/2	N/A	N/A	1/1
Wong Lung Tak Patrick	6/6	4/4	2/2	2/2	N/A	N/A	1/1
Wu Ming Lam	6/6	4/4	2/2	2/2	N/A	N/A	1/1

Minutes of the Board and Board committee meetings are recorded in sufficient details including any matters considered, decisions reached, concerns or queries raised or dissenting views expressed by the Directors at meetings. Draft and final versions of minutes of the Board and Board committees are sent to all Directors or Board committee members for comments and records respectively within a reasonable time after meetings.

COMPANY SECRETARY

The Company has engaged an external service provider as its Company Secretary since 12 June 2014. The Finance Director of the Company is the contact person of the external service provider. The biographical detail of the Company Secretary is disclosed in the section entitled "Directors, Senior Management and Company Secretary" of this Annual Report. During the year, the Company Secretary undertook over 15 hours of relevant professional training to update her skills and knowledge.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing their effectiveness on an ongoing basis. Such risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's risk management framework and the responsibilities of each delegated group within it are as follows:

Board

- Determines the business strategies and objectives of the Group, and evaluates and determines the nature and extent of risks it is willing to take in achieving the Group's strategic objectives;
- Ensures that the Group establishes and maintains appropriate and effective risk management and internal control systems; and
- Oversees management in the design, implementation and monitoring of the risk management and internal control systems.

Audit Committee

- Assists the Board to perform its responsibilities of risk management and internal control systems;
- Oversees the Group's risk management and internal control systems on an ongoing basis;
- Reviews the effectiveness of the Group's risk management and internal control systems at least annually, and such review should cover all material controls including financial, operational and compliance control;
- Ensures the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting, internal audit and financial reporting functions; and
- Considers major investigation findings on risk management and internal control matters, and reports and makes recommendations to the Board.

Management

- Designs, implements and maintains appropriate and effective risk management and internal control systems;
- Identifies, evaluates and manages the risks that may potentially impact the major processes of the operations;
- Monitors risks and takes measures to mitigate risks in day-to-day operations;
- Follows up the findings on risk management and internal control matters raised by the internal audit team and take prompt remedial action to improve the systems; and
- Provides confirmation to the Board and Audit Committee on the effectiveness of the risk management and internal control systems.

Internal Audit Team

- Reviews the adequacy and effectiveness of the Group's risk management and internal control systems; and
- Reports review findings to the Audit Committee and makes recommendations to the Board and management to improve the material system deficiencies or control weaknesses identified.

The Group's internal audit function is performed by an internal audit team. The internal audit team plays an important part in the assessment of the effectiveness of the risk management and internal control systems of the Group and reports directly to the Audit Committee. It conducts internal audit reviews on material internal control systems covering major financial, operational and compliance controls, as well as risk management functions. It reports to the Audit Committee on a quarterly basis and recommends remedial plans to management for any internal control deficiencies identified. It monitors the implementation of its recommendations by the management and reports the outcome to the Audit Committee.

The Board has reviewed the effectiveness of the Group's risk management and internal control systems and considered them to be effective and adequate during the year.

HANDLING INSIDE INFORMATION

An information disclosure policy is in place to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure are made in accordance with the Listing Rules. The policy regulates the handling and dissemination of inside information, which includes:

- Designated reporting channels from different operations informing any potential inside information to designated departments;
- Designated persons and departments to determine further escalation and disclosure as required; and
- Designated persons authorised to act as spokespersons and respond to external enquiries.

SHAREHOLDERS' RIGHTS

Shareholders convening an extraordinary general meeting

Pursuant to article 58 of the Articles of Association of the Company, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to request an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition.

If within 21 days of such deposit the Board fails to proceed to convene such meeting, Shareholders may hold the extraordinary general meeting, and all reasonable expenses incurred by the Shareholders as a result of the failure of the Board shall be reimbursed to the Shareholders by the Company.

Shareholders' enquiries and proposals

To foster regular and contribute two-way communications amongst the Company, its Shareholders and potential investors, the Company Secretary is designated to respond to enquiries and proposals from Shareholders as well as the public. Shareholders' enquiries and proposals can be made via email at info@winox.com or by phone at (852) 23493776. In addition, the Company is committed to maximising the use of its website (www.winox.com) as a channel to provide updated information in a timely manner and to strengthen the communications with Shareholders and the public. The Company's Shareholders Communication Policy enables its Shareholders to exercise their rights in an informed manner. The Shareholders Communication Policy is available on the Company's website.

Publications of the Company's documents

The following documents of the Company are available on the Company's website for Shareholders' reference:

- List of Directors and their Role and Functions
- Memorandum and Articles of Association
- Terms of Reference of Audit Committee
- Terms of Reference of Nomination Committee
- Terms of Reference of Remuneration Committee
- Anti-corruption Policy
- Board Diversity Policy
- Corporate Governance Policy
- Nomination Policy
- Shareholders Communication Policy
- Whistle-blowing Policy
- Provision of Email Address and/or Request for Printed Copy of Corporate Communications and Actionable Corporate Communications
- Request Form for Printed Copy of Corporate Communications for Non-registered Shareholders

INVESTOR RELATIONS

The Company recognises the importance to maintain effective communication with the financial community and other stakeholders in order to achieve a fair valuation on the Company's securities as well as to enhance Shareholders' value. Effective communication process involves the provision of accurate, complete and transparent information of the Company on timely and equal bases. During the year, the Company arranged meetings and interviews with various institutional investors.

The Shareholders Communication Policy was introduced in 2012 and will be reviewed on an annual basis with updates last made in December 2023. It sets out the procedures for the Company to provide Shareholders and the investment community with equal and timely access to the information about the Group, and emphasizes its commitment to an effective communication with Shareholders through various platforms and channels specified in the policy.

The Board reviewed the Group's shareholder and investor engagement and communication activities conducted in 2025 and was satisfied with the implementation and effectiveness of the Shareholders Communication Policy.

AUDITOR'S REMUNERATION

An analysis of the remuneration payable to the Group's independent auditor, Messrs. Deloitte Touche Tohmatsu, to perform audit and non-audit services for the year ended 31 December 2025 is as follows:

Services rendered	2025 HK\$'000	2024 HK\$'000
Audit service	1,260	1,400
Non-audit service	306	340

The non-audit services include professional services in relation to the Company's interim results and preliminary results announcements.

OTHER SPECIFIC DISCLOSURES

During the year, there were no changes in the Company's Memorandum and Articles of Association. An up-to-date consolidated version of the Company's Memorandum and Articles of Association is available on the Company's website.

There was no change in the Company's auditor in the past three years.

Directors have acknowledged their responsibilities for preparing all information and representations contained in the consolidated financial statements of the Company for the year ended 31 December 2025.

Directors consider that the consolidated financial statements of the Company for the year ended 31 December 2025 have been prepared in conformity with the generally accepted accounting standards in Hong Kong, and reflect amounts that are based on the best estimates, and reasonable, informed and prudent judgments of the Board and management of the Company with an appropriate consideration to materiality.

Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as going concern. Accordingly, the Directors have prepared the consolidated financial statements of the Company for the year ended 31 December 2025 on a going concern basis.



TO THE SHAREHOLDERS OF WINOX HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Winox Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 39 to 79, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

KEY AUDIT MATTER *(Continued)*

Key audit matter	How our audit addressed the key audit matter
<i>Revenue recognition</i>	
<p>We identified revenue recognition as a key audit matter due to the significance of revenue to the Group's consolidated statement of profit or loss and other comprehensive income. In addition, revenue is one of the key financial performance measures which could create an incentive for revenue to be recognised without occurrence.</p> <p>As set out in note 4 to the consolidated financial statements, the Group recognised revenue of HK\$533,340,000 (2024: HK\$681,678,000) for the year ended 31 December 2025.</p> <p>Details of the accounting policies for revenue recognition and an analysis of revenue are disclosed in note 4, to the consolidated financial statements.</p>	<p>Our procedures in relation to revenue recognition included:</p> <ul style="list-style-type: none"> • Obtaining an understanding and assessing the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition; • Assessing the Group's revenue recognition policies with reference to the requirements of HKFRS Accounting Standards; and • Performing test of details of revenue records, on a sample basis, by inspecting invoices and goods delivery notes.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Au Mei Yin (practising certificate number: P04754).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

30 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Revenue	4	533,340	681,678
Cost of sales		(458,732)	(572,234)
Gross profit		74,608	109,444
Other income	5	9,176	16,474
Other gains and losses	6	(7,445)	384
Reversal of impairment losses (impairment losses) on financial assets under expected credit loss model, net	7	1,742	(2,196)
Selling and distribution costs		(12,495)	(13,752)
Administrative and other expenses		(99,240)	(98,596)
Research and development expenses		(25,153)	(27,834)
Finance costs	8	(1,808)	(2,866)
Loss before taxation	9	(60,615)	(18,942)
Taxation	11	(861)	(1,387)
Loss for the year		(61,476)	(20,329)
Other comprehensive income (expense) for the year			
Item that may be reclassified subsequently to profit or loss:			
— Exchange differences arising on translation of foreign operations		44,044	(30,646)
Total comprehensive expense for the year		(17,432)	(50,975)
Loss per share — Basic	12	(HK10.2 cents)	(HK3.4 cents)

Consolidated Statement of Financial Position

At 31 December 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment	14	591,347	553,631
Right-of-use assets	15	59,589	56,236
Deposits paid for non-current assets	16	23,187	29,388
Deposit and prepayment for a life insurance policy	17	—	8,850
		674,123	648,105
Current assets			
Inventories	18	35,156	64,244
Trade and other receivables	19	104,058	231,926
Taxation recoverable		4,420	3,221
Short-term bank deposits	20	70,038	97,637
Bank balances and cash	20	126,929	124,612
		340,601	521,640
Current liabilities			
Trade and other payables	21	67,236	154,823
Taxation payable		118	1,096
Bank borrowings	22	16,521	67,783
Lease liabilities	23	2,366	859
		86,241	224,561
Net current assets		254,360	297,079
Total assets less current liabilities		928,483	945,184
Non-current liability			
Lease liabilities	23	3,180	2,449
Net assets		925,303	942,735
Capital and reserves			
Share capital	25	60,000	60,000
Reserves		865,303	882,735
Total equity		925,303	942,735

The consolidated financial statements on pages 39 to 79 were approved and authorised for issue by the Board of Directors on 30 March 2026 and are signed on its behalf by:

YIU HON MING
DIRECTOR

CHAU KAM WING DONALD
DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2024	60,000	203,244	(71,771)	817,237	1,008,710
Loss for the year	–	–	–	(20,329)	(20,329)
Exchange differences arising on translation of financial statements of foreign operations and other comprehensive expense for the year	–	–	(30,646)	–	(30,646)
Total comprehensive expense for the year	–	–	(30,646)	(20,329)	(50,975)
Dividends paid (note 13)	–	–	–	(15,000)	(15,000)
At 31 December 2024	60,000	203,244	(102,417)	781,908	942,735
Loss for the year	–	–	–	(61,476)	(61,476)
Exchange differences arising on translation of financial statements of foreign operations and other comprehensive income for the year	–	–	44,044	–	44,044
Total comprehensive income (expense) for the year	–	–	44,044	(61,476)	(17,432)
At 31 December 2025	60,000	203,244	(58,373)	720,432	925,303

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
Operating activities		
Loss before taxation	(60,615)	(18,942)
Adjustments for:		
Interest income	(3,231)	(9,124)
Interest expenses on lease liabilities	243	226
Interest expenses on bank borrowings	1,565	2,640
Allowance for obsolete inventories	14,448	–
Depreciation of property, plant and equipment	50,168	52,315
Depreciation of right-of-use assets	3,856	4,171
Gain on surrender of a life insurance policy	(848)	–
Imputed interest income from deposit and prepayment for a life insurance policy	(52)	(206)
Loss on disposal of property, plant and equipment	1,932	1,717
Premium charges on a life insurance policy	190	760
(Reversal of impairment losses) impairment losses on financial assets under expected credit loss model, net	(1,742)	2,196
Operating cash flows before movements in working capital	5,914	35,753
Decrease (increase) in inventories	18,498	(6,679)
Decrease (increase) in trade and other receivables	145,116	(65,593)
(Decrease) increase in trade and other payables	(95,144)	33,396
Cash generated from (used in) operations	74,384	(3,123)
Hong Kong Profits Tax paid	(2,242)	(2,917)
The People's Republic of China ("PRC") Enterprise Income Tax ("EIT") paid	(800)	(1,879)
Hong Kong Profits Tax refunded	–	2,842
Net cash from (used in) operating activities	71,342	(5,077)
Investing activities		
Placement of short-term bank deposits	(222,361)	(327,433)
Deposits paid for non-current assets	(50,096)	(65,747)
Purchase of property, plant and equipment	(5,766)	(30,137)
Withdrawal of short-term bank deposits	249,960	315,357
Proceeds from surrender of a life insurance policy	9,560	–
Interest received	3,084	8,916
Proceeds from disposal of property, plant and equipment	1,145	633
Net cash used in investing activities	(14,474)	(98,411)
Financing activities		
Repayment of bank borrowings	(186,440)	(54,183)
Repayment of lease liabilities	(2,460)	(2,726)
Interest paid on bank borrowings	(1,585)	(2,626)
Interest paid on lease liabilities	(243)	(226)
Bank borrowings raised	133,731	72,860
Dividends paid	–	(15,000)
Net cash used in financing activities	(56,997)	(1,901)
Net decrease in cash and cash equivalents	(129)	(105,389)
Cash and cash equivalents at beginning of the year	124,612	231,265
Effect of foreign exchange rate changes	2,446	(1,264)
Cash and cash equivalents at end of the year, representing bank balances and cash	126,929	124,612

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

1. GENERAL INFORMATION

Winox Holdings Limited (the “Company”) is a public limited company incorporated in the Cayman Islands and its shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company and ultimate holding company are Ming Fung Investment Limited and Ming Fung Holdings (Hong Kong) Limited, companies with limited liabilities incorporated in the British Virgin Islands. Its ultimate controlling shareholder is Mr. Yiu Hon Ming (“Mr. Yiu”), who is also the chairman and executive director of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the section headed “Corporate Information and Key Dates” in the annual report. The Company is an investment holding company and the principal activities of its principal subsidiaries are set out in note 33.

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

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as 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 January 2025 for the preparation of the consolidated financial statements:

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

New and amendments to 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 HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
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-dependent 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 Statements ³

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

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

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

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

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

(Continued)

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 Standard, 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 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 and HKFRS 7. 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.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by 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 and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Revenue from contracts with customers

Information about the Group’s policies relating to contracts with customers is provided in note 4.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application of HKFRS 16 "Leases", the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

(i) Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date; and
- any initial direct costs incurred by the Group.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

(ii) Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date as the interest rate implicit in the lease is not readily determinable.

The lease payments includes fixed payments (including in-substance fixed payments).

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

(iii) Lease modification

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Leases *(Continued)*

The Group as a lessee *(Continued)*

(iii) Lease modification (Continued)

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position.

Depreciation is recognised so as to write off the cost of assets, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Deposit and prepayment for a life insurance policy

Deposit and prepayment for a life insurance policy is stated in the consolidated statement of financial position at cost adjusted for interest income and service charges, less impairment losses, if any. On derecognition of deposit and prepayment for a life insurance policy, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 "Revenue from Contracts with Customers". Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities of the Group, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial assets or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

All of the Group's financial assets meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables, short-term bank deposits and bank balances) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. ECL is assessed separately for receivables fully backed by bank bills and not backed by bank bills. To measure the ECL, trade receivables not backed by bank bills with significant balances or credit-impaired balances are assessed individually. Debtors with trade receivables backed by bank bills are assessed individually taking into consideration of the credit rating and reputation of the banks issuing the bills.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

For all other instruments, the Group measures the ECL allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group has rebutted the presumption that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due as the Group has reasonable and supportable information that demonstrates.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

The Group has rebutted the presumption that default has occurred when a financial asset is more than 90 days past due as the Group regularly monitors the effectiveness of the criteria used to identify whether there is any default for the past due and may grant longer credit period to large or long-established customers with good payment history.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Impairment of property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of the non-current asset is estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated to the assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Taxation

Income tax expense represents the sum of the current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before taxation because of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Current and deferred tax are recognised in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year.

Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

Borrowing costs

All borrowing costs not directly attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss in the period in which they are incurred.

Employee benefits

Retirement benefits costs

Payments to retirement benefits plans and government-managed retirement benefits schemes are charged as expenses when employees have rendered service, entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefits in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, and annual leave) after deducting any amount already paid.

Research and development expenditure

Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

4. REVENUE AND SEGMENT INFORMATION

The Group is engaged in manufacture and trading of stainless steel products. Information reported to the members of executive directors of the Company, being the chief operating decision makers (the "CODM"), for the purposes of resources allocation and assessment of performance focuses on revenue analysis by products, including mobile phone cases and parts, watch bracelets, smart wearable cases and parts, and fashion accessories, and by geographic locations of customers, including PRC, Switzerland, Hong Kong, Liechtenstein and other European countries, Taiwan, Vietnam and other countries. However, other than revenue analysis, no operating results and other discrete financial information is regularly reviewed by the CODM. In addition, the CODM reviews the results of the Group as a whole to make decisions. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

The revenue of the Group from manufacture and trading of stainless steel products is recognised at a point in time when the control of the goods is transferred to the customers, being the time at which the goods are delivered to the locations specified by the customers.

The Group applies the practical expedient in HKFRS 15 and does not disclose information about transaction price allocated to remaining performance obligation as the performance obligation is part of a contract that has an original expected duration of one year or less. The Group also applies the practical expedient in HKFRS 15 of expensing all incremental costs to obtain a contract (sales commissions) if these costs would otherwise have been fully amortised to profit or loss within one year.

Revenue from major products

Revenue by products is as follows:

	2025 HK\$'000	2024 HK\$'000
Mobile phone cases and parts	208,962	304,378
Watch bracelets	186,834	190,626
Smart wearable cases and parts	114,749	157,130
Fashion accessories	22,795	29,544
	533,340	681,678

Geographical information

Revenue from external customers based on locations of customers attributed to the Group by geographical areas is as follows:

	2025 HK\$'000	2024 HK\$'000
PRC	239,415	319,033
Switzerland	175,132	177,555
Hong Kong	48,712	91,158
Liechtenstein and other European countries	20,141	27,946
Taiwan	14,381	20,391
Vietnam	24,795	40,389
Other countries	10,764	5,206
	533,340	681,678

4. REVENUE AND SEGMENT INFORMATION *(Continued)*

Geographical information *(Continued)*

Information about the Group's non-current assets (excluding deposit and prepayment for a life insurance policy) is presented based on the location of the assets.

	2025 HK\$'000	2024 HK\$'000
Hong Kong	851	432
PRC	673,272	638,823
	674,123	639,255

Information about major customers

Revenue from customers of the corresponding year contributing over 10% of the total revenue of the Group is as follows:

	2025 HK\$'000	2024 HK\$'000
Customer A ¹	174,548	132,077
Customer B ²	55,859	78,565
Customer C ³	54,993	50,893
Customer D ³	36,675	74,584

Notes:

- ¹ Revenue from sales of watch bracelets.
- ² Revenue from sales of mobile phone cases and parts.
- ³ Revenue from sales of smart wearable cases and parts.

5. OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Bank interest income	3,231	9,124
Income from sales of scrap materials, other parts and samples	4,539	5,934
Government grants (note)	926	809
Management and administrative service fee received (note 28(i))	252	252
Imputed interest income from deposit and prepayment for a life insurance policy	52	206
Others	176	149
	9,176	16,474

Note: The unconditional government grants recognised during the current year are mainly related to enterprise technological transformation projects and Central Foreign Trade Development Fund (2024: employment stabilisation and Value-Added Tax refunds from PRC government).

6. OTHER GAINS AND LOSSES

	2025 HK\$'000	2024 HK\$'000
Net foreign exchange (loss) gain	(6,361)	2,101
Loss on disposal of property, plant and equipment	(1,932)	(1,717)
Gain on surrender of a life insurance policy	848	–
	(7,445)	384

7. REVERSAL OF IMPAIRMENT LOSSES (IMPAIRMENT LOSSES) ON FINANCIAL ASSETS UNDER EXPECTED CREDIT LOSS MODEL, NET

	2025 HK\$'000	2024 HK\$'000
Reversal of impairment losses (impairment losses) on:		
– trade receivables	1,604	(2,065)
– bills receivables	138	(131)
	1,742	(2,196)

8. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interests on:		
– bank borrowings	1,115	2,498
– loans related to bills discounted with recourse	450	142
– lease liabilities	243	226
	1,808	2,866

9. LOSS BEFORE TAXATION

	2025 HK\$'000	2024 HK\$'000
Loss before taxation has been arrived at after charging:		
Directors' remuneration (note 10)	4,351	5,384
Other staff costs	207,099	242,658
Other staff's retirement benefits schemes contributions	26,550	25,267
Total staff costs (note)	238,000	273,309
Less: Capitalised in inventories	(163,938)	(204,247)
	74,062	69,062
Allowance for obsolete inventories	14,448	–
Auditor's remuneration		
– audit services	1,260	1,400
– non-audit services	306	340
	1,566	1,740
Cost of inventories recognised as expenses (including staff costs and depreciation capitalised in inventories)	452,212	565,912
Depreciation of right-of-use assets	3,856	4,171
Depreciation of property, plant and equipment	50,168	52,315
Less: Capitalised in inventories	(31,544)	(35,750)
	22,480	20,736
Premium charges on a life insurance policy	190	760

Note: Staff costs of HK\$13,762,000 (2024: HK\$12,579,000) were included in research and development expenses. Included in staff costs during the year ended 31 December 2025 is an amount of HK\$12,450,000 (2024: nil), representing employment termination compensation.

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

The emoluments of directors and chief executive during the year are as follow:

	2025					2024				
	Fees HK\$'000	Salaries and other benefits HK\$'000	Discretionary bonus HK\$'000	Retirement benefits schemes contributions HK\$'000	Total HK\$'000	Fees HK\$'000	Salaries and other benefits HK\$'000	Discretionary bonus HK\$'000	Retirement benefits schemes contributions HK\$'000	Total HK\$'000
Executive directors										
Mr. Yiu	180	416	-	8	604	180	416	120	25	741
Ms. Law Wai Ping	180	125	-	12	317	180	416	38	25	659
Mr. Chau Kam Wing Donald	180	580	-	27	787	180	660	10	27	877
Mr. Li Chin Keung	180	815	-	27	1,022	180	816	240	27	1,263
Ms. Yiu Ho Ting	180	290	-	31	501	180	289	7	30	506
Mr. Yiu Tat Sing	180	296	-	31	507	180	287	120	30	617
Independent non-executive directors										
Mr. Au Wai Ming [*]	-	-	-	-	-	73	-	-	-	73
Mr. Carson Wen [#]	73	-	-	-	73	180	-	-	-	180
Professor Wong Lung Tak Patrick	180	-	-	-	180	180	-	-	-	180
Mr. Wu Ming Lam	180	-	-	-	180	180	-	-	-	180
Mr. Hou Bojian [*]	180	-	-	-	180	108	-	-	-	108
Total emoluments	1,693	2,522	-	136	4,351	1,801	2,884	535	164	5,384

* Appointed on 27 May 2024

[^] Retired on 27 May 2024

[#] Retired on 26 May 2025

Mr. Li Chin Keung is also the Managing Director of the Company who is considered to be the chief executive and his emoluments disclosed above include those for services rendered by him as the chief executive.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The emoluments of the independent non-executive directors shown above were for their services as the directors of the Company.

The discretionary bonus is determined by reference to the individual performance of the directors and approved by the remuneration committee of the Company.

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

The five highest paid individuals included 2 (2024: 3) directors of the Company for the year ended 31 December 2025. Details of whose emoluments are included in above. The emoluments of the remaining highest paid individuals during the year are as follows:

	2025 HK\$'000	2024 HK\$'000
Employees		
– salaries and other benefits	1,947	1,328
– discretionary bonus	105	400
– retirement benefits schemes contributions	68	48
	2,120	1,776

The emoluments of the employees were within the following bands:

	Number of employee	
	2025	2024
HK\$500,000 to HK\$1,000,000	3	1
HK\$1,000,001 to HK\$1,500,000	–	1

During the year, no emoluments were paid by the Group to the directors, the chief executive or the five highest paid individuals (including directors, the chief executive and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors and the chief executive have waived any emoluments during the year.

11. TAXATION

	2025 HK\$'000	2024 HK\$'000
The charge (credit) comprises:		
Hong Kong Profits Tax		
Current year	49	1,247
Overprovision in prior years	(3)	(9)
	46	1,238
PRC EIT		
Current year	174	228
Under(over)provision in prior years	641	(79)
	815	149
	861	1,387

11. TAXATION *(Continued)***Hong Kong Profits Tax**

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable 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%. Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years.

PRC EIT

Under the Law of the PRC on EIT ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate of group entities in the PRC is 25%. Certain PRC subsidiaries of the Group were awarded the High and New Technology Enterprise ("HNTE") certificate in current year to be eligible to a tax rate of 15% for 3 years until 31 December 2025. The recognition as a HNTE is subject to review every three years by the relevant government bodies.

According to relevant laws and regulations promulgated by the State Administration of Tax of the PRC, enterprises engaging in research and development activities are entitled to claim 200% (2024: 200%) of their qualified research and development expenses so incurred as tax deductible expenses when determining their assessable profits for the year ("Super Deduction"). The Group has made its best estimate for the Super Deduction to be claimed for the subsidiaries in ascertaining their assessable profits for the year.

Taxation for the year is reconciled to loss before taxation as follows:

	2025 HK\$'000	2024 HK\$'000
Loss before taxation	(60,615)	(18,942)
Tax credit at Hong Kong Profits Tax rate at 16.5% (2024: 16.5%)	(10,002)	(3,125)
Tax effect of income not taxable for tax purposes	(927)	(1,254)
Tax effect of expenses not deductible for tax purposes	3,614	436
Super Deduction of certain research and development expenses	(1,912)	(2,644)
Tax effect of tax losses not recognised	15,228	12,427
Tax effect of tax concession	(1,278)	(1,574)
Tax effect of different tax rates applied to subsidiaries in the PRC	(4,500)	(2,791)
Under(over)provision in prior years	638	(88)
Taxation for the year	861	1,387

12. LOSS PER SHARE

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

	2025 HK\$'000	2024 HK\$'000
Loss for the purposes of calculating basic loss per share (Loss for the year attributable to owners of the Company)	(61,476)	(20,329)

	Number of shares '000	'000
Weighted average number of shares for the purpose of calculating basic loss per share	600,000	600,000

No diluted loss per share for both years were presented as there were no potential ordinary shares in issue for both years.

13. DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Dividends recognised as distribution during the year:		
2024 interim dividend – HK0.5 cent per ordinary share	–	3,000
2023 final dividend – HK2.0 cents per ordinary share	–	12,000
	–	15,000

The Board does not recommend the payment of a final dividend (2024: nil) in respect of the year ended 31 December 2025.

14. PROPERTY, PLANT AND EQUIPMENT

	Buildings HK\$'000	Plant and machinery HK\$'000	Furniture, fixtures and equipment HK\$'000	Leasehold improvements HK\$'000	Motor vehicles HK\$'000	Construction in progress HK\$'000	Total HK\$'000
COST							
At 1 January 2024	146,258	566,936	84,430	137,812	6,679	71,251	1,013,366
Currency realignment	(4,628)	(16,461)	(2,052)	(4,345)	(159)	(3,635)	(31,280)
Additions	-	42,214	1,034	-	-	73,016	116,264
Reclassification	-	-	-	5,094	-	(5,094)	-
Disposals	-	(10,814)	(2,307)	(121)	(504)	-	(13,746)
At 31 December 2024	141,630	581,875	81,105	138,440	6,016	135,538	1,084,604
Currency realignment	6,881	24,976	3,052	6,736	215	7,569	49,429
Additions	-	10,860	1,068	381	-	51,535	63,844
Reclassification	-	-	1,781	8,287	-	(10,068)	-
Disposals	-	(11,794)	(2,620)	(413)	(500)	-	(15,327)
At 31 December 2025	148,511	605,917	84,386	153,431	5,731	184,574	1,182,550
DEPRECIATION							
AT 1 January 2024	55,642	346,396	68,058	28,924	4,954	-	503,974
Currency realignment	(1,857)	(9,372)	(1,610)	(972)	(109)	-	(13,920)
Provided for the year	4,459	35,604	3,936	8,118	198	-	52,315
Eliminated on disposals	-	(8,710)	(2,209)	(23)	(454)	-	(11,396)
AT 31 December 2024	58,244	363,918	68,175	36,047	4,589	-	530,973
Currency realignment	2,946	14,927	2,478	1,808	153	-	22,312
Provided for the year	4,473	32,798	3,133	9,582	182	-	50,168
Eliminated on disposals	-	(9,981)	(1,715)	(105)	(449)	-	(12,250)
AT 31 December 2025	65,663	401,662	72,071	47,332	4,475	-	591,203
CARRYING VALUES							
At 31 December 2025	82,848	204,255	12,315	106,099	1,256	184,574	591,347
At 31 December 2024	83,386	217,957	12,930	102,393	1,427	135,538	553,631

The buildings are situated in the PRC.

At 31 December 2025, the Group has pledged certain of its buildings of HK\$22,785,000 (2024: HK\$23,476,000) to a bank to secure the credit facilities granted to the Group.

14. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Depreciation is provided to write off the cost of property, plant and equipment, other than construction in progress, over their estimated useful lives, using the straight-line method, at the following rates per annum:

Buildings	Over the shorter of the lease terms, or 3% – 5%
Plant and machinery	10% – 25%
Furniture, fixtures and equipment	10% – 20%
Leasehold improvements	Over the shorter of the lease terms, or 3.3% – 20%
Motor vehicles	10% – 20%

The directors of the Company concluded that there was no indications of impairment on the Group's property, plant and equipment and right-of-use assets as the Group's operating performance for the year ended 31 December 2025 was impacted by the one-off expenses associated with the Group's workforce streamlining plan, aligned with the Group's strategic measures to enhance operational efficiency and optimise resources allocation. In addition, the Group's integrated operational structure also allows the flexibility to deploy the Group's operating assets among various product types and focus on the manufacturing and trading of those stainless steel products with profitability.

15. RIGHT-OF-USE ASSETS

	Leasehold land HK\$'000	Leased properties HK\$'000	Office equipment HK\$'000	Total HK\$'000
As at 31 December 2025				
Carrying amount	54,480	5,104	5	59,589
As at 31 December 2024				
Carrying amount	53,264	2,949	23	56,236
For the year ended 31 December 2025				
Depreciation	1,311	2,526	19	3,856
For the year ended 31 December 2024				
Depreciation	1,308	2,844	19	4,171

	2025 HK\$'000	2024 HK\$'000
Expense relating to short-term leases	2,865	1,373
Total cash outflow for leases	5,568	4,325
Additions to right-of-use assets	4,509	1,145
Reduction due to lease modification	–	328

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

15. RIGHT-OF-USE ASSETS *(Continued)*

For both years, the Group leases land, buildings and office equipment for its operations. Lease contracts are entered into for fixed term of 2 years to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group owns several industrial buildings, where its manufacturing facilities are primarily located, and office buildings. The Group is the registered owner of these property interests, including the underlying leasehold land. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately because the payments made can be allocated reliably.

The Group regularly entered into short-term leases for certain equipment. As at 31 December 2025 and 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

Restrictions or covenants on leases

Lease liabilities of HK\$5,546,000 are recognised with related right-of-use assets of HK\$5,109,000 as at 31 December 2025 (2024: lease liabilities of HK\$3,308,000 are recognised with related right-of-use assets of HK\$2,972,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Details of the lease maturity analysis of lease liabilities are set out in notes 23 and 30.

At 31 December 2025, the Group had pledged certain of its leasehold land of HK\$4,339,000 (2024: HK\$4,318,000) to a bank to secure the credit facilities granted to the Group.

16. DEPOSITS PAID FOR NON-CURRENT ASSETS

Included in the deposits paid for non-current assets was a deposit of RMB18,158,000 (equivalent to HK\$20,203,000) (2024: RMB18,158,000 (equivalent to HK\$19,268,000)) being paid for land use right in prior years as the Group intended to construct a new production plant at Boluo County, Huizhou, PRC ("Huzhen Site"). The requisite construction land quota in respect of the Huzhen Site has not been granted and the development of production premises at Huzhen Site is postponed. At 31 December 2025, the transaction has not been completed. The directors of the Company considered it is in the interest of the Group to acquire more land for production use in order to cater for the long-term development plan of the Group. Accordingly, the Group continues to negotiate with the local government authorities for the grant of the construction land quota and approval.

17. DEPOSIT AND PREPAYMENT FOR A LIFE INSURANCE POLICY

In January 2022, a subsidiary of the Company entered into a life insurance policy (the "Policy") to insure Mr. Yiu Tat Sing, executive director of the Company. Under the Policy, the beneficiary and policy holder is a subsidiary of the Company and the total insured sum is US\$7,300,000 (equivalent to HK\$57,009,000).

At the inception of the Policy, the Group paid an upfront payment of US\$1,351,000 (equivalent to HK\$10,535,000). The Group would receive cash refund based on the net nominal account value of the Policy at the date of withdrawal. The Group would also receive an interest at interest rates guaranteed by the insurer. At the date of initial recognition, the directors of the Company expected that the Policy would be terminated at 7th anniversary from date of inception, which is 2029, due to the intention of renewing the existing banking facilities, and there would be a specified surrender charge of US\$142,000 (equivalent to HK\$1,107,000) in accordance with the Policy. The directors of the Company considered that the financial impact of the option to terminate the policy was not significant.

At 31 December 2024, the Policy was pledged to a bank to secure general banking facilities granted to the Group, which has been released during the year ended 31 December 2025.

During the year ended 31 December 2025, the Group surrendered the Policy. Upon surrender of the Policy, the Group received surrender value of US\$1,235,000 (equivalent to HK\$9,560,000) with carrying amount of US\$1,117,000 (equivalent to HK\$8,712,000), resulting in a gain on surrender (included in other gains and losses) of US\$118,000 (equivalent to HK\$848,000).

18. INVENTORIES

	2025 HK\$'000	2024 HK\$'000
Raw materials	7,776	8,656
Work in progress	17,329	41,101
Finished goods	10,051	14,487
	35,156	64,244

19. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	74,014	169,004
Less: Allowance for ECL	(1,345)	(2,949)
	72,669	166,055
Bills receivables	11,929	41,180
Less: Allowance for ECL	(24)	(162)
	11,905	41,018
Prepayments and deposits	2,996	4,165
Value added tax recoverable	13,308	18,094
Refundable rental deposits	356	330
Others	2,824	2,264
Total trade and other receivables	104,058	231,926

The trade receivables and bills receivables are from contracts with customers. As at 1 January 2024, trade receivables and bills receivables arising from contracts with customers amounted to HK\$157,366,000.

Payment terms with customers are mainly on credit. Invoices are normally payable within 30 to 90 days by the customers from date of issuance. A longer credit period may be granted to large or long-established customers with good payment history.

The following is an aging analysis of trade receivables at the end of each reporting period based on the date of delivery, which approximated the respective revenue recognition dates.

	2025 HK\$'000	2024 HK\$'000
0 to 30 days	34,813	56,788
31 to 60 days	25,550	50,620
61 to 90 days	8,451	32,238
Over 90 days	3,855	26,409
	72,669	166,055

As at 31 December 2025, total bills received amounting to HK\$11,905,000 (2024: HK\$41,018,000) are held by the Group for future settlement of trade receivables, of which certain bills amounting to HK\$6,820,000 (2024: HK\$25,019,000) were discounted by the Group. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills received by the Group are with a maturity period of 6 months or less.

19. TRADE AND OTHER RECEIVABLES *(Continued)*

At 31 December 2025, included in the Group's trade receivable balances are trade receivables of HK\$29,810,000 (2024: HK\$79,016,000) which are past due at the end of the reporting period. Out of the past due balances, HK\$495,000 (2024: HK\$523,000) has been past due 90 days or more and is not considered as in default since the directors of the Company are of the opinion that the balances are still considered recoverable due to the management's historical experience on the settlement pattern or record from these debtors.

Other than bills receivables amounting to HK\$6,820,000 (2024: HK\$25,019,000), the Group does not hold any collateral over these balances.

Details of impairment assessment of trade and other receivables are set out in note 30.

Included in trade and other receivables are the following amounts denominated in a currency other than functional currencies of the relevant group entities:

	2025 HK\$'000	2024 HK\$'000
United States dollars ("US\$")	4,155	2,265
Swiss Franc ("CHF")	22	13

20. SHORT-TERM BANK DEPOSITS AND BANK BALANCES AND CASH

Bank balances and cash include demand deposits and bank deposits with original maturity within three months for the purpose of meeting the Group's short term cash commitments, which carry interests at the prevailing market rates of about 0.001% to 4.32% (2024: 0.001% to 5.24%) per annum at 31 December 2025. Short-term bank deposits with original maturity more than three months but less than one year carry interests at the fixed rates which range from 3.19% to 4.32% (2024: 4.13% to 5.26%) per annum at 31 December 2025.

Included in short-term bank deposits and bank balances and cash are the following amounts denominated in currencies other than the functional currencies of the relevant group entities:

	2025 HK\$'000	2024 HK\$'000
RMB	5,569	4,813
US\$	2,872	36,689
CHF	790	169

Details of impairment assessment of short-term deposits and bank balances are set out in note 30.

21. TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables	33,502	116,514
Payroll and welfare payables	14,614	19,029
Value added tax payable	301	355
Payables for acquisition of property, plant and equipment	6,264	5,729
Commissions and other payables to intermediary agents	5,092	3,977
Other tax payables	609	748
Accrued expenses	2,110	6,552
Interest payable	75	91
Others	4,669	1,828
	67,236	154,823

The Group normally receives credit terms of 30 to 90 days from its suppliers. The following is an aging analysis of trade payables at the end of each reporting period based on invoice date:

	2025 HK\$'000	2024 HK\$'000
0 to 30 days	8,270	27,961
31 to 60 days	9,851	29,130
61 to 90 days	7,256	31,342
Over 90 days	8,125	28,081
	33,502	116,514

Included in trade and other payables are the following amounts denominated in currencies other than functional currencies of the relevant group entities:

	2025 HK\$'000	2024 HK\$'000
RMB	3	3
US\$	205	244
CHF	4,488	3,371

22. BANK BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Bank loans	9,677	42,602
Loans related to bills discounted with recourse	6,844	25,181
	16,521	67,783
Secured	16,521	66,450
Unsecured	–	1,333
	16,521	67,783
The carrying amounts of the above bank borrowings are repayable (based on scheduled repayment dates set out in the loan agreements):		
– within one year	6,844	25,181
The carrying amounts of bank borrowings that contain a repayment on demand (shown under current liabilities) but repayable:		
– within one year	9,677	32,602
– within a period of more than one year but not exceed two years	–	5,667
– within a period of more than two years but not exceed five years	–	4,333
	9,677	42,602
	16,521	67,783

The bank loans at 31 December 2025 carried variable interest rates 0.64% over 1-year loan prime rate published by the National Interbank Funding Center (2024: variable interest rates range from 1.90% to 2.10% over 1-month Hong Kong Interbank Offered Rate and 0.64% over 1-year loan prime rate published by the National Interbank Funding Center).

The loans related to bills discounted with recourse at 31 December 2025 carried fixed interest rates at 0.48% to 0.89% (2024: 0.70% to 2.68%) per annum.

At 31 December 2025, the effective interest rate on the bank borrowings is 3.58% (2024: 3.60% to 6.29%) per annum.

At 31 December 2025, the Group has pledged its buildings, leasehold land and bill receivables with an aggregated carrying value of HK\$33,944,000 (2024: buildings, leasehold land and deposit and prepayment for a life insurance policy and bill receivables with an aggregated carrying value of HK\$61,663,000) to secure general banking facilities granted to the Group. Details of these pledged assets are disclosed in the respective notes.

23. LEASE LIABILITIES

	2025 HK\$'000	2024 HK\$'000
Lease liabilities payable:		
– within one year	2,366	859
– within a period of more than one year but not more than two years	695	41
– within a period of more than two years but not more than five years	132	119
– within a period of more than five years	2,353	2,289
	5,546	3,308
Less: Amount due for settlement within 12 months shown under current liabilities	(2,366)	(859)
Amount due for settlement after 12 months shown under non-current liabilities	3,180	2,449

The incremental borrowing rates applied to lease liabilities range from 3.03% to 4.98% (2024: from 3.32% to 6.60%) per annum.

24. DEFERRED TAXATION

At 31 December 2025, the Group had unused tax losses of HK\$174,528,000 (2024: HK\$108,243,000) available to offset against future profits. No deferred tax asset has been recognised in respect of these losses due to the unpredictability of future profit streams. Included in the tax losses was HK\$128,551,000 (2024: HK\$74,720,000) which will expire after five years. Other losses may be carried forward indefinitely.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in respect of temporary differences attributable to retained profits of subsidiaries in the PRC amounting to HK\$495,611,000 (2024: HK\$535,385,000) at 31 December 2025, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

25. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 January 2024, 31 December 2024 and 31 December 2025	4,000,000	400,000
Issued and fully paid:		
At 1 January 2024, 31 December 2024 and 31 December 2025	600,000	60,000

26. CAPITAL COMMITMENTS

	2025 HK\$'000	2024 HK\$'000
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of property and plant and equipment	29,861	46,935

27. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group and each employee make monthly mandatory contributions of 5% of relevant payroll costs with monthly cap of HK\$1,500 to the scheme.

The employees of the Group's subsidiaries in PRC are members of a state-managed retirement benefits plan operated by the PRC government. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

The total expense recognised in profit or loss of HK\$26,686,000 (2024: HK\$25,431,000) represents contribution payable to these plans by the Group at rates specified in the rules of the plans. No forfeited contributions are available to reduce the contribution payable in future years.

28. RELATED PARTY TRANSACTIONS

- (i) In addition to transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had entered into the following related party transactions during the year:

Name of related parties	Nature of transaction	2025 HK\$'000	2024 HK\$'000
Ming Fung (Holdings) Limited (controlled by Mr. Yiu)	Fee received for management and administrative service	252	252
Fengtai (Dongguan) Technology Development Service Company Limited ("Fengtai") (controlled by Mr. Yiu and Mr. Yiu Tat Sing)	Short-term lease expenses	186	247
	Interest expenses on lease liabilities	104	56
Mr. Yiu	Interest expenses on lease liabilities	14	43

At 31 December 2025, the lease liabilities due to Fengtai and Mr. Yiu were HK\$2,486,000 and HK\$493,000 (2024: HK\$491,000 and HK\$314,000), respectively.

During the year ended 31 December 2025, the Group entered into two (2024: several) new lease agreements for the use of buildings with Fengtai and Mr. Yiu respectively for a fixed term of 24 months (2024: 7 to 15 months).

Mr. Yiu is the ultimate controlling shareholder and a director of the Company. Mr. Yiu Tat Sing is also a director of the Company.

- (ii) Remuneration paid for key management personnel, who are the directors and the chief executive of the Company, is disclosed in note 10.

The remuneration of key management personnel is determined by the remuneration committee of the Company having regard to the performance of individuals and market trends.

29. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the group entities will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the prior year.

The capital structure of the Group consists of net debt, which includes bank borrowings and lease liabilities disclosed in notes 22 and 23 respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained profits as disclosed in the consolidated financial statements.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with the capital, and will balance its overall capital structure through the payment of dividends, new share issues of the Company as well as the raising of bank borrowings.

30. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2025 HK\$'000	2024 HK\$'000
Financial assets at amortised cost	284,721	431,916
Financial liabilities at amortised cost	80,737	214,951

Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, short-term bank deposits, bank balances and cash, trade and other payables and bank borrowings. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade and other receivables, short-term bank deposits and bank balances. The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge the obligations by counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position at the end of each reporting period.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade and bills receivables	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past due amounts	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

30. FINANCIAL INSTRUMENTS (Continued)**Financial risk management objectives and policies** (Continued)**Credit risk and impairment assessment** (Continued)**Trade receivables and bills receivables arising from contracts with customers**

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under lifetime ECL on trade receivables and bills receivables individually.

The Group only accepts bills issued or guaranteed by reputable PRC banks if trade receivables are settled by bills.

As at 31 December 2025, the Group has concentration of credit risk on trade receivables as 61.7% (2024: 40.2%) of the trade receivables were due from the Group's five largest customers.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk for trade receivables and bills receivables which are assessed individually as at 31 December 2025 and 2024 within lifetime ECL (not credit-impaired).

	External credit rating	Internal credit rating	Lifetime ECL	Gross carrying amount	
				2025 HK\$'000	2024 HK\$'000
Trade receivables	N/A	Low risk	Not credit-impaired	6,258	2,860
		Watch list	Not credit-impaired	65,382	143,998
		Doubtful	Not credit-impaired	1,439	20,969
		Loss	Credit-impaired	935	1,177
				74,014	169,004
Bills receivables	N/A	Low risk	Not credit-impaired	9,037	10,994
		Watch list	Not credit-impaired	2,892	30,186
				11,929	41,180

30. FINANCIAL INSTRUMENTS *(Continued)***Financial risk management objectives and policies** *(Continued)***Credit risk and impairment assessment** *(Continued)***Trade receivables and bills receivables arising from contracts with customers** *(Continued)*

During the years ended 31 December 2025 and 2024, trade receivables and bills receivables were assessed individually based on internal credit ratings. During the year ended 31 December 2025, the Group recognised a reversal of impairment allowance of HK\$1,604,000 (2024: impairment loss of HK\$2,065,000) for trade receivables and a reversal of impairment allowance of HK\$138,000 (2024: impairment loss of HK\$131,000) for bills receivables under lifetime ECL (not credit-impaired).

	Lifetime ECL (not credit- impaired) HK\$'000	Lifetime ECL (credit- impaired) HK\$'000	Total HK\$'000
At 1 January 2024	(915)	–	(915)
Impairment losses recognised	(1,019)	(1,177)	(2,196)
At 31 December 2024	(1,934)	(1,177)	(3,111)
Impairment losses reversed	1,500	242	1,742
At 31 December 2025	(434)	(935)	(1,369)

Other receivables (including refundable rental deposit)

Other receivables (including refundable rental deposit) with gross carrying amount of HK\$3,180,000 (2024: HK\$2,594,000) were assessed individually. The management believes that there is no significant increase in credit risk of these amounts since initial recognition. The management of the Group considers the internal credit rating as “low risk” and the impairment allowance during the years ended 31 December 2025 and 2024 is considered insignificant.

Short-term bank deposits and bank balances

For short-term bank deposits and bank balances with gross carrying amount of HK\$196,967,000 (2024: HK\$222,249,000), no impairment allowance was recognised since the directors of the Company consider the probability of default is negligible as such amounts are receivable from or placed in banks having good reputation. Majority of short-term bank deposits and bank balances are placed with banks with external credit rating of A1. Therefore, loss allowance is considered insignificant.

Market risk**(i) Currency risk**

Several subsidiaries of the Company have foreign currency sales and purchases and bank balances, which expose the Group to foreign currency risk. In addition, the Group has intra-group balances with several subsidiaries denominated in foreign currencies which also expose the Group to foreign currency risk.

30. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Market risk *(Continued)*

(i) Currency risk *(Continued)*

The carrying amounts of the foreign currency denominated monetary assets and liabilities (including trade and other receivables, bank balances and cash and trade and other payables) at the end of the reporting period are as follows:

	Assets		Liabilities	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
RMB	5,569	4,813	3	3
US\$	7,027	38,954	205	244
CHF	812	182	4,488	3,371
Intra-group balances				
RMB	187	178	164,954	210,152

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arises.

Sensitivity analysis

The Group mainly exposes to RMB, CHF and US\$, which are arising from relevant group entities' foreign currency denominated monetary assets and liabilities for the Group's operating activities in Hong Kong and PRC. The following table details the Group's sensitivity to a 5% (2024: 5%) increase and decrease in the functional currencies of the group entities against the relevant foreign currencies. Most of the US\$ balances are held by group entities with HK\$ as functional currencies. Under the linked exchange rate system, the financial impact on exchange difference between HK\$ and US\$ will be immaterial and therefore no sensitivity analysis has been presented. 5% (2024: 5%) is the sensitivity rate used when the management assesses the reasonably possible change in the foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items including the intra-group balances and adjusts their translation at the end of the reporting period. A positive number below indicates a decrease in loss after taxation where the functional currencies of each group entity strengthens 5% (2024: 5%) against the relevant foreign currencies. For a 5% (2024: 5%) weakening of the functional currencies against the relevant foreign currencies, there would be an equal and opposite impact on the loss after taxation.

	2025 HK\$'000	2024 HK\$'000
CHF	153	133
RMB	6,647	8,566

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

30. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Market risk *(Continued)*

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to short-term bank deposits, bank borrowings at fixed interest rates and lease liabilities in notes 20, 22 and 23 respectively. The Group is also exposed to cash flow interest rate risk in relation to interest bearing bank balances and bank borrowings at variable interest rates. The Group's exposure to cash flow interest rate risk is mainly concentrated on the fluctuation of the prime rate published by the National Interbank Funding Center. The Group currently does not have an interest rate hedging policy. However, the management will consider hedging significant interest rate risk when the need arises.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing bank borrowings at variable interest rates at the end of each reporting period and assumed that the said bank borrowings outstanding at the end of each reporting period were outstanding for the whole year. 50 basis points (2024: 50 basis points) increase represents management's assessment of the reasonably possible change in interest rates.

No sensitivity analysis is presented for bank balances as the directors of the Company considered the Group's exposure to cash flow interest rate risk is not material.

If interest rates on bank borrowings at variable interest rates had been 50 basis points (2024: 50 basis points) higher/lower and all other variables were held constant, the potential effect on loss after taxation is as follows:

	2025 HK\$'000	2024 HK\$'000
Increase/decrease in loss after taxation	40	178

Liquidity risk

The management of the Group has built an appropriate liquidity risk management framework for the management of the Group's short and medium-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecasted and actual cash flows and the maturity profiles of its financial liabilities and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows.

30. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Liquidity risk *(Continued)*

	Weighted average interest rate %	On demand or within one year HK\$'000	Over 1 year but less than 2 years HK\$'000	Over 2 years but less than 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amounts HK\$'000
At 31 December 2025							
Trade and other payables	–	64,216	–	–	–	64,216	64,216
Bank borrowings	2.41	16,521	–	–	–	16,521	16,521
Lease liabilities	4.59	2,565	822	492	3,858	7,737	5,546
		83,302	822	492	3,858	88,474	86,283
At 31 December 2024							
Trade and other payables	–	147,168	–	–	–	147,168	147,168
Bank borrowings	3.23	67,783	–	–	–	67,783	67,783
Lease liabilities	4.66	986	161	466	3,840	5,453	3,308
		215,937	161	466	3,840	220,404	218,259

Bank borrowings with a repayment on demand clause are included in the “on demand or within one year” time band in the above maturity analysis. As at 31 December 2025, the aggregate carrying amounts of these bank borrowings amounted to HK\$16,521,000 (2024: HK\$67,783,000). Taking into account the Group’s financial position, the management of the Group does not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The management of the Group believes that such bank borrowings will be repaid within one year (2024: four years) after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements and the aggregate principal and interest cash outflows according to the scheduled repayment dates are set out as follows:

	Less than 3 months HK\$'000	Over 3 months but less than 1 year HK\$'000	Over 1 year but less than 2 years HK\$'000	Over 2 years but less than 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amounts HK\$'000
At 31 December 2025	7,852	1,887	–	–	9,739	9,677
At 31 December 2024	24,412	9,230	6,076	4,485	44,203	42,602

Fair value of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the end of the reporting period.

31. TRANSFERS OF FINANCIAL ASSETS

The followings were the Group's financial assets as at 31 December 2025 and 2024 that were transferred to banks by discounting those bills receivables under trade and other receivable on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to the bills receivables, it continues to recognise the full carrying amount of the bills receivables and has recognised the cash received on the transfer as loans related to bills discounted with recourse. The financial asset are carried at amortised cost in the Group's consolidated statement of financial position. The bills receivables discounted with banks with full recourse at the year end were as follows:

	2025 HK\$'000	2024 HK\$'000
Carrying amount of transferred assets	6,820	25,019
Carrying amount of associated liabilities	(6,844)	(25,181)
Net position	(24)	(162)

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025 HK\$'000	2024 HK\$'000
Non-current asset		
Investments in subsidiaries	390,774	390,774
Current assets		
Prepayments	320	291
Amounts due from subsidiaries	4,841	4,817
Bank balances and cash	2,346	1,089
	7,507	6,197
Current liability		
Other payables	1,783	1,401
Net current assets	5,724	4,796
Net assets	396,498	395,570
Capital and reserves		
Share capital	60,000	60,000
Reserves	336,498	335,570
Total equity	396,498	395,570

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)**Movement of reserves**

	Share premium HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2024	203,244	131,653	334,897
Profit and total comprehensive income for the year	–	15,673	15,673
Dividends paid (note 13)	–	(15,000)	(15,000)
At 31 December 2024	203,244	132,326	335,570
Profit and total comprehensive income for the year	–	928	928
At 31 December 2025	203,244	133,254	336,498

33. PRINCIPAL SUBSIDIARIES

Details of principal subsidiaries indirectly held by the Company at 31 December 2025 and 2024 are as follows:

Name of subsidiaries	Place of incorporation/ establishment and operation	Registered capital/ nominal value of issued and fully paid share capital	Attributable equity interest held by the Group		Principal activities
			2025	2024	
Winox Enterprise Company Limited	Hong Kong	Ordinary capital HK\$60,000,000	100%	100%	Investment holding and trading of stainless steel products
Winox Management Limited	Hong Kong	Ordinary capital HK\$1	100%	100%	Provision of management and administration service
Max Surplus Corporation Limited	Hong Kong	Ordinary capital HK\$1	100%	100%	Investment holding and trading of stainless steel products
盈利時錶業(東莞)有限公司*	PRC	Registered capital HK\$147,900,000 Paid-up capital HK\$147,900,000	100%	100%	Manufacture and trading of stainless steel products
惠州豐采貴金屬製造有限公司*	PRC	Registered capital HK\$190,000,000 Paid-up capital HK\$172,000,000	100%	100%	Manufacture and trading of stainless steel products
博羅明豐廚具製造有限公司*	PRC	Registered capital RMB80,000,000 Paid-up capital RMB80,000,000	100%	100%	Property holding and provision of management and administration service
盛豐精密製造(惠州)有限公司*	PRC	Registered capital HK\$32,500,000 Paid-up capital HK\$32,500,000	100%	100%	Manufacture and trading of stainless steel products
豐達精密科技(東莞)有限公司*	PRC	Registered capital HK\$30,000,000 Paid-up capital HK\$8,000,000	100%	100%	Provision of management and administration service

33. PRINCIPAL SUBSIDIARIES (Continued)

Details of principal subsidiaries indirectly held by the Company at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiaries	Place of incorporation/ establishment and operation	Registered capital/ nominal value of issued and fully paid share capital	Attributable equity interest held by the Group		Principal activities
			2025	2024	
盈泰精密製造科技(東莞)有限公司*	PRC	Registered capital HK\$65,000,000 Paid-up capital HK\$50,000,000	100%	100%	Manufacture and trading of stainless steel products
盈達豐精密製造科技(東莞)有限公司*	PRC	Registered capital HK\$10,000,000 Paid-up capital HK\$3,000,000	100%	100%	Manufacture and trading of stainless steel products

* The company was established as a wholly foreign owned enterprise.

In the opinion of the directors of the Company, the above table lists the subsidiaries of the Group which principally affected the results or assets or liabilities of the Group and to give details of other subsidiaries would result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at 31 December 2025 and 2024 or at any time during both years.

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities HK\$'000	Bank borrowings HK\$'000	Interest payable HK\$'000	Dividend payable HK\$'000	Total HK\$'000
At 1 January 2024	5,328	50,033	80	–	55,441
Financing cash flows	(2,952)	18,677	(2,626)	(15,000)	(1,901)
Interest expenses (note 8)	226	–	2,640	–	2,866
Dividend declared (note 13)	–	–	–	15,000	15,000
New leases entered	1,145	–	–	–	1,145
Lease modification	(328)	–	–	–	(328)
Currency realignment	(111)	(927)	(3)	–	(1,041)
At 31 December 2024	3,308	67,783	91	–	71,182
Financing cash flows	(2,703)	(52,709)	(1,585)	–	(56,997)
Interest expenses (note 8)	243	–	1,565	–	1,808
New leases entered	4,509	–	–	–	4,509
Currency realignment	189	1,447	4	–	1,640
At 31 December 2025	5,546	16,521	75	–	22,142

Five-Year Financial Summary

RESULTS

	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
Revenue	1,385,113	1,149,762	774,727	681,678	533,340
Profit (loss) before taxation	105,802	126,865	70,931	(18,942)	(60,615)
Taxation	(11,383)	(14,469)	(7,205)	(1,387)	(861)
Profit (loss) for the year	94,419	112,396	63,726	(20,329)	(61,476)

ASSETS AND LIABILITIES

	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
Total assets	1,610,090	1,316,034	1,192,807	1,169,745	1,014,724
Total liabilities	(608,991)	(304,110)	(184,097)	(227,010)	(89,421)
Total equity	1,001,099	1,011,924	1,008,710	942,735	925,303