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BEST PACIFIC

Best Pacific International Holdings Limited

超盈國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2111)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025 AND PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

HIGHLIGHTS

- The Group's revenue for the year ended 31 December 2025 amounted to approximately HK\$5,020.9 million, representing a decrease of approximately 0.8%, as compared to the year ended 31 December 2024.
- The Group recorded a gross profit margin of approximately 26.6% for the year ended 31 December 2025, representing a decrease of approximately 0.2 percentage point, as compared to the year ended 31 December 2024.
- The Group recorded a net profit margin of approximately 11.3% for the year ended 31 December 2025, representing a decrease of approximately 0.4 percentage point, as compared to the year ended 31 December 2024.
- Profit for the year ended 31 December 2025 of the Group amounted to approximately HK\$567.6 million, representing a decrease of approximately 4.5%, as compared to the year ended 31 December 2024. Profit attributable to owners of the Company amounted to approximately HK\$551.4 million, representing a decrease of approximately 9.3%, as compared to the year ended 31 December 2024.
- As at 31 December 2025, the Group's net gearing ratio was approximately 6.4% (as at 31 December 2024: approximately 13.5%).
- Basic earnings per share was approximately HK53.02 cents for the year ended 31 December 2025, representing a decrease of approximately 9.3% from a basic earnings per share of approximately HK58.48 cents for the year ended 31 December 2024.
- Proposed to declare a final dividend of HK14 cents per ordinary share in respect of the year ended 31 December 2025 (for the year ended 31 December 2024: HK15.91 cents per ordinary share).

The board (the “**Board**”) of directors (the “**Directors**”) of Best Pacific International Holdings Limited (the “**Company**” or “**Best Pacific**” or “**We**”) announces the consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3	5,020,877	5,061,290
Cost of sales		(3,683,724)	(3,704,524)
Gross profit		1,337,153	1,356,766
Other income		85,114	39,358
Other gains and losses		(8,571)	37,173
Net remeasurement of credit loss allowance for trade receivables		1,270	(2,920)
Selling and distribution expenses		(231,075)	(225,406)
Administrative expenses		(358,450)	(340,123)
Research and development costs		(111,632)	(106,679)
Share of result of a joint venture		4,241	4,014
Finance costs		(85,818)	(87,653)
Profit before taxation	5	632,232	674,530
Income tax expense	6	(64,622)	(80,382)
Profit for the year		<u>567,610</u>	<u>594,148</u>
Profit (loss) for the year attributable to			
– Owners of the Company		551,358	608,120
– Non-controlling interests		16,252	(13,972)
		<u>567,610</u>	<u>594,148</u>
Earnings per share	8		
– Basic (HK cents)		<u>53.02</u>	<u>58.48</u>

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year	567,610	594,148
Other comprehensive income (expense):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	80,991	(117,931)
Share of translation reserve of a joint venture	817	(415)
Items that will not be reclassified to profit or loss:		
Remeasurement of retirement benefit obligations, net of tax	(32)	(128)
Other comprehensive income (expense) for the year	81,776	(118,474)
Total comprehensive income for the year	649,386	475,674
Total comprehensive income (expense) for the year attributable to		
– Owners of the Company	633,043	489,676
– Non-controlling interests	16,343	(14,002)
	649,386	475,674

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		2,661,750	2,697,407
Right-of-use assets		486,689	301,942
Interest in a joint venture		36,535	41,525
Deposits		85,227	96,632
Deferred tax assets		17,113	13,207
		3,287,314	3,150,713
Current assets			
Inventories		1,301,387	1,255,420
Trade and bills receivables	9	836,890	874,506
Other receivables, deposits and prepayments		109,744	148,155
Pledged bank deposits		90,255	103,697
Bank balances and cash		1,037,292	980,278
		3,375,568	3,362,056
Current liabilities			
Trade payables	10	369,378	367,869
Bills payables	10	304,963	358,542
Other payables and accrued charges		324,776	398,567
Contract liabilities		46,210	42,344
Bank and other borrowings	11	558,412	613,681
Lease liabilities		118,357	44,525
Tax payables		20,451	41,538
		1,742,547	1,867,066
Net current assets		1,633,021	1,494,990
Total assets less current liabilities		4,920,335	4,645,703

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current liabilities			
Bank and other borrowings	<i>11</i>	817,063	947,580
Lease liabilities		160,767	119,531
Deferred income		9,457	11,228
Deferred tax liabilities		11,201	13,659
Retirement benefit obligations		15,114	12,660
Other payables and accrued charges		18,477	6,766
		<u>1,032,079</u>	<u>1,111,424</u>
Net assets		<u>3,888,256</u>	<u>3,534,279</u>
Capital and reserves			
Share capital		10,398	10,398
Reserves		3,774,294	3,436,660
Equity attributable to owners of the Company		<u>3,784,692</u>	<u>3,447,058</u>
Non-controlling interests		<u>103,564</u>	<u>87,221</u>
Total equity		<u>3,888,256</u>	<u>3,534,279</u>

NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AND STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2025

1. GENERAL INFORMATION

The Company is a public company incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 14 June 2013. Its immediate holding company is Grandvista Investment Holdings Limited, which is incorporated in the British Virgin Islands and wholly owned by TMF (Cayman) Ltd, which is an ultimate holding party of the Company and is the trustee of Mr. Lu Yuguang's family trust. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 23 May 2014.

The principal activities of the Company and its subsidiaries are manufacturing and trading of elastic fabric, lace and elastic webbing.

The functional currency of the Company is Hong Kong dollar ("**HK\$**"), which is the same as the presentation currency of the consolidated financial statements.

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 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 the consolidated financial statements.

3. REVENUE

The Group's revenue is derived from manufacturing and trading of elastic fabric, lace and elastic webbing in Mainland China, Hong Kong, the Socialist Republic of Vietnam ("Vietnam") and the Democratic Socialist Republic of Sri Lanka ("Sri Lanka"), net of discounts and sales related taxes.

Disaggregation of revenue from contracts with customers

Revenue from manufacturing and trading of elastic fabric, lace and elastic webbing are recognised at a point in time.

For the year ended 31 December 2025

Types of goods	Manufacturing and trading of elastic fabric and lace HK\$'000	Manufacturing and trading of elastic webbing HK\$'000	Total HK\$'000
Sales of products			
Elastic Fabric			
– Sportswear and apparel	2,799,766	–	2,799,766
– Lingerie	1,125,183	–	1,125,183
	<u>3,924,949</u>	<u>–</u>	<u>3,924,949</u>
Lace	50,289	–	50,289
Elastic webbing	–	1,045,639	1,045,639
	<u>3,975,238</u>	<u>1,045,639</u>	<u>5,020,877</u>

For the year ended 31 December 2024

Types of goods	Manufacturing and trading of elastic fabric and lace HK\$'000	Manufacturing and trading of elastic webbing HK\$'000	Total HK\$'000
Sales of products			
Elastic Fabric			
– Sportswear and apparel	2,805,671	–	2,805,671
– Lingerie	1,208,786	–	1,208,786
	<u>4,014,457</u>	<u>–</u>	<u>4,014,457</u>
Lace	61,157	–	61,157
Elastic webbing	–	985,676	985,676
	<u>4,075,614</u>	<u>985,676</u>	<u>5,061,290</u>

4. SEGMENT INFORMATION

The financial information reported to executive directors of the Company, being the chief operating decision makers (“CODM”), for the purpose of assessment of segment performance and resources allocation focuses on types of goods delivered.

The Group’s operating and reportable segments under HKFRS 8 *Operating Segments* are as follows:

- Manufacturing and trading of elastic fabric and lace

This segment derives its revenue from manufacturing and trading of elastic fabric and lace made commonly from synthetic fibres that are used in high-end knitted lingerie, sportswear and apparel products.

- Manufacturing and trading of elastic webbing

This segment derives its revenue from manufacturing and trading of elastic webbing made commonly from synthetic fibres that are used as shoulder straps, lingerie trims and waistbands.

Segment revenue and results

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

For the year ended 31 December 2025

	Manufacturing and trading of elastic fabric and lace <i>HK\$’000</i>	Manufacturing and trading of elastic webbing <i>HK\$’000</i>	Total <i>HK\$’000</i>
Segment revenue from external customers	<u>3,975,238</u>	<u>1,045,639</u>	<u>5,020,877</u>
Segment gross profit	<u>1,096,312</u>	<u>240,841</u>	<u>1,337,153</u>
Segment profit	<u>651,345</u>	<u>116,663</u>	768,008
Unallocated other income			16,528
Unallocated other gains and losses			(8,764)
Unallocated corporate expenses			(61,963)
Share of result of a joint venture			4,241
Finance costs			<u>(85,818)</u>
Profit before taxation			<u>632,232</u>

For the year ended 31 December 2024

	Manufacturing and trading of elastic fabric and lace <i>HK\$'000</i>	Manufacturing and trading of elastic webbing <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue from external customers	<u>4,075,614</u>	<u>985,676</u>	<u>5,061,290</u>
Segment gross profit	<u>1,117,794</u>	<u>238,972</u>	<u>1,356,766</u>
Segment profit	<u>651,800</u>	<u>111,162</u>	762,962
Unallocated other income			16,898
Unallocated other gains and losses			38,856
Unallocated corporate expenses			(60,547)
Share of result of a joint venture			4,014
Finance costs			<u>(87,653)</u>
Profit before taxation			<u>674,530</u>

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment profit represents the results of each segment without allocation of corporate items including mainly bank interest income, net foreign exchange (loss) gain, corporate expenses, share of result of a joint venture and finance costs. Corporate expenses include directors' remuneration paid or payable by the Group and certain administrative expenses for corporate function. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Geographical information

The Group's operations are located in Mainland China, Hong Kong, Vietnam, Sri Lanka and the United States of America (the "U.S."). The Group's revenue from external customers based on the location of the customers are detailed below:

	Year ended 31 December	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sri Lanka	1,084,018	930,021
Hong Kong	1,075,128	1,083,152
Mainland China	916,819	936,301
Taiwan	603,343	688,123
Vietnam	504,785	549,678
Thailand	154,558	178,649
South Korea	114,940	158,991
Jordan	93,087	120,427
Bangladesh	90,697	97,164
Indonesia	82,597	102,310
Others	300,905	216,474
	<u>5,020,877</u>	<u>5,061,290</u>

Non-current assets (excluding financial assets and deferred tax assets) by geographical location of assets are detailed below:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Mainland China	1,336,468	1,406,521
Vietnam	1,165,317	967,591
Sri Lanka	711,101	685,563
Hong Kong	20,971	24,043
	<u>3,233,857</u>	<u>3,083,718</u>

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group for the years ended 31 December 2025 and 2024 are as follows:

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Revenue from manufacturing and trading of elastic fabric and lace		
– customer A	574,348	550,000
– customer B	422,380	552,811
Revenue from manufacturing and trading of elastic webbing		
– customer A	109,127	96,580
– customer B	79,212	82,430
Total revenue		
– customer A	683,475	646,580
– customer B	501,592	635,241
	<u>683,475</u>	<u>646,580</u>
	<u>501,592</u>	<u>635,241</u>

5. PROFIT BEFORE TAXATION

	2025	2024
	HK\$'000	HK\$'000
Profit before taxation has been arrived at after charging (crediting):		
Auditors' remuneration	3,031	3,007
Staff costs		
Directors' remuneration	47,540	49,358
Other staff costs		
– salaries and other benefits	937,018	906,209
– contributions to retirement benefits schemes	80,458	63,900
	<u>1,065,016</u>	<u>1,019,467</u>
Depreciation of property, plant and equipment	368,569	372,849
Depreciation of right-of-use assets	76,185	53,212
Depreciation capitalised in inventories	(407,440)	(385,069)
	<u>37,314</u>	<u>40,992</u>
Cost of inventories recognised as an expense	<u>3,683,724</u>	<u>3,704,524</u>

6. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax:		
Hong Kong Profits Tax	41,837	40,415
The People's Republic of China (the "PRC")		
Enterprise Income Tax ("EIT")	12,429	22,028
Income tax in other jurisdictions	16,651	22,910
Under(over) provision in prior years:		
Hong Kong Profits Tax	547	(248)
The PRC EIT	–	(1,612)
	<u>71,464</u>	<u>83,493</u>
Deferred taxation	<u>(6,842)</u>	<u>(3,111)</u>
	<u><u>64,622</u></u>	<u><u>80,382</u></u>

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC companies is 25% for years ended 31 December 2025 and 2024, unless there is any applicable preferential tax treatment.

The Company's subsidiaries, Dongguan Best Pacific Textile Company Limited ("Dongguan BPT") and Dongguan New Horizon Elastic Fabric Company Limited ("Dongguan NHE"), had obtained the qualification as high and new technology enterprises since 2010 and 2016, respectively, which were further renewed for an additional three years from the year ended 31 December 2025. Hence, Dongguan BPT and Dongguan NHE had been subject to the preferential tax treatment and the applicable tax rate for the years ended 31 December 2025 and 2024 was 15%.

Withholding tax on dividends was calculated at 5% of the dividends received and estimated dividends to be received from the subsidiaries in the PRC during the years ended 31 December 2025 and 2024.

Pursuant to the relevant Vietnam Enterprises Income Tax rules and regulations, the applicable tax rate for the subsidiaries operating in Vietnam is 20%. One of the subsidiaries in Vietnam is eligible for a tax holiday for two financial years since the first financial year of taxable profits and a tax concession at a tax rate of 10% for the following four financial years. With the new incentive in place during the year ended 31 December 2018 and by fulfilling certain stated requirements as set by the Ministry of Industry and Trade, the subsidiary in Vietnam had been eligible for a tax holiday for four financial years since 2018, a tax concession at a tax rate of 5% for the following nine financial years and a tax concession at a tax rate of 10% for the next following two financial years and the applicable tax rate for years ended 31 December 2025 and 2024 was 5%. Another subsidiary in Vietnam is eligible for a tax holiday for four financial years since the first financial year of taxable profit, a tax concession at a tax rate of 5% for the following nine financial years and a tax concession at a tax rate of 10% for the next following two financial years. No provision for Vietnam Enterprises Income Tax had been made for this subsidiary, as it had no assessable profit for both years.

Withholding tax on shareholder's loans interest was calculated at 5% of the interest paid and estimated interest to be paid by the subsidiary in Vietnam during the years ended 31 December 2025 and 2024.

According to the amendments to the Inland Revenue Act No. 24 of 2017 passed in parliament on 9 December 2022, the subsidiaries of the Group operating in Sri Lanka are liable for income tax rate of 30% from 1 July 2022 onwards. In addition, the main business of one of these subsidiaries was eligible for a tax holiday up to the year ended 31 December 2024, a tax concession at a tax rate of 10% for the following two financial years and a tax concession at a tax rate of 15% for the financial years thereafter. The applicable tax rate for the main business of this subsidiary for the year ended 31 December 2025 was 10% (2024: tax holiday).

Taxation arising in any other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

7. DIVIDENDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2025 Interim dividend – HK12.50 cents (2024: HK13.33 cents) per ordinary share	129,976	138,606
2024 Final dividend – HK15.91 cents (2023: HK11.38 cents) per ordinary share	165,433	118,330
	<u>295,409</u>	<u>256,936</u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of HK14 cents per ordinary share (approximately HK\$145.6 million in aggregate) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

8. EARNINGS PER SHARE

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

	2025	2024
Earnings		
Earnings for the purposes of the basic earnings per share (profit for the year attributable to owners of the Company) (HK\$'000)	<u>551,358</u>	<u>608,120</u>
Number of shares		
Number of ordinary shares for the purpose of basic earnings per share	<u>1,039,808,000</u>	<u>1,039,808,000</u>

No diluted earnings per share for the years ended 31 December 2025 and 2024 were presented as there was no potential ordinary shares in issue for both years.

9. TRADE AND BILLS RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	833,585	865,467
Less: Allowance for credit losses	<u>(7,012)</u>	<u>(8,282)</u>
Total trade receivables	826,573	857,185
Bills receivables	<u>10,317</u>	<u>17,321</u>
Total trade and bills receivables	<u><u>836,890</u></u>	<u><u>874,506</u></u>

Trade receivables from third parties mainly represent receivables from customers in relation to the sales of elastic fabric, lace and elastic webbing. The credit period granted to the customers ranges from 30 to 120 days from the date of issuance of a monthly statement with respect to sales delivered in the particular month.

The following ageing analysis of trade receivables, net of credit loss allowance, is presented based on the date of issuance of monthly statements at the end of each reporting period and the ageing analysis of bills receivables is presented based on the date of issuance of the bills at the end of each reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables		
0–90 days	754,782	713,042
91–180 days	70,933	142,658
Over 180 days	<u>858</u>	<u>1,485</u>
	<u>826,573</u>	<u>857,185</u>
Bills receivables		
0–90 days	<u>10,317</u>	<u>17,321</u>
	<u>10,317</u>	<u>17,321</u>
	<u><u>836,890</u></u>	<u><u>874,506</u></u>

10. TRADE AND BILLS PAYABLES

Trade payables

The credit period granted by the Group's creditors ranges from approximately 30 to 90 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–90 days	359,192	342,303
Over 90 days	<u>10,186</u>	<u>25,566</u>
	<u><u>369,378</u></u>	<u><u>367,869</u></u>

Bills payables

The bills payables are secured by pledged bank deposits. The following is an ageing analysis of bills payables presented based on the date of issuance of the bills at the end of each reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–90 days	181,978	230,050
91–180 days	122,985	128,492
	<u>304,963</u>	<u>358,542</u>

11. BANK AND OTHER BORROWINGS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Unsecured syndicated loan	190,000	500,000
Unsecured bank borrowings	1,050,438	920,373
Unsecured other borrowings	135,037	140,888
	<u>1,375,475</u>	<u>1,561,261</u>
Bank borrowings repayable*:		
Within one year	558,412	590,749
More than one year, but not exceeding two years	397,895	44,812
More than two years, but not exceeding five years	284,131	784,812
	<u>1,240,438</u>	<u>1,420,373</u>
Other borrowings repayable*:		
Within one year	–	22,932
More than one year, but not exceeding two years	112,027	38,298
More than two years, but not exceeding five years	–	79,658
Over five years	23,010	–
	<u>135,037</u>	<u>140,888</u>
Total borrowings	1,375,475	1,561,261
Less: Amounts due within one year or contain a repayment on demand clause shown under current liabilities	<u>(558,412)</u>	<u>(613,681)</u>
Amounts shown under non-current liabilities	<u>817,063</u>	<u>947,580</u>
Carrying amount of bank borrowings that are repayable within one year and contain a repayment on demand clause	<u>450,114</u>	<u>510,843</u>
	<u>450,114</u>	<u>510,843</u>

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

CHAIRMAN’S STATEMENT

On behalf of the Board of Best Pacific, I am pleased to present the annual results for the year ended 31 December 2025.

The fiscal year 2025 presented a complex landscape for the global textile and apparel industry, defined by the confluence of post-pandemic adjustments, shifting geopolitical trade dynamics, and persistent macroeconomic headwinds. Best Pacific not only weathered these storms but emerged with strengthened operational agility. The imposition of reciprocal tariffs of the U.S. in the second quarter of 2025 initially disrupted supply chains, prompting many apparel brands with significant U.S. exposure to adopt a conservative procurement approach. This caution, compounded by broader economic uncertainties, contributed to a modest revenue contraction of approximately 2.3% in the first half of 2025.

Beyond trade tariffs, the global retail sector faced sustained pressure from elevated inflationary environments and “higher-for-longer” interest rates throughout much of the year. These factors inevitably compressed consumer purchasing power and constrained retailer liquidity, prompting industry-wide caution in inventory management and extended ordering cycles. While end-market demand remained subdued due to these persistent cost pressures, the second-half recovery in our order book was driven not only by a clearer tariff situation and a more stabilized consumer sentiment, but also by our customer’s critical inventory normalization cycle and strategic supply chain repositioning. This operational pivot allowed Best Pacific to capture a robust rebound in sales volume, demonstrating our resilience even as the external consumption environment remained challenging. Demonstrating the resilience of our business model, we successfully reclaimed some lost ground in the second half of 2025. For the year ended 31 December 2025, total sales revenue reached approximately HK\$5,020.9 million, representing a marginal decline of just 0.8% compared to 2024. This near-flat performance is a testament to our rapid recovery trajectory. Notably, second-half revenue surged to approximately HK\$2,691.1 million, surpassing the approximately HK\$2,675.9 million achieved in the same period of 2024 — our previous record-breaking year. This outperformance underscores our ability to pivot quickly and capitalize on market rebounds.

In the first half of 2025, we exercised prudent capital discipline by decelerating our investment timeline for the new Nghe An, Vietnam facility (“**Nghe An Facility**”), thereby optimizing cash flow amidst macroeconomic uncertainty. However, maintaining a cautiously optimistic long-term outlook, we identified enduring opportunities in the global athleisure trend. Consumers continue to prioritize quality, functionality and performance, driving structural growth in the sportswear sector. Our sportswear and apparel elastic fabric segment reached a revenue of approximately HK\$2.8 billion in 2025, achieving an impressive compound annual growth rate (“**CAGR**”) of approximately 34.5% since the segment’s inception in 2013.

Buoyed by the resurgence in orders and the clear need for diversified production capacity, we have recommitted to our Vietnam expansion strategy. Construction for Phase 1 of the Nghe An Facility is now targeted for completion by the end of 2026. Upon commissioning, this facility will expand the Group’s total production capacity by approximately 10% to 15%. Crucially, this expansion will enhance our geographic alignment with key apparel manufacturing hubs in Southeast Asia, reducing lead time and strengthening our value proposition to global brands seeking supply chain resilience.

We are confident that these strategic initiatives will drive sustainable value creation for our shareholders and stakeholders. As we move forward, Best Pacific remains dedicated to innovation, operational excellence, and customer-centric solutions in an evolving global market.

I wish to express my deepest gratitude to the Board of Directors, our management team, and every member of our staff for their unwavering dedication and adaptability during this challenging year. I also extend our sincere appreciation to our customers, suppliers, bankers, business partners, and shareholders for their continued trust and support, which remain the cornerstone of our success.

MANAGEMENT DISCUSSION AND ANALYSIS

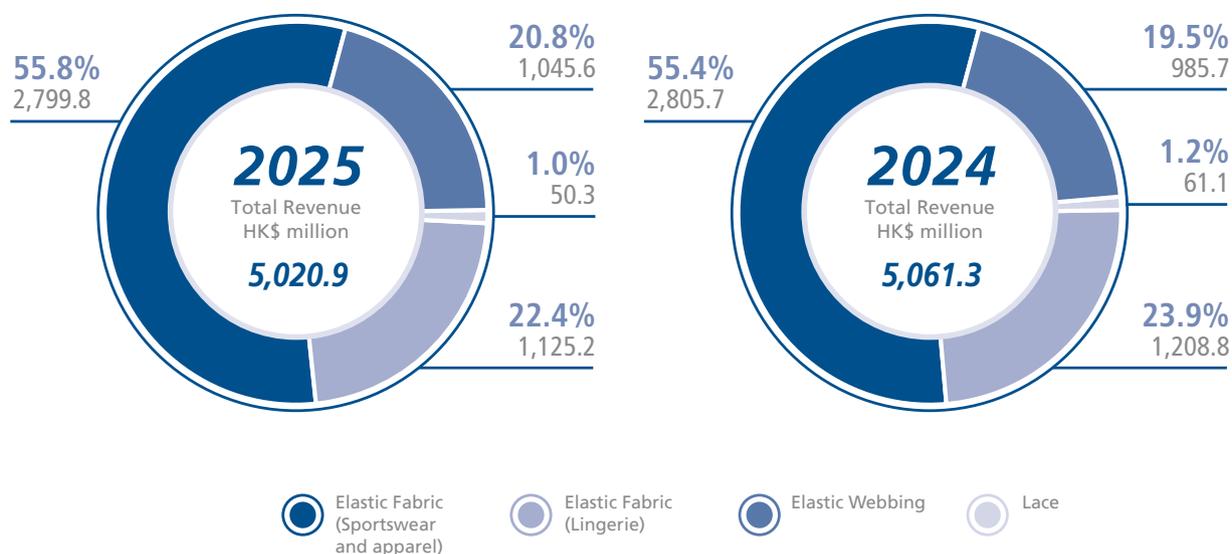
MARKET AND BUSINESS REVIEW

The global economy in 2025 navigated a trajectory of initial volatility toward resilient recovery. While early-year headwinds related to geopolitical trade tensions prompted cautious forecasts, global gross domestic product (“GDP”) growth ultimately stabilized at 3.3%, matching the pace of 2024. Key markets demonstrated distinct strengths – The U.S. experienced a year-on-year GDP growth of 2.2% in 2025, as reported by the U.S. Bureau of Economic Analysis, driven by favourable tax policies and surging investment related to technology including artificial intelligence. On the other hand, China also reported a steady GDP growth of 5.0% in 2025, according to the National Bureau of Statistics of China, with focus on high quality development and domestic consumption.

However, this macroeconomic stability masked a profound restructuring of global trade architecture. The manufacturing sector navigated an increasingly volatile regulatory landscape defined by escalating tariff uncertainties and complex compliance mandates. These dynamics fundamentally altered the sourcing calculus for global brands, eroding the viability of single-region strategies and accelerating a decisive pivot toward strategic supply chain diversification. The textile and apparel sector bore the brunt of this realignment, as traditional single-source models rapidly became obsolete. In response, global brands aggressively reconfigured their supply bases to mitigate tariff exposure and optimize lead time, prioritizing jurisdictions that offer favourable trade agreements and robust manufacturing ecosystems.

This structural shift precipitated a stark divergence in regional export performance. Consequently, China’s textile and garment exports to the U.S. faced significant headwinds, contracting by approximately 9.4% in 2025 according to China Customs Statistics. In sharp contrast, Southeast Asian hubs capitalized on this diversion of demand. Vietnam recorded a sturdy 7.0% growth in textile exports as reported by the General Department of Vietnam Customs, while Sri Lanka achieved a 4.9% rise in apparel exports as per Sri Lanka Export Development Board. These gains have cemented their roles as critical, resilient nodes in the evolving post-globalization supply chain.

Anticipating these converging forces, Best Pacific leveraged its agile overseas production network to capture the surge in demand for non-China supply chain solutions. While tariff uncertainties temporarily dampened order flow in the second quarter, our strategic alignment with customers’ diversification needs enabled a robust second-half recovery. Full-year revenue reached approximately HK\$5,020.9 million, effectively restoring level comparable to our 2024 historic highs and validating our “International Footprint” strategy.



In 2025, the Company faced a relatively complex operating environment driven by rising labour costs, unfavourable foreign exchange movements, and a slight contraction in revenue. Although marginally lower raw material prices compared to 2024 offered partial relief, these headwinds collectively led to a decrease of approximately 1.4% in gross profit to approximately HK\$1,337.2 million. Notably, the gross profit margin remained resilient, holding steady at approximately 26.6%.

The profit attributable to owners of the Company amounted to approximately HK\$551.4 million for the year ended 31 December 2025, representing a decrease of approximately 9.3% compared to 2024.

Basic earnings per share was approximately HK53.02 cents for the year ended 31 December 2025, representing a decrease of approximately 9.3% from approximately HK58.48 cents for the year ended 31 December 2024.

Our international operations

Our international manufacturing footprint constitutes a pivotal competitive advantage for Best Pacific. We are dedicated to delivering sustainable supply chain solutions that align with the best interests of our customers – which encompass the reduction in production lead time and the navigation of intricate trade and tariff complexities.

VIETNAM

According to the General Statistics Office of Vietnam, the nation achieved a GDP growth of 8.02% in 2025, demonstrating its solid and expanding economy. Textile and garments, ranked fourth in Vietnam’s biggest export commodity groups, had export value of approximately 39.6 billion U.S. dollars (“US\$”) in 2025, up by 7.0%.

Although sales in Vietnam were temporarily impacted by a slowdown in orders during the second quarter of 2025, utilization of our Vietnamese production capacity rebounded to high levels in the second half of the year. To capitalize on the anticipated medium to long-term growth in textile demand across Vietnam and the broader region, the Group has committed to constructing an advanced Nghe An Facility. Phase 1 of this investment is currently projected to be completed by the end of 2026, upon which the Group’s total production capacity is expected to increase by approximately 10% to 15%.

SRI LANKA

The Sri Lankan economy grew by 5.0% in 2025 according to the Department of Census and Statistics of Sri Lanka. Apparel export contributed to approximately 40.7% of Sri Lankan total merchandise exports in 2025 and amounted to approximately US\$5.3 billion in 2025, up by 4.9% compared to 2024, according to the statistics disclosed by the Sri Lanka Export Development Board.

Our two joint ventures in Sri Lanka delivered single-digit sales growth alongside tangible improvements in profit margins in 2025. We will continue implementing targeted strategies to enhance operational efficiencies of the two joint ventures to further fortify the financial performance of our initiatives in the region.

FINANCIAL REVIEW

Revenue

The Group’s revenue is primarily derived from the sales of its major products, including elastic fabric, elastic webbing and lace.

For the year ended 31 December 2025, revenue amounted to approximately HK\$5,020.9 million, representing a slight decrease of approximately HK\$40.4 million, or approximately 0.8%, from approximately HK\$5,061.3 million for the year ended 31 December 2024.

A comparison of the Group's revenue for the year ended 31 December 2025 and the year ended 31 December 2024 by product categories is as follows:

	For the year ended 31 December 2025		2024		Change	
	Revenue (HK\$'000)	% of Revenue	Revenue (HK\$'000)	% of Revenue	(HK\$'000)	%
Elastic fabric	3,924,949	78.2	4,014,457	79.3	(89,508)	(2.2)
– Sportswear and apparel	2,799,766	55.8	2,805,671	55.4	(5,905)	(0.2)
– Lingerie	1,125,183	22.4	1,208,786	23.9	(83,603)	(6.9)
Elastic webbing	1,045,639	20.8	985,676	19.5	59,963	6.1
Lace	50,289	1.0	61,157	1.2	(10,868)	(17.8)
Total	<u>5,020,877</u>	<u>100.0</u>	<u>5,061,290</u>	<u>100.0</u>	<u>(40,413)</u>	<u>(0.8)</u>

Our sportswear and apparel elastic fabric segment demonstrated remarkable resilience in 2025, delivering revenue of approximately HK\$2,799.8 million, virtually flat against the approximately HK\$2,805.7 million recorded in 2024. This stability was achieved despite a dual headwind: a more conservative procurement stance from U.S. apparel brands and our strategic decision to absorb a portion of U.S. tariff costs to secure key orders amidst market volatility. Our steadfast commitment to innovation and product excellence continued to resonate with our client base, driving robust performance in the highly competitive textile sector for the year ended 31 December 2025. On the other hand, with the overall lukewarm lingerie market, revenue from lingerie elastic fabric sales for the year ended 31 December 2025 amounted to approximately HK\$1,125.2 million, decreased by approximately 6.9%.

In contrast to performance of lingerie elastic fabric segment, sales of elastic webbing experienced a growth of approximately 6.1%. With investments in yarn dyed webbing products in recent years, we were able to secure a few core programmes from various key customers. We also noted an increase in purchase of elastic webbing products from our sportswear and apparel brand customers.

Cost of sales, gross profit and gross profit margin

The Group's cost of sales mainly comprises cost of raw materials, manufacturing overheads, and direct labour costs.

For the year ended 31 December 2025, the Group's cost of sales amounted to approximately HK\$3,683.7 million, representing a decrease of approximately HK\$20.8 million or approximately 0.6%, as compared to the year ended 31 December 2024. The slight decrease in cost of sales in the year ended 31 December 2025 was largely in line with the decrease in overall sales revenue.

	For the year ended 31 December			
	2025		2024	
	Gross profit (HK\$'000)	Gross profit margin (%)	Gross profit (HK\$'000)	Gross profit margin (%)
Elastic fabric and lace	1,096,312	27.6	1,117,794	27.4
Elastic webbing	240,841	23.0	238,972	24.2
Total	1,337,153	26.6	1,356,766	26.8

While the Group maintained strict cost discipline throughout 2025, overall production costs rose due to strategic investments in human capital. Specifically, new hires recruited to fuel our continuous and prospective business expansion, salary adjustments and the associated costs had added to the increase in labour-related expenses. Nevertheless, the marginally lower raw material prices as compared to 2024 had helped mitigate some of these upward cost pressures. Notably, raw material costs represented approximately 34.8% and 33.3% of the overall revenue for the years ended 31 December 2024 and 2025, respectively.

Despite maintaining a relatively stable gross profit margin, the Group recorded a slight decline in overall gross profit, falling from approximately HK\$1,356.8 million for the year ended 31 December 2024 to approximately HK\$1,337.2 million for the year ended 31 December 2025.

Other income

The Group's other income mainly consists of bank interest income, government grants, net proceeds from sales of scrap materials, performance bonus received from selected customers and others. The following table sets forth the breakdown of the Group's other income for the years indicated:

	For the year ended	
	31 December	
	2025	2024
	(HK\$'000)	(HK\$'000)
Bank interest income	12,767	12,522
Government grants	8,101	10,538
Net proceeds from sales of scrap materials	13,762	11,062
Performance bonus received from selected customers	42,000	–
Others	8,484	5,236
Total	<u>85,114</u>	<u>39,358</u>

The Group's other income increased from approximately HK\$39.4 million for the year ended 31 December 2024 to approximately HK\$85.1 million for the year ended 31 December 2025. The increase was mainly due to the increase in net proceeds from sales of scrap materials and the receipt of performance bonus from selected customers in reward for our quality products and enhanced efficiencies.

Other gains and losses

Other gains and losses for the year ended 31 December 2025 mainly consisted of a net foreign exchange loss of approximately HK\$8.8 million (for year ended 31 December 2024: a net foreign exchange gain of approximately HK\$38.9 million), as a result of the depreciation of the US\$ against the Renminbi (“RMB”) during the year.

Selling and distribution expenses

Selling and distribution expenses primarily consist of employee benefit expenses, transportation, travelling expenses, marketing and promotional expenses and other selling and distribution expenses. For the years ended 31 December 2024 and 2025, the Group maintained a relatively stable selling and distribution expenses ratio at approximately 4.5% and 4.6% of its total revenue, respectively.

Administrative expenses

Administrative expenses primarily consist of employee benefit expenses, depreciation, rental expenses, motor vehicle expenses and other administrative expenses. For the years ended 31 December 2024 and 2025, the Group recorded an administrative expenses ratio at approximately 6.7% and 7.1% of its total revenue, respectively. The increase in the ratio of administrative expenses against total revenue was mainly due to the increase in staff costs and amortization of the new land lease in Nghe An, Vietnam, which was still under development.

Research and development costs

The Group is dedicated to catering to the changing market preferences by introducing innovative lingerie, sportswear and apparel materials. For the years ended 31 December 2024 and 2025, the Group maintained a relatively stable research and development costs ratio at approximately 2.1% and 2.2% of its total revenue, respectively.

Finance costs

The Group's finance costs mainly represent interest expenses for bank and other borrowings and lease liabilities. The finance costs decreased by approximately 2.1% from approximately HK\$87.7 million for the year ended 31 December 2024 to approximately HK\$85.8 million for the year ended 31 December 2025. The decrease in finance costs during the year ended 31 December 2025 was primarily due to generally lowered bank borrowing rates partly offset by the increased interests on lease liabilities.

Income tax expense

Taxation arising in a jurisdiction is calculated at the rate prevailing in the relevant jurisdiction. For the year ended 31 December 2025, the income tax expense amounted to approximately HK\$64.6 million, as compared to approximately HK\$80.4 million for the year ended 31 December 2024.

The effective tax rate of the Group was approximately 10.2% for the year ended 31 December 2025 (for the year ended 31 December 2024: approximately 11.9%). The decrease in effective tax rate in 2025 was mainly due to the increase in profits contribution to the Group from our subsidiaries in Sri Lanka, which were still enjoying a preferential profit tax rate.

Net profit and net profit margin

The Group recorded net profit of approximately HK\$567.6 million for the year ended 31 December 2025, representing a decrease of approximately 4.5% compared to approximately HK\$594.1 million for the year ended 31 December 2024. The Group recorded a net profit margin of approximately 11.3% for the year ended 31 December 2025, which represented a decrease of approximately 0.4 percentage point as compared to approximately 11.7% for the year ended 31 December 2024. The decrease in net profit and net profit margin during the year ended 31 December 2025 was mainly due to the slight decrease in gross profit, the foreign exchange loss recorded in the year as a result of the depreciation of the US\$ against RMB, as well as increased staff costs.

Liquidity, financial resources and bank borrowings

As at 31 December 2025, net working capital (calculated as current assets less current liabilities) was approximately HK\$1,633.0 million, representing an increase of approximately HK\$138.0 million, as compared to approximately HK\$1,495.0 million as at 31 December 2024. The current ratio (calculated as current assets divided by current liabilities) was 1.9 times as at 31 December 2025, as compared to 1.8 times as at 31 December 2024.

The Group attained a relatively stable earnings before interest, taxation, depreciation and amortization (“**EBITDA**”) (calculated as profit for the year adding back finance costs, income tax expense, depreciation and amortization) of approximately HK\$1,162.8 million for the year ended 31 December 2025 (for the year ended 31 December 2024: approximately HK\$1,188.2 million).

For the year ended 31 December 2025, net cash generated from operating activities was approximately HK\$1,107.8 million, as compared to approximately HK\$760.6 million for the year ended 31 December 2024. The increase in net cash generated from operating activities was mainly brought about by reduced purchase amount of raw materials during the year ended 31 December 2025.

Net cash used in investing activities amounted to approximately HK\$450.3 million for the year ended 31 December 2025, as compared to approximately HK\$335.6 million for the year ended 31 December 2024. To achieve our long term development goal and to cater for potential business growth in the future, we paid approximately HK\$495.4 million to acquire property, plant and equipment and enter into new land leases during the year ended 31 December 2025.

For the year ended 31 December 2025, net cash used in financing activities amounted to approximately HK\$646.7 million, as compared to approximately HK\$356.4 million for the year ended 31 December 2024. The cash used in financing activities for the year ended 31 December 2025 was mainly used for the repayment of borrowings and the payment of dividends and interests.

As at 31 December 2025, the Group’s net gearing ratio was approximately 6.4% (as at 31 December 2024: approximately 13.5%), which was calculated on the basis of the amount of net debt position (sum of total bank and other borrowings, less pledged bank deposits and bank balances and cash) as a percentage of total equity. The Group was in a net debt position of approximately HK\$247.9 million as at 31 December 2025, as compared to approximately HK\$477.3 million as at 31 December 2024. There is no material seasonality of borrowing requirements for the Group.

Working capital management

	For the year ended 31 December			
	2025 (days)	2024 (days)	Change (days)	(%)
Trade and bills receivables turnover days	62.2	58.3	3.9	6.7
Trade and bills payables turnover days	69.4	66.8	2.6	3.9
Inventory turnover days	126.7	111.8	14.9	13.3

We had maintained relatively stable trade and bills receivables and trade and bills payables turnover days for both years ended 31 December 2025 and 2024. The increase in inventory turnover days for the year ended 31 December 2025 was mainly due to the increase in inventory as at 31 December 2025, which was caused by an encouraging order outlook by the end of 2025.

Capital expenditures

For the year ended 31 December 2025, total additions to property, plant and equipment and leasehold land and land use rights amounted to approximately HK\$540.9 million (for the year ended 31 December 2024: approximately HK\$423.8 million), mainly for additions of new machinery and new land lease for Nghe An Facility, catering for the Group's business expansion initiatives.

Pledge of assets

As at 31 December 2025, the Group pledged bank deposits of approximately HK\$90.3 million (as at 31 December 2024: approximately HK\$103.7 million) to secure the bills payables issued by the Group in connection with its trade transactions.

Contingent liabilities

As at 31 December 2025, the Group did not have any significant contingent liabilities.

Events after the reporting period

Save as disclosed in this announcement, the Group has no other significant events after the reporting period and up to the date of this announcement.

Foreign exchange risk

A substantial portion of the Group's revenue is denominated in US\$ and HK\$ and a portion of its purchases and expenses are denominated in RMB, Vietnam Dong ("VND") and Sri Lankan Rupee ("LKR"). Any significant exchange rate fluctuations of these foreign currencies against US\$ and HK\$ may have had financial impact on the Group. The Group manages its foreign exchange risk by performing regular reviews and monitoring its foreign exchange exposure. Our finance department monitors our foreign exchange risk on a continuous basis by analysing our domestic and overseas sales orders on hand, expected domestic and overseas orders from customers and estimated foreign currency payments for our purchases and expenses. We intend to manage our foreign exchange risks by (i) managing our sales,

purchases and expenses denominated in HK\$ and RMB through our subsidiaries in Hong Kong and the Mainland China, respectively, as well as managing our sales, purchases and expenses denominated in US\$ through our subsidiaries in Hong Kong, Vietnam and Sri Lanka, and managing our purchases and expenses denominated in VND and LKR through our subsidiaries in Vietnam and Sri Lanka, respectively; and (ii) holding cash and bank deposits denominated in HK\$ primarily by the Company and its subsidiaries in Hong Kong, holding cash and bank deposits denominated in US\$ primarily by the Company and its subsidiaries in Hong Kong, Vietnam and Sri Lanka, and holding cash and bank deposits denominated in RMB, VND and LKR primarily by our subsidiaries in the Mainland China, Vietnam and Sri Lanka, respectively.

Employees and remuneration policies

As at 31 December 2025, the Group employed a total of 11,826 employees (as at 31 December 2024: 11,037). The Group remunerates its staff according to their performance, qualification, experience and industry practices, and conducts regular reviews of its remuneration policy.

The remuneration committee of the Company was set up primarily for reviewing the Group's remuneration policy and structure for all remuneration of the Directors and senior management of the Group, having regard to factors including but not limited to salaries paid by comparable companies, time commitment and responsibilities of the Directors and employees, employment conditions elsewhere in the Group, and whether the remuneration is commensurate with the performance.

There has been no significant change in the Group's remuneration policy, and the Group will continue to provide regular training and competitive remuneration packages to its staff. The Group's remuneration packages include salary, bonuses, allowances and retirement benefits based on employee's performance, skills and knowledge. The Group also provides additional benefits to its employees, including subsidised accommodation, meals, accident and medical insurance and share-based remuneration granted to eligible employees under the share-based incentive plans of the Company from time to time.

FUTURE DEVELOPMENT

According to the World Economic Outlook Update published by the International Monetary Fund in January 2026, global GDP is projected to grow steadily at 3.3% in 2026 and 3.2% in 2027. Global inflation is expected to gradually moderate to 3.8% in 2026 and 3.4% in 2027. Major central banks are anticipated to maintain accommodative monetary policies, with the U.S. Federal Reserve likely implementing further rate cuts, although the pace of easing may be tempered by resurgent inflationary concerns.

However, the macroeconomic landscape remains fragile due to escalating geopolitical conflicts. The ongoing war between Russia and Ukraine, coupled with the broader regional tensions in the Middle East, has triggered notable volatility in global oil and other oil-based energy prices, and disrupted critical maritime shipping routes. These security challenges, alongside persistent trade policy uncertainties between the U.S. and China, have led to various challenges that continue to impact investment flows, our raw materials prices, manufacturing and logistics costs and the resulting overall supply chains. Furthermore, the recent appreciation of the RMB amidst these trade frictions – remain one of the key risk factors closely monitored by corporates and the international community.

Notwithstanding these downside risks, our outlook on business at the start of the year remains cautiously optimistic, underpinned by a positive medium-term forecast. We believe that market resilience, coupled with our adaptive strategies and commitment to innovation, will enable us to navigate challenging and rapidly evolving business environments effectively.

While maintaining close vigilance over market risks, Best Pacific will proceed gradually with its expansion strategy to capture emerging opportunities. Continuous growth in business scale and improved economies of scale will help mitigate part of the mentioned rising costs that the Group is currently facing. Best Pacific remains committed to enhancing our competitive advantages and achieving sustainable long-term growth.

Sportswear and apparel markets

The sportswear and apparel segment has been a pivotal growth driver for the Group over the years. Revenue from our sportswear and apparel elastic fabric segment reached approximately HK\$2.8 billion in both 2024 and 2025, reflecting a CAGR of approximately 34.5% since the segment's inception in 2013.

We are dedicated to the strategic allocation of resources to bolster our research and development capabilities, ensuring we meet customers' escalating demand for innovative products. Our goal is to forge stronger, mutually beneficial partnerships with our esteemed apparel brand customers, positioning us to deliver promising long-term growth.

International expansion and capital expenditure

As of 31 December 2025, the overall annual designed production capacities of elastic fabric, elastic webbing and lace of the Group were approximately 284.3 million meters, 2,022.3 million meters and 45.6 million meters, respectively. Our international footprint serves as one of our key competitive advantages. Best Pacific remains steadfast in our commitment to a multi-location manufacturing strategy. Moving forward, we will continue to prioritize further enhancements in operational efficiency across our production sites to best serve the interests of our customers, thereby further improving our overall financial performance.

In response to emerging business opportunities and strong order intake observed in the second half of 2025, we have decided to establish a new Nghe An Facility. The project will be developed in phases. Construction for Phase 1 is currently expected to be completed by the end of 2026, upon which the Group's production capacity is projected to increase by approximately 10% to 15%. The capital expenditure for this new facility in the coming twelve months is expected to be approximately HK\$500 million to HK\$1 billion. These costs will be financed through a combination of internal cash flows and bank borrowings.

In 2025, Best Pacific attained a relatively stable EBITDA of approximately HK\$1,162.8 million and over the past 5 years, Best Pacific had a strong average EBITDA of approximately HK\$976.7 million. Meanwhile, Best Pacific maintained a low net gearing ratio of approximately 6.4% as of 31 December 2025. Our strong cash flow and healthy financial position, coupled with a trend of stabilizing borrowing costs, position us well to pursue expansion in a controlled and balanced manner.

We believe that our world-class innovation capabilities, extensive international footprint, strong partnerships with customers, talented people and robust financial position have established a solid foundation for Best Pacific’s sustainable growth and future success.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities for the year ended 31 December 2025.

AUDIT COMMITTEE

The Audit Committee of the Company, comprising the three independent non-executive Directors (being Mr. Cheung Yat Ming, Mr. Kuo Dah Chih, Stanford and Mr. Lam Yin Shing, Donald), has reviewed with management the consolidated financial statements of the Group for the year ended 31 December 2025, including accounting principles and practices adopted by the Group, and discussed the relevant financial reporting matters.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 23 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

DIVIDEND POLICY AND FINAL DIVIDEND

The Board intends to maintain a long term, stable dividend payout ratio of not less than 20% of the Group’s distributable profit for the year, providing shareholders with an equitable return.

The Board has resolved to declare a final dividend of HK14 cents per ordinary share in respect of the year ended 31 December 2025 (the “**Final Dividend**”) (for the year ended 31 December 2024: HK15.91 cents per ordinary share). The Final Dividend is expected to be paid on 6 July 2026 to shareholders whose names appear on the register of members of the Company on 18 June 2026, subject to the approval by the shareholders at the forthcoming annual general meeting of the Company on 9 June 2026 (the “**AGM**”).

An interim dividend of HK12.5 cents per ordinary share was paid to shareholders on 10 October 2025 (2024: HK13.33 cents per ordinary share).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 4 June 2026 to 9 June 2026, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to determine the identity of shareholders who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged not later than 4:30 p.m. on 3 June 2026 with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

Subject to the approval of shareholders at the forthcoming AGM, the proposed Final Dividend will be payable to shareholders whose names appear on the register of members of the Company on 18 June 2026 and the register of members of the Company will be closed from 16 June 2026 to 18 June 2026, both days inclusive, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed Final Dividend, all share transfer documents accompanied by the relevant share certificates shall be lodged not later than 4:30 p.m. on 15 June 2026 with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance which is essential to the sustainable development and growth of the Company. The Board is of the view that the Company has met all the applicable code provisions in force set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange throughout the year ended 31 December 2025.

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board proposes to amend the Company's second amended and restated memorandum of association and the second amended and restated articles of association of the Company currently in force ("**Existing Memorandum and Articles**") for the purposes of further optimizing the implementation of (i) the expansion of paperless listing regime and electronic dissemination of corporate communications as stated in the conclusions to its consultation papers on "Proposals to Expand Paperless Listing Regime and other Rule Amendments" and "Proposals to Further Expand the Paperless Listing Regime and Other Rule Amendments" published by the Stock Exchange; and (ii) the new treasury shares regime as stated in the conclusions to its consultation paper on "Proposed Amendments to Listing Rules Relating to Treasury Shares" published by the Stock Exchange and make other housekeeping amendments. ("**Proposed Amendments**").

The Proposed Amendments and the proposed adoption of the third amended and restated memorandum of association and the third amended and restated articles of association of the Company (“**Amended Memorandum and Articles**”) are subject to approval of the shareholders by way of a special resolution at the forthcoming AGM. A circular reflecting, among other matters to be tabled at the AGM, further details of the Proposed Amendments and the adoption of the Amended Memorandum and Articles will be despatched to the Shareholders in due course in accordance with the Listing Rules.

By Order of the Board
Best Pacific International Holdings Limited
Lu Yuguang
Chairman and executive Director

Hong Kong, 23 March 2026

As at the date of this announcement, the Board comprises Mr. Lu Yuguang, Mr. Zhang Haitao, Mr. Wu Shaolun, Ms. Zheng Tingting, Mr. Chan Yiu Sing, Mr. Lu Libin, Mr. Cheung Yat Ming, Mr. Kuo Dah Chih, Stanford* and Mr. Lam Yin Shing, Donald*.*

** Independent non-executive Director*