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Daohe Global Group Limited

道和環球集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 915)

**ANNOUNCEMENT OF FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

FINAL RESULTS HIGHLIGHTS:

- Revenue declined by approximately 22.2% to approximately US\$32.5 million (equivalent to approximately HK\$252.9 million) for the year ended 31 December 2025 as compared to approximately US\$41.8 million (equivalent to approximately HK\$325.2 million) for the year ended 31 December 2024.
- Profit for the year ended 31 December 2025 amounted to approximately US\$0.1 million (equivalent to approximately HK\$0.8 million), which fell significantly by approximately 97.1% from approximately US\$2.7 million (equivalent to approximately HK\$21.0 million) for the year ended 31 December 2024.
- The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025.

FINAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Daohe Global Group Limited (the “**Company**”) announces the consolidated financial information of the Company and its subsidiaries (together, the “**Group**”) for the year ended 31 December 2025, together with relevant comparative figures, is as follows:

CONSOLIDATED FINANCIAL INFORMATION

Consolidated Statement of Profit or Loss

	<i>Note</i>	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
REVENUE	4	32,497	41,777
Cost of sales		(19,164)	(24,278)
Gross profit		13,333	17,499
Other income		805	873
Selling and marketing expenses		(942)	(1,712)
General and administrative expenses		(13,073)	(13,728)
Finance costs		(54)	(52)
Allowance for trade receivables		(34)	(35)
Gain on dissolution of subsidiaries		53	1
PROFIT BEFORE TAX	5	88	2,846
Income tax	6	(11)	(191)
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY		77	2,655
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
(expressed in US cent)	8		
Basic		0.005	0.176
Diluted		0.005	0.176

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
PROFIT FOR THE YEAR	<u>77</u>	<u>2,655</u>
OTHER COMPREHENSIVE INCOME		
Items that reclassified or may be reclassified to profit or loss:		
Exchange differences:		
Translation of foreign operations	125	(95)
Dissolution of subsidiaries	<u>53</u>	<u>(1)</u>
Items that reclassified or may be reclassified to profit or loss	178	(96)
Items that will not be reclassified to profit or loss:		
Remeasurements from:		
Defined benefit plan	28	27
Long service payment	<u>(13)</u>	<u>7</u>
Items that will not be reclassified to profit or loss	<u>15</u>	<u>34</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR	<u>193</u>	<u>(62)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>270</u>	<u>2,593</u>

Consolidated Statement of Financial Position

	<i>Note</i>	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment	9	349	420
Right-of-use assets	9	1,231	655
Financial asset at fair value through profit or loss		95	95
Deposits		241	190
		<hr/>	<hr/>
Total non-current assets		1,916	1,360
		<hr/>	<hr/>
CURRENT ASSETS			
Inventories		936	1,725
Trade receivables	10	2,798	3,901
Prepayments, deposits and other receivables		974	1,969
Bank deposits with initial term of over three months		5,470	5,700
Cash and cash equivalents		15,756	15,354
		<hr/>	<hr/>
Total current assets		25,934	28,649
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade payables	11	508	1,449
Accruals, provisions and other payables		3,507	5,512
Contract liabilities		1,860	1,683
Lease liabilities		651	576
Loan from a shareholder	12(a)	3,856	3,856
Tax payable		350	523
		<hr/>	<hr/>
Total current liabilities		10,732	13,599
		<hr/>	<hr/>
NET CURRENT ASSETS		15,202	15,050
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,118	16,410
		<hr/>	<hr/>

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
NON-CURRENT LIABILITIES		
Lease liabilities	629	139
Deferred tax liability	–	20
Provisions	154	154
Post-employment benefits	143	175
	<hr/>	<hr/>
Total non-current liabilities	926	488
	<hr/>	<hr/>
NET ASSETS	16,192	15,922
	<hr/> <hr/>	<hr/> <hr/>
EQUITY		
Share capital	20,128	20,128
Reserves	(3,936)	(4,206)
	<hr/>	<hr/>
TOTAL EQUITY	16,192	15,922
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Notes:

1. BASIS OF PREPARATION

The consolidated financial statements of the Group for the year ended 31 December 2025 have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards (“HKAS”) and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with the disclosure requirements of the Companies Ordinance (Cap. 622). They have been prepared under historical cost convention, except for financial asset at fair value through profit or loss (“FVTPL”) which has been measured at fair value. These financial statements are presented in United States dollars (“US\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted all of the new or amended HKFRS Accounting Standards and Interpretations issued by the HKICPA that are mandatory for the current reporting period. There was no material impact to the consolidated financial statements as a result of the adoption of these standards.

3. OPERATING SEGMENT INFORMATION

The Group’s business comprises two reportable operating segments as follows:

- (a) trading and supply chain management services; and
- (b) culture and entertainment.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group’s profit before tax except that bank interest income, interest on bank borrowings, gain on dissolution of subsidiaries as well as corporate and other unallocated expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Segment assets do not include corporate and other unallocated assets. Segment liabilities do not include loan from a shareholder as well as corporate and other unallocated liabilities.

	Trading and supply chain management services US\$'000	Culture and entertainment US\$'000	Total US\$'000
Year ended 31 December 2025			
Segment revenue:			
Revenue from external customers	<u>15,225</u>	<u>17,272</u>	<u>32,497</u>
Segment results	<u>643</u>	<u>28</u>	<u>671</u>
Bank interest income			360
Gain on dissolution of subsidiaries			53
Corporate and other unallocated expenses			<u>(996)</u>
Profit before tax			88
Income tax			<u>(11)</u>
Profit for the year			<u><u>77</u></u>
Other segment information:			
Cost of inventories sold	5,964	3,283	9,247
Cost of services provided	17	9,900	9,917
Employee benefit expenses	6,983	3,488	10,471
Depreciation:			
Property, plant and equipment	102	39	141
Right-of-use assets	527	254	781
Capital expenditures	20	47	67
Allowance for trade receivables	34	–	34
Allowance for inventories	<u>–</u>	<u>88</u>	<u>88</u>
As at 31 December 2025			
Segment assets	<u>10,944</u>	<u>16,591</u>	<u>27,535</u>
Corporate and other unallocated assets			<u>315</u>
Total assets			<u><u>27,850</u></u>
Segment liabilities	<u>3,126</u>	<u>4,588</u>	<u>7,714</u>
Loan from a shareholder			3,856
Corporate and other unallocated liabilities			<u>88</u>
Total liabilities			<u><u>11,658</u></u>

	Trading and supply chain management services <i>US\$'000</i>	Culture and entertainment <i>US\$'000</i>	Total <i>US\$'000</i>
Year ended 31 December 2024			
Segment revenue:			
Revenue from external customers	19,227	22,550	41,777
Segment results	<u>1,481</u>	<u>1,944</u>	3,425
Bank interest income			367
Gain on dissolution of subsidiaries			1
Corporate and other unallocated expenses			(944)
Interest on bank borrowing			<u>(3)</u>
Profit before tax			2,846
Income tax			<u>(191)</u>
Profit for the year			<u><u>2,655</u></u>
Other segment information:			
Cost of inventories sold	8,213	5,733	13,946
Cost of services provided	14	10,318	10,332
Employee benefit expense	7,518	3,594	11,112
Fair value loss on financial asset at FVTPL	28	–	28
Depreciation:			
Property, plant and equipment	117	29	146
Right-of-use assets	569	244	813
Capital expenditures	31	96	127
Allowance/(reversal of allowance) for trade receivables	<u>42</u>	<u>(7)</u>	<u>35</u>
As at 31 December 2024			
Segment assets	<u>13,418</u>	<u>16,295</u>	29,713
Corporate and other unallocated assets			<u>296</u>
Total assets			<u><u>30,009</u></u>
Segment liabilities	<u>5,396</u>	<u>4,746</u>	10,142
Loan from a shareholder			3,856
Corporate and other unallocated liabilities			<u>89</u>
Total liabilities			<u><u>14,087</u></u>

Geographical information

(a) Revenue from external customers

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
People's Republic of China (the "PRC")	19,427	25,233
Southern hemisphere	6,233	8,177
North America	3,736	5,353
Europe	1,369	1,220
Others	1,732	1,794
	<u>32,497</u>	<u>41,777</u>

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
PRC	1,171	791
Hong Kong	571	293
Others	79	181
	<u>1,821</u>	<u>1,265</u>

The non-current assets information above is based on the locations of assets and excludes a financial asset at FVTPL.

Information about major customers

Revenue from a major customer, which amounted to 10% or more of the Group's revenue, is set out below:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Customer A	<u>6,119</u>	<u>8,118</u>

4. REVENUE

An analysis of the Group's revenue is as follows:

	2025 US\$'000	2024 US\$'000
<i>Revenue from contracts with customers</i>		
Sales of merchandise	10,908	18,771
Commission income	8,669	10,153
Internet value-added services ("IVAS") revenue	12,920	12,853
	<u>32,497</u>	<u>41,777</u>

Disaggregated revenue information

Segments	Trading and supply chain management services US\$'000	Culture and entertainment US\$'000	Total US\$'000
Year ended 31 December 2025			
Type of goods or services			
Sales of merchandise	6,556	4,352	10,908
Commission income	8,669	–	8,669
IVAS revenue	–	12,920	12,920
	<u>15,225</u>	<u>17,272</u>	<u>32,497</u>
Geographical markets			
PRC	2,155	17,272	19,427
Southern hemisphere	6,233	–	6,233
North America	3,736	–	3,736
Europe	1,369	–	1,369
Others	1,732	–	1,732
	<u>15,225</u>	<u>17,272</u>	<u>32,497</u>
Timing of revenue recognition			
Goods transferred/services rendered at a point in time	<u>15,225</u>	<u>17,272</u>	<u>32,497</u>

Segments	Trading and supply chain management services <i>US\$'000</i>	Culture and entertainment <i>US\$'000</i>	Total <i>US\$'000</i>
Year ended 31 December 2024			
Type of goods or services			
Sales of merchandise	9,074	9,697	18,771
Commission income	10,153	–	10,153
IVAS revenue	–	12,853	12,853
	<u>19,227</u>	<u>22,550</u>	<u>41,777</u>
Geographical markets			
PRC	2,683	22,550	25,233
Southern hemisphere	8,177	–	8,177
North America	5,353	–	5,353
Europe	1,220	–	1,220
Others	1,794	–	1,794
	<u>19,227</u>	<u>22,550</u>	<u>41,777</u>
Timing of revenue recognition			
Goods transferred/services rendered at a point in time	<u>19,227</u>	<u>22,550</u>	<u>41,777</u>

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Cost of inventories sold	9,247	13,946
Cost of services provided	9,917	10,332
Depreciation:		
Property, plant and equipment	141	146
Right-of-use assets	781	813
Allowance for inventories	88	–
Loss on disposal of property, plant and equipment	1	4
Fair value loss on financial assets at FVTPL	–	28
Foreign exchange differences, net	(11)	103
	<u>(11)</u>	<u>103</u>

6. INCOME TAX

Income tax has been recognised in profit or loss as following:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Current		
– Provision for the year	91	172
– Net overprovision in prior years	<u>(60)</u>	<u>(1)</u>
	31	171
Deferred tax	<u>(20)</u>	<u>20</u>
Total tax expense for the year	<u><u>11</u></u>	<u><u>191</u></u>

Under the two-tiered profits tax regime, the first HK\$2 million of assessable profits of the qualifying group entity established in Hong Kong are taxed at 8.25%, and profits above that amount are subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered profit tax rate regime continue to be taxed at a rate of 16.5%.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

7. DIVIDENDS

The directors do not recommend the payment of any final dividend for the year ended 31 December 2025 (2024: Nil).

8. EARNINGS PER SHARE

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

The Group had no dilutive potential ordinary shares in issue for the year.

The calculation of the basic and diluted earnings per share is based on the following:

	2025	2024
Profit		
Profit attributable to owners of the Company (<i>US\$'000</i>)	<u><u>77</u></u>	<u><u>2,655</u></u>
Number of ordinary shares		
Number of ordinary shares in issue during the year (<i>'000</i>)	<u><u>1,509,593</u></u>	<u><u>1,509,593</u></u>

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Property, plant and equipment <i>US\$'000</i>	Right-of-use assets <i>US\$'000</i>
At 1 January 2024, net of accumulated depreciation and impairment	447	1,253
Additions	127	237
Disposals	(6)	–
Depreciation for the year	(146)	(813)
Termination	–	(5)
Exchange realignment	(2)	(17)
	<hr/>	<hr/>
At 31 December 2024 and 1 January 2025, net of accumulated depreciation and impairment	420	655
Additions	67	1,336
Disposals	(1)	–
Depreciation for the year	(141)	(781)
Exchange realignment	4	21
	<hr/>	<hr/>
At 31 December 2025, net of accumulated depreciation and impairment	349	1,231
	<hr/> <hr/>	<hr/> <hr/>

10. TRADE RECEIVABLES

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Trade receivables	3,259	4,531
Allowance for doubtful debts	(461)	(630)
	<hr/>	<hr/>
	2,798	3,901
	<hr/> <hr/>	<hr/> <hr/>

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest-bearing. The carrying amount of the trade receivables approximates to its fair value.

The ageing analysis of the gross carrying amount of trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Within 30 days	1,616	1,963
31 to 60 days	442	921
61 to 90 days	228	345
91 to 365 days	533	708
Over 1 year	440	594
	<u>3,259</u>	<u>4,531</u>

11. TRADE PAYABLES

The ageing analysis of trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Within 30 days	300	651
31 to 60 days	35	637
61 to 90 days	109	74
91 to 365 days	14	11
Over 1 year	50	76
	<u>508</u>	<u>1,449</u>

12. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in this announcement, the Group had the following significant transactions with related parties during the year:

(a) Loan from a shareholder

At 31 December 2025, the loan from a shareholder of the Company is unsecured, non-interest-bearing and repayable by 22 May 2026. The repayment date of the loan was extended to 22 May 2027 subsequent to the year end.

At 31 December 2024, the loan from a shareholder of the Company is unsecured, non-interest-bearing and repayable by 22 May 2025. The repayment date of the loan was extended to 22 May 2026 before due date.

(b) Compensation of key management personnel of the Group

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Short term employee benefits	1,359	1,931
Post-employment benefits	106	162
	<u>1,465</u>	<u>2,093</u>
Total compensation paid to key management personnel	<u>1,465</u>	<u>2,093</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overview

The Group's revenue fell by approximately 22.2%, from approximately US\$41.8 million last year to approximately US\$32.5 million.

For the trading and supply chain management services business, the shipment volume for the year declined by approximately 15.7% from approximately US\$136.7 million to approximately US\$115.2 million. This was a direct result of the global trade environment being shaken by the tariff war, which fueled negative customer sentiment and increased trade policy uncertainty. Consequently, customers became more conservative in their ordering. Meanwhile, the global economic growth was depressed as a portion of the tariff costs were passed on to consumers. As a result of the lower shipment volume and a shift in sales mix towards a reduced volume of trading business, the segment's revenue decreased by approximately 20.8% to approximately US\$15.2 million from last year's approximately US\$19.2 million.

In respect of the culture and entertainment business, its total revenue dropped by approximately 23.4% to approximately US\$17.3 million from approximately US\$22.6 million the prior year. This was largely due to a slowdown in the pop toys business, caused by product oversaturation, alongside softer consumer spending as trade tensions persisted.

For the year ended 31 December 2025, gross profit contracted by approximately 23.8% from approximately US\$17.5 million to approximately US\$13.3 million. The decline was driven by the combined effect of lower revenue and a slight contraction in gross margin from approximately 41.9% to approximately 41.0% for the year.

Operating expenses for the year ended 31 December 2025 amounted to approximately US\$14.1 million, representing a drop of approximately 9.2% from last year's approximately US\$15.5 million. The reduction in operating expenses was primarily driven by lower selling and marketing expenses of the culture and entertainment business, employee benefit expenses and travelling costs across the Group as business declined.

Consequently, profit for the year fell significantly by approximately 97.1% to approximately US\$0.1 million (2024: approximately US\$2.7 million).

Segmental Analysis

Operating Segmentation

The Group's business comprises two operating segments, namely: (i) trading and supply chain management services; and (ii) culture and entertainment.

(i) Trading and supply chain management services

For the year ended 31 December 2025, the shipment value of trading and supply chain management services fell by approximately 15.7% from approximately US\$136.7 million in prior year to approximately US\$115.2 million.

Geographical Analysis

	Shipment value	
	2025	2024
	US\$' million	US\$' million
North America	81.0	103.8
Europe	26.5	23.6
Others	7.7	9.3
	<u>115.2</u>	<u>136.7</u>

Shipments to North America dropped by approximately 22.0% to approximately US\$81.0 million. The shortfall was a direct result of trade war disruptions, which created significant market uncertainty and prompted customers to order more conservatively. North America remained the largest market of the Group, accounting for approximately 70.3% of the Group's total shipment value (2024: approximately 75.9%).

Shipments to Europe climbed by approximately 12.3% to approximately US\$26.5 million. Europe accounted for approximately 23.0% of the Group's total shipment value (2024: approximately 17.3%). The growth was mainly contributed by better performance of certain customers.

Shipments grouped under "Others", comprising mainly shipments to the southern hemisphere, decreased by approximately 17.2% due to less orders from a South African customer. "Others" represented approximately 6.7% of the segment's total shipment value (2024: approximately 6.8%).

The trading and supply chain management services segment recorded revenue of approximately US\$15.2 million in 2025 (2024: approximately US\$19.2 million), accounting for approximately 46.9% of the Group's total revenue (2024: approximately 46.0%).

(ii) *Culture and entertainment*

During the review year, revenue from culture and entertainment slipped by approximately 23.4% to approximately US\$17.3 million from approximately US\$22.6 million in 2024.

	2025	2024
	<i>US\$' million</i>	<i>US\$' million</i>
Online entertainment	12.9	12.9
Sales of goods	4.4	9.7
	17.3	22.6

The revenue from online entertainment remained flat at approximately US\$12.9 million during the year. Despite facing a challenging operating environment, characterised by heightened competition and promotional restrictions on digital platforms, the Group managed to maintain its competitive position through collaborations with key opinion leaders (“**KOLs**”) and application upgrades, which improved user experience and helped attract new users.

Sales of goods contracted by approximately 55.1% from approximately US\$9.7 million in 2024 to approximately US\$4.4 million. The drop reflected weaker consumer demand amid ongoing economic uncertainty exacerbated by tariff tensions. The pop toys market experienced significant product oversaturation under intensifying competition, which contributed to the sales decline.

Financial Review

Financial Resources and Liquidity

As at 31 December 2025, the Group had deposits and cash and cash equivalents of approximately US\$21.2 million (2024: approximately US\$21.1 million). In addition, it had total banking facilities of approximately US\$5.1 million including borrowing facilities of approximately US\$0.1 million as at 31 December 2025 (2024: approximately US\$5.1 million and approximately US\$0.1 million, respectively).

The Group’s current ratio was approximately 2.4 (2024: approximately 2.1) and its gearing ratio was zero (2024: zero), based on no interest-bearing borrowing (2024: Nil) and total equity of approximately US\$16.2 million as at 31 December 2025 (2024: approximately US\$15.9 million). There has been no material change in the Group’s borrowings since 31 December 2025.

Trade receivables amounted to approximately US\$2.8 million as at 31 December 2025 (2024: approximately US\$3.9 million). Gross trade receivables over 90 days, which amounted to approximately US\$1.0 million, were carefully monitored by management and adequate provisions have been made.

The Group follows a prudent treasury policy in managing investments in financial products such as wealth management products. All investments must be made in accordance with the Group's treasury policy with a view to utilising surplus cash generated from its business operations.

The Group's net asset value amounted to approximately US\$16.2 million as at 31 December 2025 (2024: approximately US\$15.9 million).

The majority of the Group's transactions during the review year were denominated in US dollars, Renminbi and Hong Kong dollars. In order to minimise exposure to foreign exchange risks, sales and purchases are usually made in the same currency.

As at 31 December 2025, the Group had no material contingent liabilities or guarantees, and did not have charges on any of its assets.

Remuneration Policy and Staff Development Scheme

As at 31 December 2025, the Group had 260 employees (2024: 245). Total staff costs for the year ended 31 December 2025 amounted to approximately US\$11.2 million (2024: approximately US\$11.8 million).

The Group offers competitive remuneration packages to its employees based on industry practices, and individual and the Group's performance. In addition, the Company has a share option scheme for eligible employees and discretionary bonuses are paid to staff members based on individual and the Group's performance.

PROSPECTS

Looking ahead to 2026, the operating environment is expected to remain volatile. Geopolitical developments, tariff-related policy uncertainty and shifting customer purchasing behaviour continue to influence global trade flows and consumer sentiment. While periodic easing in certain trade measures may provide short-term relief, policy direction may change quickly, and the Group expects customers to remain cautious in placing orders and increasingly focused on pricing, service levels and responsiveness.

In order to navigate these headwinds in the trading and supply chain management services segment, the Group will remain proactive in strengthening and diversifying its sourcing models and supply chain networks to enhance resilience and responsiveness amid evolving trade dynamics. In addition, the Group will continue to work closely with key customers to develop new product categories and broaden its product offering, aiming to mitigate potential downturns in other business areas and better align with shifting demand patterns. At the same time, the Group will maintain a disciplined approach to cost control and continue to drive productivity enhancements throughout 2026. By consolidating operational efficiency and service quality, the Group will safeguard profit margins and reinforce its competitiveness in a demanding market.

With regard to culture and entertainment, domestic consumption sentiment is expected to remain cautious due to the current economic climate. The retail landscape has become increasingly competitive, with brick-and-mortar expansion outpacing market demand, alongside other headwinds such as regulatory compliance constraints and intensified competition from new entrants. Despite these pressures, claw and crane mobile online games are projected to maintain stable user demand. To capitalise on this sustained demand, the Group will continue to expand its online presence through collaborations with a broader range of platforms and partnerships with KOLs, while continuously introducing new and on-trend products to stimulate user spending and engagement. Simultaneously, through continuous innovation and application upgrades, the Group will also further enhance the user experience, prioritising improvements to product appeal, gameplay experience and overall platform performance in order to sustain user engagement in a competitive landscape.

Regarding the pop toys business, the overall industry landscape is not expected to change materially in 2026, with weak domestic demand and fierce competition from new entrants likely to continue driving severe product saturation. However, the advancement of artificial intelligence (“AI”) and rising consumer interest in smart products present an important structural opportunity, with AI-powered toys gradually gaining attraction in the market. The Group began developing AI-powered toys in the second half of 2025 and will prioritise the development of AI integrated dolls in 2026, in line with its strategic direction. Concurrently, the Group will continue to develop its existing intellectual property (“IP”) while incubating new characters, and advance plans for new self developed IPs to strengthen its product pipeline. The Group will also actively seek collaborations with well known copyright holders to launch products based on popular IPs, thereby broadening its portfolio and enhancing differentiation through compelling content and product concepts. The Group believes this will rekindle consumer interest and maintain its competitive edge in the challenging market environment.

The Group will continue to focus on the steady operation and development of its existing businesses, supported by ongoing process optimisation. At the same time, the Group will remain open to exploring suitable opportunities for collaboration where strategic alignment and potential synergies can be identified. While closely monitoring external developments, the Group will adjust execution priorities in a timely manner, with a view to reinforcing its competitiveness amid continued uncertainty.

EVENTS AFTER THE REPORTING PERIOD

There are no important events affecting the Group since 31 December 2025 and up to the date of this announcement.

DIVIDENDS

The Directors do not recommend the payment of any final dividend for the year ended 31 December 2025.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 December 2025, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any securities of the Company (including sale of treasury shares (the “**Treasury Shares**”) within the meaning under the Listing Rules). As at 31 December 2025, the Company did not hold any Treasury Shares.

SCOPE OF WORK OF RSM HONG KONG

The figures in respect of the Group’s results for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company’s auditor, RSM Hong Kong, to the amounts set out in the Group’s consolidated financial statements for the year ended 31 December 2025. The work performed by RSM Hong Kong 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 Engagement and consequently no assurance has been expressed by RSM Hong Kong on this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) currently comprises three independent non-executive Directors, namely Mr. LAU Shu Yan (chairman), Mr. ZHANG Huijun and Ms. LUO Juan. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters. The audited consolidated financial statements of the Group for the year ended 31 December 2025 have been reviewed by the Audit Committee.

CORPORATE GOVERNANCE

Pursuant to Code Provision C.2.1 of the Corporate Governance Code (“**CG Code**”) as set out in Part 2 of Appendix C1 to the Listing Rules, the roles of the chairman and chief executive officer (“**CEO**”) should be separated. During the year ended 31 December 2025, Mr. WONG Hing Lin, Dennis, held the role of CEO of the Group. For the year ended 31 December 2025 and as of the date of this announcement, the Company has not appointed the Chairman of the Board (“**Chairman**”). The Company will endeavour to identify and appoint suitable Chairman and will make announcement as and when appropriate. The Board believes that the absence of the Chairman will not have adverse effect to the Company, as decisions of the Company were made collectively by the Board.

Pursuant to Code Provision C.2.7 of the CG Code, the Chairman should hold meetings with the independent non-executive Directors without the presence of other directors at least annually. However, due to the absence of Chairman, no meeting of the Chairman with the independent non-executive Directors had been arranged.

Save as disclosed above, the Company has complied with all the applicable code provisions set out in Part 2 of the CG Code throughout the year ended 31 December 2025.

A corporate governance report containing details of the policies and practices on corporate governance of the Company will be set out in the Company’s 2025 annual report.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries, the Company obtained confirmations from all the current Directors that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2025, and from Mr. WANG Arthur Minshiang (who retired as a Director on 6 June 2025) that he had complied with the required standards set out in the Model Code from 1 January 2025 up to the date of his retirement. The Company was unable to obtain a similar confirmation from Mr. LONG Liping, whose office as an executive Director was vacated by the Company with effect from 10 November 2025. The Company has also established written guidelines on no less exacting terms than the Model Code (the “**Employees Written Guidelines**”) for securities transactions by relevant employees who are likely to possess unpublished inside information in relation to the Company and/or its securities. No incident of non-compliance with the Employees Written Guidelines by the relevant employees was noted by the Company during the year ended 31 December 2025.

PUBLICATION OF THE FINAL RESULTS ANNOUNCEMENT AND THE ANNUAL REPORT

This announcement is published on the websites of the Company (www.daoheglobal.com.hk) and the Stock Exchange (www.hkexnews.hk). The Company's 2025 annual report will be despatched to the shareholders of the Company upon request and available on the above websites in due course.

By Order of the Board
Daohe Global Group Limited
WONG Hing Lin, Dennis
Executive Director and Chief Executive Officer

Hong Kong, 27 March 2026

As at the date of this announcement, the Executive Director is Mr. WONG Hing Lin, Dennis and the Independent Non-executive Directors are Mr. LAU Shu Yan, Mr. ZHANG Huijun and Ms. LUO Juan.