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Qianhai Health Holdings Limited
前海健康控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 911)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Qianhai Health Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 (the “**Year**”), together with the comparative figures for the corresponding year ended 31 December 2024 (the “**Prior Year**”) as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3	677,121	519,699
Cost of sales		<u>(653,523)</u>	<u>(490,029)</u>
Gross profit		23,598	29,670
Other income	4	484	243
Other losses, net	5	(1,508)	(12,828)
Provision of loss allowance for expected credit losses on trade receivables		(2,550)	(258)
Selling and distribution expenses		(169)	(185)
Administrative expenses		(13,874)	(15,308)
Finance cost	6	<u>(38)</u>	<u>(23)</u>
Profit before income tax		5,943	1,311
Income tax expense	7	<u>(2)</u>	<u>–</u>
Profit for the year attributable to owners of the Company		<u>5,941</u>	<u>1,311</u>
		<i>HK cents</i>	<i>HK cent</i>
Earnings per share			
Basic and diluted	8	<u>3.51</u>	<u>0.77</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Profit for the year	9	5,941	1,311
Other comprehensive (loss)/income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising from translation of foreign operations		<u>(311)</u>	<u>145</u>
Total comprehensive income for the year attributable to owners of the Company		<u>5,630</u>	<u>1,456</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
ASSETS			
Non-current asset			
Property, plant and equipment		<u>19,649</u>	<u>21,154</u>
Current assets			
Inventories		54,855	188,751
Trade and other receivables and prepayments	11	272,497	174,146
Cash at bank		<u>61,385</u>	<u>23,258</u>
Total current assets		<u>388,737</u>	<u>386,155</u>
Total assets		<u><u>408,386</u></u>	<u><u>407,309</u></u>
CAPITAL AND RESERVES			
Equity attributable to owners of the Company			
Share capital		67,778	67,778
Reserves		<u>323,422</u>	<u>317,792</u>
Total equity		<u><u>391,200</u></u>	<u><u>385,570</u></u>

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
LIABILITIES			
Non-current liability			
Lease liabilities		–	424
Current liabilities			
Trade and other payables	<i>12</i>	16,762	2,305
Provision	<i>13</i>	–	18,400
Lease liabilities		424	610
Total current liabilities		17,186	21,315
Total liabilities		17,186	21,739
Total equity and liabilities		408,386	407,309
Net current assets		371,551	364,840
Total assets less current liabilities		391,200	385,994
Net assets		391,200	385,570

NOTES

For the year ended 31 December 2025

1. GENERAL INFORMATION

Qianhai Health Holdings Limited (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 18 August 2011 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of Cayman Islands. The Company’s immediate and ultimate holding company is Explorer Rosy Limited (“**Explorer Rosy**”), a company incorporated in the British Virgin Islands. The ultimate beneficial owners of Explorer Rosy are Mr. Huang Zhiqun, a director of the Company, and Ms. Huang Jinglin. The address of the Company’s registered office is P.O. Box 2681, Cricket Square, Hutchins Drive, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is Room 301-3, 3/F., Wing Tuck Commercial Centre, 177-183 Wing Lok Street, Sheung Wan, Hong Kong. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company and its subsidiaries (together, the “**Group**”) are principally engaged in sale of health-care products and food and electronic components products.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), unless otherwise stated. The consolidated financial statements have been approved for issue by the board of directors of the Company on 18 March 2026.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

(a) *Compliance*

The consolidated financial statements of the Group have been prepared in accordance with all applicable HKFRS Accounting Standards, which collective term include all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and interpretations (“**Ints**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), and the disclosure requirements of the Hong Kong Companies Ordinance (“**HKCO**”). The consolidated financial statements of the Group also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange.

(b) *Historical cost convention*

The consolidated financial statements have been prepared on a historical cost basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique.

(c) *Amendments to standards adopted by the Group*

The Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025, for the preparation of the consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year had no material impact on the Group's consolidated financial position and performance for the current and prior years and/or the disclosures set out in the consolidated financial statements of the Group.

(d) New Standards and Amendments to Standards not yet Effective

The Group has not applied any new and amendments to HKFRS Accounting Standards and Int that have been issued but are not yet effective for the financial year beginning on 1 January 2025. The new and amendments to HKFRS Accounting Standards and Int include the followings which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendment to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendment to HKAS 21 - Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	<i>To be determined by the HKICPA</i>

The directors of the Company are in the process of making an assessment of what the impacts of these new and amendments to HKFRS Accounting Standards and Int are expected to be in the period of initial application. Except for below, the new and amendments to HKFRS Accounting Standards and Int are unlikely to have significant impact on the consolidated financial statements of the Group.

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 – Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the consolidated financial statements.

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (“**MPMs**”) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the consolidated statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group's consolidated statement of profit or loss, the consolidated statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the consolidated financial statements. Preliminary assessments indicate the following key impacts:

- The Group will need to reclassify certain income and expense items (e.g., foreign exchange gains/losses) into the new categories, namely investing and financing categories.
- The Group disclosed certain MPMs (e.g., adjusted operating profits and adjusted earnings before interest taxes, depreciation and amortisation) in its results announcements and the annual report. Under HKFRS 18, this will likely require additional disclosure for the MPMs within the notes to the consolidated financial statements.
- The consolidated statement of cash flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue from contracts with customers within the scope of HKFRS 15 represents the sale value of health-care products and food and electronic component products supplied to customers, which is recognised at a point in time.

(b) Segment information

The Group determines its operating segments based on internal reports reviewed by the chief operating decision makers, who are the executive directors of the Company, for the purpose of allocating resources to the segments and to assess their performance which focus on the sale of different types of products from different business lines.

Specifically, the Group's reportable and operating segments have been identified as follows:

- (i) Electronic component products: sale of information technology component products (including NAND flash wafer (a thin slice of semiconductor material, such as silicon, which is a vital component of flash memory integrated circuits ("ICs")); embed multi-chip package ("eMCP") memory (an electronic component containing several memory chip and other electronic components); and
- (ii) Health-care products and food: sale of health-care products and food (including Chinese herbal medicines and other health-care products).

The following is an analysis of the Group's revenue from contracts with customers and segment results:

	Electronic component products HK\$'000	Health-care products and food HK\$'000	Total HK\$'000
Year ended 31 December 2025			
Segment revenue	610,605	66,516	677,121
Cost of sales	<u>(590,763)</u>	<u>(62,760)</u>	<u>(653,523)</u>
Segment results	<u><u>19,842</u></u>	<u><u>3,756</u></u>	<u><u>23,598</u></u>

	Electronic component products <i>HK\$'000</i>	Health-care products and food <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 December 2024			
Segment revenue	519,699	–	519,699
Cost of sales	<u>(490,029)</u>	<u>–</u>	<u>(490,029)</u>
Segment results	<u>29,670</u>	<u>–</u>	<u>29,670</u>
		2025	2024
		<i>HK\$'000</i>	<i>HK\$'000</i>
Segment results		23,598	29,670
Unallocated			
Other income		484	243
Other losses, net		(1,508)	(12,828)
Provision of loss allowance for expected credit losses (“ECLs”) on trade receivables		(2,550)	(258)
Selling and distribution expenses		(169)	(185)
Administrative expenses		(13,874)	(15,308)
Finance cost		<u>(38)</u>	<u>(23)</u>
Profit before income tax		<u>5,943</u>	<u>1,311</u>

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended 31 December 2025 and 2024.

Segment results during the years ended 31 December 2025 and 2024 represents the gross profit of each segment without allocation of other income, other losses, net, provision of loss allowance for ECLs on trade receivables, selling and distribution expenses, administrative expenses and finance cost. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

Segment Assets and Liabilities

No segment assets and segment liabilities and other segment information are presented as such information are not reviewed by the chief operating decision makers for the purpose of resource allocation and performance assessment or otherwise regularly provided to the chief operating decision makers.

Geographical information

The Group's revenue from customers by location of operations is set out below:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue		
The People's Republic of China (the "PRC")	1,143	–
Hong Kong	675,978	519,699
	677,121	519,699

No geographical segment information is presented as the Group's non-current asset is entirely located in Hong Kong as at 31 December 2025 and 2024.

4. OTHER INCOME

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest income from bank deposits	44	19
Interest income from loans advanced to independent third parties (Note)	440	224
	484	243

Note: The interest income represents interest received from an unsecured short-term loan with a fixed interest rate of 5% (2024: 5%) per annum.

5. OTHER LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Allowance for inventories	(1,337)	–
Gain on disposal of subsidiaries	–	51,903
Impairment losses on property, plant and equipment	–	(4,154)
Exchange losses, net	(171)	(177)
Provision for onerous contracts	–	(60,400)
	<u>(1,508)</u>	<u>(12,828)</u>

6. FINANCE COST

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest expense on lease liabilities	<u>38</u>	<u>23</u>

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax – PRC Enterprise Income Tax (“EIT”)		
Provision for the year	<u>2</u>	<u>–</u>

8. EARNINGS PER SHARE

(a) Basic

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year attributable to owners of the Company	<u>5,941</u>	<u>1,311</u>
	Number of shares ('000)	
	2025	2024
Weighted average number of ordinary shares for the purpose of basic earnings per share (<i>Note</i>)	<u>169,445</u>	<u>169,445</u>

Note: The weighted average number of ordinary shares of the Company in issue during the year ended 31 December 2024 was adjusted to reflect the effect of the share consolidation, which became effective on 20 May 2024.

(b) Diluted

Diluted earnings per share is the same amount as the basic earnings per share for both years ended 31 December 2025 and 2024 because the Company's outstanding share options during the years ended 31 December 2025 and 2024 do not give rise to any dilution effect.

9. PROFIT FOR THE YEAR

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year has been arrived at after charging:		
Auditor's remuneration	850	850
Cost of inventories sold	653,523	490,029
Employee benefit expenses	7,609	6,568
Depreciation of property, plant and equipment	1,519	2,400
Short-term lease expenses	<u>562</u>	<u>572</u>

10. DIVIDEND

The board of directors of the Company does not recommend the payment of any dividend in respect of the years ended 31 December 2025 and 2024.

11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables, gross	225,478	99,004
<i>Less: allowance for ECL</i>	<u>(2,808)</u>	<u>(258)</u>
Trade receivables, net (<i>Note A</i>)	<u>222,670</u>	<u>98,746</u>
Prepayments for inventory purchases (<i>Note B</i>)		
– electronic component products	49,021	43,161
– health-care products and food	–	27,413
Other prepayments	558	4,576
Deposits	<u>248</u>	<u>250</u>
	<u>49,827</u>	<u>75,400</u>
Total	<u><u>272,497</u></u>	<u><u>174,146</u></u>

Notes:

(A) Trade receivables

The Group generally grants credit periods ranging from 30 to 180 days (2024: 60 to 180 days) to its customers. Before accepting any new customer, the Group internally assesses the potential customer's credit quality and define an appropriate credit limit. Management closely monitors the credit quality and follow-up action is taken if overdue debts are noted.

The following is an aging analysis of trade receivables, based on the invoice date which approximate the respective revenue recognition dates, and net of allowance for ECL, at the end of each reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 – 30 days	146,696	78,732
31 – 90 days	28,424	20,014
91 – 180 days	31,133	–
Over 180 days	16,417	–
	<u>222,670</u>	<u>98,746</u>

(B) Prepayment for inventory purchases

The balance of prepayment mainly represents several non-refundable deposits placed with the suppliers of the Group for both electronic component products and health-care products and food. For each individual purchase order placed with the suppliers, the Group was required to pay an upfront prepayment of the purchase price of the products. The prepayments are carried at cost and is expected to be utilised within one year. The management compares the unit price of the above non-cancellable purchase orders so committed against the subsequent market price and trend of the ordered products and to determine if provision for onerous contracts is necessary.

12. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	<u>15,570</u>	–
Other payables		
– Accruals	1,188	2,300
– Other payables	<u>4</u>	<u>5</u>
	<u>1,192</u>	<u>2,305</u>
Total	<u>16,762</u>	<u>2,305</u>

The Group normally receives credit terms of 90 (2024: 90) days from its suppliers.

The following is an aging analysis of trade payables, based on the goods received date (approximates respective invoice date), at the end of each reporting period:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
31 – 90 days	<u>15,570</u>	<u>–</u>

13. PROVISION

Provision for onerous contracts was made for purchasing electronic component products. The Group would enter purchase contracts with suppliers for purchasing electronic component products which the Group is contractually obligated to purchase an agreed quantity of electronic component products at a pre-determined unit price. Given the market price of these ordered electronic component products is volatile after the placement of the relevant purchase orders, the estimated unavoidable cost of meeting the obligations under such contracts may exceed the economic benefits expected to be received by the Group upon executing these purchase contracts. The economic benefits expected to be received represents the management's best estimate by reference to the market price and trend of the ordered electronic component products.

Movement of the provision for onerous contracts is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 January	18,400	92,199
(Utilised)/provided for the year	(18,400)	60,400
Derecognised upon disposal of subsidiaries	<u>–</u>	<u>(134,199)</u>
At 31 December	<u>–</u>	<u>18,400</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the sale of electronic component products (the “**Electronic Component Business**”) and health-care products and food (“**Health-Care Business**”). During the Year, while the Group continued to focus on its core Electronic Component Business, the Group also took strategic steps to diversify its product portfolio. During the Year, the Group also engaged in sale of health beverages (ginseng wine) in order to capture emerging market opportunities.

Electronic Component Business

The Group engaged in the sale of semiconductors and other electronic components, specializing in digital storage products such as NAND flash wafers (a thin slice of semiconductor material, such as silicon, which is a vital component of flash memory integrated circuits (ICs)) and general electronic components. Its business model focuses on identifying, sourcing, and distributing quality products from reputable upstream manufacturers.

The global semiconductor market experienced substantial growth in 2025, fueled by technological advancements, rising demand for electronic devices, and the expansion of emerging markets. Key factors driving this growth included the booming interest in artificial intelligence (AI) and machine learning, which heightened the need for specialized semiconductors. The rollout of 5G technology also contributed significantly to demand for high-performance chips essential for smartphones and network infrastructure. Additionally, the automotive industry’s emphasis on intelligence and electrification further stimulated the semiconductor market.

A notable development in the NAND flash memory industry was a critical shift from recovery to a severe supply-demand imbalance. This was primarily driven by a surge in AI infrastructure, as the demand for AI inference and the growth of data centers led to increased orders for high-capacity enterprise Solid State Drives (SSDs). This trend was amplified by a shortage of Hard Disk Drives (HDDs), prompting enterprises and cloud service providers to accelerate their adoption of enterprise SSDs.

On the supply side, manufacturers adopted a cautious approach regarding capital expenditure and capacity expansion, focusing production on high-margin enterprise and premium products while phasing out legacy nodes. This strategic shift resulted in a shortage of NAND flash wafers, amplifying the effects of soaring demand and tight supply. In 2025, dramatic increases in market prices for mainstream NAND flash wafers were reported. The most significant shortages were seen in TLC (Triple-Level Cell) wafers, where prices surged more than 65% month-over-month, driven by persistent enterprise demand and the discontinuation of older production nodes.

The Group was directly impacted by this supply-constrained environment. While market prices surged, the severe shortage of wafers from upstream manufacturers meant that the Group had less inventory available to trade. Consequently, despite the favourable pricing environment, the Group's ability to secure sufficient supply to meet customer demand was restricted, leading to a reduction in overall trading quantities compared to periods of normal supply. Having considered the favourable market price trend, the Group focused on strategic bulk procurement basis, instead of back-to-back basis, leveraging market insights to actively manage inventory levels and capitalize on favourable market conditions. The Group will continuously monitor the market price trend and make procurement based on the appropriate basis.

The Group benefits from a broad and established base of customers and suppliers, many of whom have long-standing relationships with the Directors. Our suppliers primarily consist of electronic component distributors and corporations specializing in electronics and information technology.

Health-Care Business

In line with the Group's strategy to broaden its revenue streams and adapt to changing consumer preferences, the Group commenced trading new products, including health beverages (ginseng wine) and skin-care products, during the Year. Leveraging the growing consumer awareness of health and wellness, particularly in traditional Chinese health tonics, the Group introduced a range of ginseng wine products. These products target the health-conscious consumer segment and are positioned as premium dietary supplements. This initiative represents the Group's re-entry into the health products sector with a refined and focused product offering.

The Group is actively building supplier networks, customer relationships, and market presence for the new products.

FINANCIAL REVIEW

Revenue and gross profit

For the year ended 31 December 2025, over 90% of the Group's revenue was derived from the Electronic Component Business, while around 10% of the Group's revenue was derived from the Health-care Business.

Revenue increased by approximately 30.3% to approximately HK\$677.1 million (2024: approximately HK\$519.7 million) during the Year. This growth was primarily driven by the significant increase in market prices for NAND flash wafers and other electronic components throughout the Year, while the growth was partially offset by a reduction in sales volume in the Electronic Component Business due to the industry-wide shortage.

Gross profit for the Year amounted to approximately HK\$23.6 million (2024: approximately HK\$29.7 million). The corresponding gross profit margin was 3.5% (2024: 5.7%). The decrease in gross profit margin was mainly attributable to intensified market competition, compressing margins despite the increase in overall sales revenue.

Other losses, net

The Group recorded net other losses of approximately HK\$1.5 million (2024: loss of HK\$12.8 million), which mainly include the provision for inventory of approximately HK\$1.3 million due to the long aging of other electronic component products. The net other losses in 2024 were primarily attributable to substantial provisions for onerous contracts. The significant reduction in net other losses for the Year indicates an alleviation of these onerous contract obligations and an absence of similar large-scale one-off impairment charges.

Provision for expected credit losses

The provision for expected credit losses on trade receivables for the Year recorded approximately HK\$2.6 million (2024: approximately HK\$0.3 million). This increase reflects a more cautious approach to credit risk management in the current volatile economic climate and is based on the assessment of the recoverability of specific trade receivable balances.

Results

The Group recorded a profit attributable to owners of the Company of approximately HK\$5.9 million for the Year. This represents a substantial improvement compared to a profit of approximately HK\$1.3 million in the Prior Year.

PROSPECTS

The electronic components industry is poised for significant transformation, driven by advancements in third-generation semiconductors, 5G technology, AI, and automotive electronics. These developments present promising growth opportunities, and the Group aims to navigate the challenges and advantages in this evolving market. While the supply shortage of NAND flash wafers is expected to continue in the near term, the Group will leverage its supplier relationships to secure inventory whenever possible.

To capitalize these opportunities, the Group plans to invest in new manufacturing facilities in the People's Republic of China (PRC) and other locations. This investment will enhance production capabilities and enable the Group to offer a wider range of services, including technical support, product customization, assembly, packaging, and testing. By better addressing customer needs, the Group seeks to foster strong, long-lasting relationships.

Additionally, the Group aims to collaborate with technology companies and research institutions to drive innovation. These partnerships will strengthen the Group's research and development efforts, facilitating the creation of next-generation products that meet evolving market demands.

In the healthcare segment, the Group is actively expanding its business by exploring opportunities for collaboration with industry players. It is currently engaged in discussions with potential partners in skincare and healthcare supplements, as well as sourcing various body-care products to establish authorized distributor relationships with manufacturers.

Despite uncertainties in the global economy, the Group remains adaptable and focused on diversification to mitigate market fluctuations. It is committed in enhancing its supply chain to minimize risks associated with geopolitical issues and material shortages. Furthermore, the Group will pursue opportunities for business expansion through investments and acquisitions of promising projects, aiming to deliver optimal results for shareholders of the Company (“**Shareholders**”) in the medium to long term.

WORKING CAPITAL AND INVENTORY MANAGEMENT

The current ratio of the Group, calculated by dividing the total current assets by the total current liabilities, was approximately 22.6 times as at 31 December 2025 (2024: approximately 18.1 times). As at 31 December 2025, the Group’s total assets amounted to approximately HK\$408.4 million (2024: approximately HK\$407.3 million). The Group’s gearing ratio, calculated on the basis of total liabilities of approximately HK\$17.2 million (2024: approximately HK\$21.7 million) divided by total assets, was at a low level of about 4.2% (2024: 5.3%).

As at 31 December 2025, the equity attributable to owners of the Company amounted to approximately HK\$391.2 million (2024: approximately HK\$385.6 million) and was equivalent to an amount of approximately HK2.3 cents (2024: HK2.3 cents) per share of the Company.

Inventory

As at 31 December 2025, the Group held inventories of approximately HK\$54.9 million (2024: HK\$188.7 million). Inventories are carried at the lower of cost and net realisable value. The Group has risk management and internal control systems in place to minimise the risk exposure on purchase price of the products that it purchases and to safeguard its assets. The Group would monitor the market price of the relevant products every week, and may not make any further procurement in the event that the market price is lower than the purchase price quoted from the Group’s suppliers. In addition, the Group would review and assess its product portfolio and product mix from time to time in order for the inventories in stock to be in line with the demand of the Group’s customers based on their feedback and market information collected, and thus to minimise the risk of having any aging inventories and/or onerous contracts.

Prepayment for inventory purchase

Prepayment for inventory purchase amounted to approximately HK\$49.0 million as at 31 December 2025 (2024: approximately HK\$70.6 million). As part of its regular business operations, the Group typically places purchase orders with suppliers to acquire electronic components. For each purchase order, the Group is required to make a deposit of 15-20% of the purchase price within three business days after placing the order. The remaining balance, along with the deposit, is paid prior to the delivery of the products. The prepayment does not involve any interest or collateral. Upon receipt of the products, the prepayment made by the Group is recognised as inventory cost. To the best of the Directors' knowledge, based on reasonable inquiries, the entity that we prepaid for inventory purchase and its ultimate beneficial owners are not affiliated with the Company and are independent of the Directors, chief executive, substantial shareholders, and associates of the Company and its subsidiaries. The Group's management conducts regular evaluations of its suppliers (such as reputation, delivery track records and quality control measures, etc.), assessing their ability to fulfill delivery agreements.

Trade receivables

As at 31 December 2025, trade receivables amounted to approximately HK\$222.7 million (2024: approximately HK\$98.7 million). During the Year, a loss allowance for expected credit losses ("ECL") on trade receivables of approximately HK\$2.5 million (2024: HK\$0.3 million) was recognised. The Group would grant credit terms to its customers ranging between 30 to 180 days. The Group would perform periodic assessment on the impairment of trade receivables based on information including credit risk characteristics of each customer and settlement records, subsequent settlement status, expected timing and amount of recovering outstanding balances, and on-going trading relationships with the relevant customers and forward-looking information that may impact its customers' abilities to repay the outstanding trade receivables in order to estimate the ECL.

LIQUIDITY AND FINANCIAL RESOURCES

The principal sources of funds for the Group are through internally generated cash flows. As at 31 December 2025, cash and cash equivalents of the Group amounted to approximately HK\$61.4 million (2024: approximately HK\$23.3 million).

As at 31 December 2025 and 2024, the Group did not have any borrowings.

CHARGE OF ASSETS

As at 31 December 2025, certain land and buildings of the Group, with a total carrying value of approximately HK\$19.2 million (2024: HK\$20.1 million), were pledged to a supplier (an independent third party) as securities for purchase of products for the Electronic Component Business.

FOREIGN EXCHANGE EXPOSURE

The Group faces foreign exchange risk as certain cash and cash equivalents are denominated in foreign currencies. The reporting currency is Hong Kong dollars (“**HKD**”) and the business transactions of the Group are mainly denominated in Hong Kong dollars, United States dollars and Renminbi. As a result, the Group incurred transactional and translational foreign currency gains or losses from its operations. For the Year, the Group incurred foreign exchange loss amounted to approximately HK\$0.2 million (2024: a foreign exchange loss amounted to approximately HK\$0.2 million). The Board will continuously monitor the foreign exchange exposure and will consider hedging of foreign currency risk should the need arise.

LITIGATION

There is a legal action from a supplier (the “**Plaintiff**”) against a disposed subsidiary of the Company and the Company, for a total sum of CAD2.8 million (approximately HK\$14.8 million) being an alleged outstanding payment owed to the Plaintiff. The management considers the counterclaim by the Plaintiff against the Company is lacking substantiation and evidence in support. The Directors do not consider the outcome of any of these claims to have any material adverse impact on the Group’s financial position as a whole. As such, no provision has been made in these consolidated financial statements for the Year.

The management is in the process of seeking legal advice and will closely monitor the status of the legal proceedings. The Company will provide Shareholders and potential investors with updates on the development of such proceedings as and when appropriate.

FINAL DIVIDEND

The Board does not recommend a payment of final dividend for the Year (2024: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, we had a total of 19 employees. The Company determines employee salaries based on each employee’s qualifications, position and seniority. The Group has established an annual review system to assess the performance of its employees, which forms the basis of its decisions with respect to salary raises, bonuses and promotions. The emoluments of the Directors are decided by the Board after recommendation from the remuneration committee of the Company, having considered the factors such as the Group’s financial performance, the achievement of special targets and the individual performance of the Directors, etc. Apart from mandatory provident fund and medical insurance, the Company has adopted a share option scheme under which share options may also be awarded to the Directors and eligible employees as an incentive with reference to the assessment of individual performance. The Board believes that the Group maintains an amicable relationship with the employees.

SHARE OPTION SCHEME

The share option scheme was adopted by the Company on 27 June 2024 (“**Share Option Scheme**”) and is valid for a period of 10 years from its adoption. No options have been granted under the Share Option Scheme since its adoption. Accordingly, the number of shares that may be issued in respect of share options granted under the Share Option Scheme during the Year divided by the weighted average number of Shares in issue (excluding treasury shares) during the Year was nil.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2025.

SUBSEQUENT EVENT

Save for disclosed in this announcement, there was no material event which could have material impact to the Group’s operating and financial performance after the Year and up to the date of this announcement.

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

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares, if any). The Company did not hold any treasury shares during the Year.

CORPORATE GOVERNANCE

The Board is committed to achieving high standards of corporate governance to safeguard the interest of the Shareholders and to enhance corporate value and accountability. For the Year, the Company has applied the principles and complied with the applicable code provisions of the corporate governance code (“**CG Code**”) as set out in Part 2 of Appendix C1 to the Listing Rules. The Group also has in place an internal control system to perform the checks and balance function. There are also three independent non-executive Directors on the Board offering strong, independent and differing perspectives. The Board is therefore of the view that there are adequate balance-of-power and safeguards in place to enable the Company to make and implement decisions promptly and effectively.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the code of conduct rules (the “**Model Code**”) regarding securities transactions by Directors on terms no less exactly than the required standard set out in the Model Code for Securities Transactions by the Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, and that having made specific enquiry to all Directors, the Company confirms that all Directors have complied with the Model Code.

AUDIT COMMITTEE

The Company has established the audit committee of the Board (the “**Audit Committee**”) with a specific written terms of reference in accordance with the requirements under Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee is responsible for, among others, reviewing and supervising the Group’s financial reporting process, assisting the Board to ensure effective risk management and internal control systems and providing advice and comments to the Board.

As at 31 December 2025 and up to the date of this results announcement, the Audit Committee comprised all three independent non-executive Directors, namely, Ms. Wu Hung Yu (Chairlady of the Audit Committee), Mr. Li Wei and Mr. Leung Chun Tung.

The audited consolidated financial statements of the Group for the Year have been reviewed by the Audit Committee together with the management and the external auditors of the Company. The Audit Committee is satisfied that such statements comply with the applicable accounting standards and that adequate disclosures have been made.

REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed the accounting principles, accounting policies and standards adopted by the Group, and has discussed and reviewed the risk management and internal control and reporting matters. The Audit Committee, together with the management and the external auditor of the Company, has reviewed the audited consolidated financial statements of the Group for the Year.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the Year as set out in this announcement have been agreed by the Company’s auditor, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by McMillan Woods (Hong Kong) CPA Limited on the audited annual results in this results announcement.

2025 ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The 2025 annual general meeting of the Company (the “AGM”) will be held on Wednesday, 17 June 2026, and the notice of the AGM will be published and despatched to Shareholders (as required) in due course.

For the purpose of determining the Shareholders’ eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 12 June 2026 to Wednesday, 17 June 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. The record date will be Wednesday, 17 June 2026. In order to be eligible to attend and vote at the AGM, all completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company’s Hong Kong branch registrar, Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Thursday, 11 June 2026.

PUBLICATION OF THE FINAL RESULTS AND DESPATCH OF ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange and the Company, and the annual report of the Company for the Year containing all the information required by the Listing Rules will be despatched to the Shareholders (as required) and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Qianhai Health Holdings Limited
Huang Zhiqun
Chairman

Hong Kong, 18 March 2026

As at the date of this announcement, the non-executive Directors are Mr. Huang Zhiqun, Mr. Chen Kaiben and Mr. Chen Qi; the executive Directors are Mr. Tang Yu Yuan and Mr. Yuen Chee Lap Carl; and the independent non-executive Directors are Mr. Li Wei, Mr. Leung Chun Tung and Ms. Wu Hung Yu.