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明輝國際控股有限公司

MING FAI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03828)

**FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025
AND
PROPOSED AMENDMENTS TO THE SECOND AMENDED AND RESTATED
MEMORANDUM AND ARTICLES OF ASSOCIATION AND PROPOSED
ADOPTION OF THE THIRD AMENDED AND RESTATED MEMORANDUM
AND ARTICLES OF ASSOCIATION**

HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2025

- Revenue decreased 3.1% to approximately HK\$2,238.7 million (for the year ended 31 December 2024: approximately HK\$2,311.3 million).
- Gross profit decreased 16.4% to approximately HK\$484.7 million (for the year ended 31 December 2024: approximately HK\$579.9 million).
- Gross profit margin decreased 3.5 percentage points to 21.6% (for the year ended 31 December 2024: 25.1%).
- Operating profit was approximately HK\$120.7 million (for the year ended 31 December 2024: approximately HK\$173.7 million).
- Profit attributable to owners of the Company was approximately HK\$100.7 million (for the year ended 31 December 2024: approximately HK\$143.2 million).
- A proposed final dividend in respect of the year ended 31 December 2025 of HK4.0 cents per share of the Company (the “Share”) was recommended, together with the interim dividend of HK3.0 cents per Share for the six months ended 30 June 2025 was declared, representing a total dividend of HK7.0 cents per Share (for the year ended 31 December 2024: HK10.0 cents per Share) and the annual dividend payout ratio of 50.4% (for the year ended 31 December 2024: 50.5%).

The board of directors (the “Board”) of Ming Fai International Holdings Limited (the “Company”) hereby announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		For the year ended 31 December	
		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	3	2,238,747	2,311,250
Cost of sales	3	(1,754,075)	(1,731,355)
Gross profit		484,672	579,895
Other income, net	5	7,758	7,721
Distribution costs	4	(229,160)	(246,444)
Administrative expenses	4	(146,015)	(155,685)
Net reversal of impairment losses/ (impairment losses) on financial assets	4	3,477	(11,833)
Operating profit		120,732	173,654
Finance income		3,826	5,151
Finance costs		(1,318)	(2,885)
Share of profit of an associated company		2,037	1,371
Share of profit of a joint venture		69	9
Fair value (loss)/gain on investment properties, net		(136)	262
Profit before income tax		125,210	177,562
Income tax expenses	6	(26,589)	(38,449)
Profit for the year		98,621	139,113
Other comprehensive income/(loss)			
<i>Item that may be subsequently reclassified to profit or loss</i>			
Currency translation differences		22,649	(12,710)
<i>Item that will not be subsequently reclassified to profit or loss</i>			
Currency translation differences		921	1,626
Revaluation gain upon transfer from property, plant and equipment to investment properties		777	–
Total comprehensive income for the year		122,968	128,029
Profit/(loss) for the year attributable to:			
Owners of the Company		100,735	143,231
Non-controlling interests		(2,114)	(4,118)
		98,621	139,113
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		124,161	130,521
Non-controlling interests		(1,193)	(2,492)
		122,968	128,029
Earnings per share attributable to owners of the Company (expressed in HK cents)			
Basic	14(a)	13.9	19.8
Diluted	14(b)	13.9	19.8

CONSOLIDATED BALANCE SHEET

	<i>Note</i>	As at 31 December	
		2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Goodwill		5,379	5,366
Property, plant and equipment		368,675	403,864
Right-of-use assets		93,045	86,519
Investment properties		62,894	44,243
Intangible assets		555	304
Deferred income tax assets		2,592	2,366
Other non-current assets		5,753	5,235
Investment in an associated company		8,134	5,953
Investments in joint ventures		291	217
Other financial assets at amortised cost		7	–
		<u>547,325</u>	<u>554,067</u>
Total non-current assets		547,325	554,067
Current assets			
Inventories		290,291	307,914
Other current assets		61,365	49,547
Tax recoverable		19,033	817
Other financial assets at amortised cost		9,512	10,818
Amounts due from joint ventures		2,518	811
Amount due from an associated company	8	4,711	3,373
Trade and bills receivables	7	639,223	727,731
Pledged bank deposit	9	11,664	11,636
Cash and cash equivalents	10	418,365	328,621
		<u>1,456,682</u>	<u>1,441,268</u>
Total current assets		1,456,682	1,441,268
Total assets		2,004,007	1,995,335
EQUITY			
Equity attributable to owners of the Company			
Share capital	13	7,343	7,343
Reserves		1,338,426	1,264,622
Final dividend proposed	15	29,371	51,398
		<u>1,375,140</u>	<u>1,323,363</u>
Non-controlling interests		(61,219)	(60,026)
Total equity		1,313,921	1,263,337

		As at 31 December	
		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		10,456	7,563
Other non-current payables		6,970	8,172
Borrowings	12	1,644	1,844
Lease liabilities		5,425	289
		<u>24,495</u>	<u>17,868</u>
Total non-current liabilities		<u>24,495</u>	<u>17,868</u>
Current liabilities			
Trade payables	11	269,171	263,714
Accruals and other payables		351,595	383,603
Current income tax liabilities		12,009	22,627
Borrowings	12	9,951	24,253
Lease liabilities		5,561	2,679
Loans from non-controlling interests		17,003	16,997
Dividends payable		301	257
		<u>665,591</u>	<u>714,130</u>
Total current liabilities		<u>665,591</u>	<u>714,130</u>
Total liabilities		<u>690,086</u>	<u>731,998</u>
Total equity and liabilities		<u>2,004,007</u>	<u>1,995,335</u>

NOTES:

1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRSs Accounting Standards comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards;
- Hong Kong Accounting Standards; and
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

The consolidated financial statements have been prepared on a historical cost basis, except for the investment properties, which were measured at fair value.

These consolidated financial information are presented in thousands of units of Hong Kong dollars (“HK\$’000”), unless otherwise stated.

Law and regulations in the Cambodia have certain restrictions on foreign ownership of land and real property in Cambodia. In order to comply with relevant local laws and regulations, the Company controls relevant subsidiary in Cambodia through certain contractual arrangements.

2 ACCOUNTING POLICIES

(a) Amended standard adopted by the Group

The Group has applied the following amended standard at its annual reporting period commencing 1 January 2025:

- Lack of Exchangeability – amendments to HKAS 21 and HKFRS 1

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New and amended standards and interpretation not yet adopted

Certain new accounting standards and amendments to accounting standards and interpretation have been published that are not mandatory for this reporting period and have not been early adopted by the Group.

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statement of comprehensive income into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following item might potentially impact operating profit:
 - o Foreign exchange difference currently aggregated in the line item "administrative expenses" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the consolidated balance sheet, the Group will disaggregate goodwill and other intangible assets and present them separately in the consolidated balance sheet.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/ disaggregation principles. In addition, there will be significant new disclosures required for:
 - o management-defined performance measures;
 - o a break-down of the nature of expenses for line items presented by function in the operating category of the consolidated statement of comprehensive income – this break-down is only required for certain nature expenses; and
 - o for the first annual period of application of HKFRS 18, a reconciliation for each line item in the consolidated statement of comprehensive income between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

- From a consolidated statement of cash flows perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received will continue to be presented investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

In addition to the abovementioned changes in presentation and disclosures, the Group is in the process of assessing the impact of adopting other new accounting standards and amendments to accounting standards and interpretation on its current or future reporting periods and on foreseeable future transactions.

3 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reports in order to assess performance and allocate resources. The Board has determined the operating segments based on these reports.

The Group is principally engaged in manufacturing and trading of hospitality supplies products ("Hospitality Supplies Business"), trading of operating supplies and equipment ("OS&E Business"), and manufacturing and trading of health care and hygienic products ("Health Care and Hygienic Products Business"). From a geographical perspective, the Board assesses the performance based on the Group's revenue by geographical location in which the customer is located. There are three reporting segments: (i) Hospitality Supplies Business; (ii) OS&E Business; and (iii) Health Care and Hygienic Products Business.

The Board assesses the performance of the operating segments based on a measure of segment profit/(loss) before income tax, share of profit of an associated company, share of profit of a joint venture and net fair value loss on investment properties.

Information provided to the Board is measured in a manner consistent with that of the consolidated financial statements.

Sales between segments are carried out at normal commercial terms. Depreciation and amortisation charges are apportioned with reference to respective segment revenue from external customers. Assets and liabilities of the Group are allocated by reference to the principal markets in which the Group operates.

Notes:

- i For the purpose of this segment information disclosure, the PRC excludes Hong Kong, the Macau Special Administrative Region of the PRC (“Macau”) and Taiwan (2024: same).
- ii Other Asia Pacific regions mainly include Macau, Singapore, United Arab Emirates, Japan, Malaysia, Republic of the Philippines, Taiwan and Thailand (for the year ended 31 December 2024: mainly include Macau, Singapore, United Arab Emirates, Japan, Republic of the Philippines, Malaysia and Thailand).
- iii Others mainly include Republic of Kenya and Colombia (for the year ended 31 December 2024: mainly include Republic of Kenya and Senegal).
- iv Others mainly include Hong Kong, Macau, Cambodia, Republic of the Philippines and Malaysia (for the year ended 31 December 2024: mainly include Hong Kong, Macau, Singapore, Republic of the Philippines and Malaysia).
- v Other locations mainly include Singapore and Macau (as at 31 December 2024: same).
- vi Others mainly include the PRC (*Note i*) and Macau (for the year ended 31 December 2024: same).
- vii Other locations mainly include Cambodia and Macau (as at 31 December 2024: same).

For the year ended 31 December 2025, the revenue of the Group was recognised at a point in time and no sales derived from a single customer which exceeded 10% of the revenue of the Group (for the year ended 31 December 2024: same).

For the year ended 31 December 2025, additions to non-current assets comprise additions to right-of-use assets, property, plant and equipment, intangible assets and other non-current assets (for the year ended 31 December 2024: same).

4 EXPENSES BY NATURE

The following expenses/(gains) are included in cost of sales, distribution costs, administrative expenses and net (reversal of impairment losses)/impairment losses on financial assets:

	2025	2024
	HK\$'000	HK\$'000
Cost of inventories sold	1,215,650	1,182,765
Auditor's remuneration		
– Audit services	3,130	3,060
– Non-audit services	426	389
Depreciation of property, plant and equipment	54,137	59,215
Depreciation of right-of-use assets	8,629	8,728
Amortisation of intangible assets	717	651
Other lease expenses*	4,214	5,754
Net reversal of write-down obsolete inventories	(824)	(7,265)
Direct write-down of obsolete inventories	6,075	8,849
Net (reversal of impairment losses)/impairment losses on financial assets	(3,477)	11,833
Employee benefit expenses	549,086	567,833
Transportation expenses	99,820	88,435
Exchange gains	(474)	(3,272)
Advertising costs	5,421	8,070
Loss/(gain) on disposal of property, plant and equipment	1,324	(185)
Direct operating expenses arising from investment properties that generates rental income	205	204
Utilities expenses	29,730	32,851

* These expenses relate to short-term leases. They are directly charged as expenses and are not included in the measurement of lease liabilities under HKFRS 16.

5 OTHER INCOME, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Rental income	2,830	2,246
Income from sales of scrap materials	481	597
Government grant (<i>Note (i)</i>)	2,943	3,631
Others	1,504	1,247
	<u>7,758</u>	<u>7,721</u>

Note:

- (i) Government grants recognised were mainly related to subsidies from the PRC Government in relation to certain capital investment of the Group, and other subsidies from the PRC Government and the Hong Kong Government (for the year ended 31 December 2024: same). There were no unfulfilled conditions and other contingencies attached to the receipts of these grants.

6 INCOME TAX EXPENSES

The amount of income tax charged/(credited) to the consolidated statement of comprehensive income represents:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax:		
– Hong Kong profits tax	6,844	26,896
– PRC enterprise income tax	15,968	11,805
– Other overseas profits tax	2,018	1,314
Adjustments in respect of prior year	(504)	(354)
	<u>24,326</u>	<u>39,661</u>
Deferred income tax expenses/(credit)	2,263	(1,212)
	<u>26,589</u>	<u>38,449</u>

Taxation has been provided at the appropriate rates prevailing in the jurisdictions in which the Group operates.

Hong Kong profits tax, PRC enterprise income tax, Macau profits tax and Cambodia corporate income tax are calculated at 16.5% (2024: 16.5%), 25% (2024: 25%), 12% (2024: 12%) and 20% (2024: 20%) on the estimated assessable profits for the year ended 31 December 2025 respectively.

Taxes on other overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

7 TRADE AND BILLS RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	708,610	802,601
Bills receivables	17,583	16,406
	<u>726,193</u>	<u>819,007</u>
Less: provision for impairment of trade and bills receivables	(86,970)	(91,276)
	<u>639,223</u>	<u>727,731</u>

The credit period granted by the Group ranges from 15 days to 120 days.

Ageing analysis of trade and bills receivables by invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1 – 30 days	299,624	321,831
31 – 60 days	112,591	137,556
61 – 90 days	99,995	108,220
91 – 180 days	123,595	160,070
Over 180 days	90,388	91,330
	<u>726,193</u>	<u>819,007</u>

8 AMOUNT DUE FROM AN ASSOCIATED COMPANY

The amount represents trade receivables from an associated company. The carrying value of the amount approximates its fair value. The amount is unsecured, interest-free and denominated in HK\$. The credit period granted is 90 days. The ageing analysis of amount by invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1 – 30 days	3,104	3,304
61 – 90 days	1,607	–
Over 90 days	–	69
	<u>4,711</u>	<u>3,373</u>

9 PLEDGED BANK DEPOSIT

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Pledged bank deposit	<u>11,664</u>	<u>11,636</u>

As at 31 December 2025, a bank deposit of US\$1,500,000 (equivalent to approximately HK\$11,664,000) (as at 31 December 2024: US\$1,500,000 (equivalent to approximately HK\$11,636,000)) was pledged as collateral for the grant of letter of banking facility in Hong Kong.

10 CASH AND CASH EQUIVALENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cash at banks and on hand	336,175	251,658
Short-term bank deposits (original maturities of less than three months)	<u>82,190</u>	<u>76,963</u>
	<u>418,365</u>	<u>328,621</u>

The Group's cash and bank balances with banks in the PRC and India as at 31 December 2025 amounted to approximately HK\$156,244,000 (as at 31 December 2024: approximately HK\$99,381,000) and approximately HK\$91,000 (as at 31 December 2024: approximately HK\$29,000) respectively, where the remittance of funds is subject to foreign exchange control.

11 TRADE PAYABLES

The ageing analysis of trade payables by invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1 – 30 days	243,506	236,267
31 – 60 days	16,154	17,542
61 – 90 days	1,829	6,497
Over 90 days	<u>7,682</u>	<u>3,408</u>
	<u>269,171</u>	<u>263,714</u>

12 BORROWINGS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current:		
Secured other borrowings without repayable on demand clause	1,644	1,844
Current:		
Secured bank borrowings with repayable on demand clause	9,720	24,165
Secured other borrowings without repayable on demand clause	231	88
	<u>9,951</u>	<u>24,253</u>
	<u><u>11,595</u></u>	<u><u>26,097</u></u>

The borrowings are denominated in the following currencies:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
HK\$	1,167	3,996
United States Dollars (“US\$”)	8,553	20,169
Japanese Yen (“JPY”)	1,875	1,932
	<u>11,595</u>	<u>26,097</u>

The carrying amounts of borrowings approximate their fair values as the impact of discounting is not significant.

The Group has complied with the financial covenants of its borrowing facilities during the years ended 31 December 2025 and 2024.

Except for other borrowings of approximately HK\$1,875,000 as at 31 December 2025 (as at 31 December 2024: approximately HK\$1,932,000) which was secured by personal guarantee of a non-controlling interest of the Group, bank borrowings were secured by certain property, plant and equipment and right-of-use assets.

The carrying amounts of assets pledged as security for borrowings are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Property, plant and equipment	12,791	14,184
Right-of-use assets	24,448	25,520
Bank deposit	11,664	11,636
	<u>48,903</u>	<u>51,340</u>
Total carrying amounts of assets pledged as security	<u><u>48,903</u></u>	<u><u>51,340</u></u>

13 SHARE CAPITAL

	Number of shares	<i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised: At 1 January 2024, 31 December 2024 and 31 December 2025	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid: At 1 January 2024, 31 December 2024 and 31 December 2025	<u>734,262,697</u>	<u>7,343</u>

14 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
Profit attributable to owners of the Company (<i>HK\$'000</i>)	<u>100,735</u>	<u>143,231</u>
Weighted average number of ordinary shares in issue (<i>thousands</i>)	<u>723,839</u>	<u>723,839</u>
Basic earnings per share (<i>expressed in HK cents</i>)	<u>13.9</u>	<u>19.8</u>

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the year ended 31 December 2025, diluted earnings per share was the same as basic earnings per share as there were no potential dilutive ordinary shares outstanding for the year ended 31 December 2025 (2024: same).

15 DIVIDENDS

On 22 May 2025, a final dividend of HK7.0 cents per share for the year ended 31 December 2024 was approved by the Company's shareholders. Total dividend of approximately HK\$51,398,000 was paid out, including dividend paid to the shares held for the share award scheme of the Company.

On 26 August 2025, the Board resolved to approve an interim dividend of HK3.0 cents per share for the six months ended 30 June 2025. Total dividend of approximately HK\$22,028,000 was paid out, including dividend paid to the shares held for the share award scheme of the Company.

The final dividend in respect of the year ended 31 December 2025 of HK4.0 cents per share, amounting to a total dividend of approximately HK\$29,371,000 was resolved by the Board to propose on 26 March 2026, which is subject to approval at the annual general meeting of the Company to be held on 20 May 2026. This proposed dividend is not reflected as a dividend payable in the consolidated financial statements, but reflected as an appropriation of retained earnings for the year ended 31 December 2025.

16 CAPITAL COMMITMENTS

As at 31 December 2025, the capital commitments contracted but not provided for in the consolidated financial information of the Group were approximately HK\$22,923,000 (as at 31 December 2024: approximately HK\$21,055,000).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Key Financial Highlights

Set out below are the consolidated key financial highlights of the Group:

	Year ended 31 December		Change %
	2025 <i>HK\$ million</i>	2024 <i>HK\$ million</i>	
Revenue	2,238.7	2,311.3	(3.1)%
Gross Profit	484.7	579.9	(16.4)%
Profit attributable to owners of the Company	100.7	143.2	(29.7)%
Basic earnings per Share attributable to owners of the Company (<i>HK cents</i>)	13.9	19.8	(29.8)%
Diluted earnings per Share attributable to owners of the Company (<i>HK cents</i>)	13.9	19.8	(29.8)%
Dividend per Share (<i>HK cents</i>)	7.0	10.0	(30.0)%

Revenue

For the year ended 31 December 2025, the total revenue of the Group recorded a decrease of 3.1% to approximately HK\$2,238.7 million (for the year ended 31 December 2024: approximately HK\$2,311.3 million). For the year ended 31 December 2025, the revenues of the hospitality supplies business, OS&E business and health care and hygienic products business were approximately HK\$1,881.5 million, HK\$228.5 million and HK\$128.7 million (for the year ended 31 December 2024: approximately HK\$1,930.1 million, HK\$210.4 million and HK\$170.8 million) respectively, which represented 84.0%, 10.2% and 5.8% (for the year ended 31 December 2024: 83.5%, 9.1% and 7.4%) of the Group's total revenue respectively.

Gross profit and gross profit margin

The Group's gross profit for the year ended 31 December 2025 decreased 16.4% to approximately HK\$484.7 million, compared with approximately HK\$579.9 million for the year ended 31 December 2024. Gross profit margin decreased 3.5 percentage points to 21.6% from 25.1% as compared with the prior year, mainly due to the increase in manufacturing cost pressure borne by the Group, the impact of volatility in the external environment and the intensified industry competition.

Profit attributable to owners of the Company

Profit attributable to owners of the Company for the year ended 31 December 2025 was approximately HK\$100.7 million (for the year ended 31 December 2024: approximately HK\$143.2 million).

Earnings per Share

Basic and diluted earnings per Share attributable to owners of the Company for the year ended 31 December 2025 were HK13.9 cents and HK13.9 cents (for the year ended 31 December 2024: HK19.8 cents and HK19.8 cents) respectively.

Final dividend

The Board had resolved to propose a final dividend of HK4.0 cents per Share for the year ended 31 December 2025 (for the year ended 31 December 2024: HK7.0 cents) in accordance with the Company's dividend policy. A sum of the interim and final dividends for the year ended 31 December 2025 is expected to be HK7.0 cents per Share (for the year ended 31 December 2024: HK10.0 cents). The proposed final dividend is subject to approval at the annual general meeting to be held on 20 May 2026 ("AGM").

Liquidity and financial resources

The Group has always pursued a prudent treasury management policy and actively manages its liquidity position with standby banking facilities to cope with daily operation and potential capital demands for future development.

Cash and cash equivalents

As at 31 December 2025, the Group's cash and cash equivalents amounted to approximately HK\$418.4 million (as at 31 December 2024: approximately HK\$328.6 million).

Net assets

As at 31 December 2025, the Group's net assets was approximately HK\$1,313.9 million (as at 31 December 2024: approximately HK\$1,263.3 million).

Borrowings

The borrowing structure, maturity profile and currency denomination of the Group's borrowings are as follows:

Borrowing structure:

	As at 31 December			
	2025	HK\$ million	2024	HK\$ million
	Effective interest rate		Effective interest rate	
Secured bank borrowings with repayable on demand clauses	Floating rate of 1.7% per annum over 1-month Hong Kong Inter-bank Offered Rate ("HIBOR")	1.2	Floating rate of 1.7% per annum over 1-month HIBOR	2.2
	Floating rate of the higher of 1.7% per annum over 1-month HIBOR or the cost to the bank of funding the borrowing	–	Floating rate of the higher of 1.7% per annum over 1-month HIBOR or the cost to the bank of funding the borrowing	1.8
	Floating rates ranging from 1.8%-1.82% per annum over 1-month Term Secured Overnight Financing Rate ("SOFR")	8.5	Floating rates ranging from 1.8%-1.82% per annum over 1-month Term SOFR	20.2
Secured other borrowings without repayable on demand clauses	Fixed rates ranging from 1.26%-1.38% per annum	1.9	Fixed rates ranging from 1.26%-1.38% per annum	1.9
		11.6		26.1

Maturity profile:

The repayment terms of the borrowings without taking into consideration the effect of repayable on demand clauses are as follows:

	As at 31 December	
	2025	2024
	<i>HK\$ million</i>	<i>HK\$ million</i>
Within 1 year	10.0	14.6
Between 1 and 2 years	0.2	9.7
Between 2 and 5 years	0.7	0.9
Over 5 years	0.7	0.9
	<hr/>	<hr/>
	11.6	26.1
	<hr/> <hr/>	<hr/> <hr/>

Currency denomination:

	As at 31 December	
	2025	2024
	<i>HK\$ million</i>	<i>HK\$ million</i>
HK\$	1.2	4.0
US\$	8.5	20.2
JPY	1.9	1.9
	<hr/>	<hr/>
	11.6	26.1
	<hr/> <hr/>	<hr/> <hr/>

Details of the borrowings are set out in Note 12 to the consolidated financial information.

Charges on Group assets

Except for other borrowings of approximately HK\$1.9 million as at 31 December 2025 (as at 31 December 2024: approximately HK\$1.9 million), which was secured by personal guarantee of a non-controlling interest of the Group, bank borrowings were secured by certain property, plant and equipment and right-of-use assets.

The carrying amounts of assets pledged as security for borrowings are as follows:

	As at 31 December	
	2025	2024
	<i>HK\$ million</i>	<i>HK\$ million</i>
Property, plant and equipment	12.8	14.2
Right-of-use assets	24.4	25.5
Bank deposit	11.7	11.6
	<u>48.9</u>	<u>51.3</u>

Gearing ratio

The gearing ratio was calculated as net debt (i.e. borrowings less cash and cash equivalents) divided by total equity. The gearing ratio was not applicable to the Group as at 31 December 2025 and as at 31 December 2024.

Foreign currency exposure

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi (“RMB”). The Group currently does not deploy a foreign currency hedging policy.

The Group primarily sourced its raw materials in the PRC. The related currency exposure with respect to RMB is managed through increasing revenue denominated in the same currency.

Capital commitments and contingent liabilities

Details of the capital commitments as at 31 December 2025 and as at 31 December 2024 are set out in Note 16 to the consolidated financial information. The Group has no material contingent liabilities as at 31 December 2025 (as at 31 December 2024: same).

BUSINESS REVIEW

In 2025, the global economic environment remained complex and volatile. While the global economy is gradually recovering, increased air connectivity and enhanced visa facilitation have contributed to the growth in international travel. However, persistently high inflation in the travel services sector, compounded by geopolitical tensions, has posed significant challenges to the business environment. Against this backdrop, the Group's overall performance for the year ended 31 December 2025 did not fully achieve its anticipated level.

Hospitality Supplies Business

According to the World Tourism Barometer published by the United Nations World Tourism Organization ("UN Tourism") in January 2026, international tourist arrivals (overnight visitors) grew by 4% in 2025. An estimated 1.52 billion international tourists were recorded globally in 2025, almost 60 million more than in 2024. While the consumer market continued to expand, the development of the Group's hospitality supplies business faced certain pressures due to the impact of volatility in the external environment, rising manufacturing cost pressure and intensified industry competition.

Revenue from the Group's hospitality supplies business for the year ended 31 December 2025 decreased by 2.5% to approximately HK\$1,881.5 million (for the year ended 31 December 2024: approximately HK\$1,930.1 million), which contributed 84.0% (for the year ended 31 December 2024: 83.5%) to the Group's total revenue. Gross profit from the hospitality supplies business decreased by 17.9% to approximately HK\$391.4 million for the year ended 31 December 2025 (for the year ended 31 December 2024: approximately HK\$477.0 million). The segment's gross profit margin decreased by 3.9 percentage points to 20.8% for the year ended 31 December 2025 (for the year ended 31 December 2024: 24.7%).

Hospitality supplies business revenues for the year ended 31 December 2025 from the PRC, Hong Kong, the North America, Europe, other Asia Pacific region and Australia were approximately HK\$470.9 million, HK\$363.2 million, HK\$278.1 million, HK\$297.8 million, HK\$365.9 million and HK\$101.0 million (for the year ended 31 December 2024: approximately HK\$528.0 million, HK\$294.4 million, HK\$323.0 million, HK\$315.9 million, HK\$375.7 million and HK\$90.1 million) respectively, accounted for 25.0%, 19.3%, 14.8%, 15.8%, 19.4% and 5.4% (for the year ended 31 December 2024: 27.3%, 15.2%, 16.7%, 16.4%, 19.5% and 4.7%) of the total hospitality supplies business segment revenue respectively.

Operating Supplies and Equipment Business

According to the recently released China Construction Pipeline Trend Report from Lodging Econometrics, analysts reported that there were 970 new hotels accounting for 141,236 rooms opened in China during 2025. At the close of the fourth quarter of 2025, the total hotel construction pipeline in China stood at 3,608 projects/644,938 rooms. Revenue from the Group's OS&E business was approximately HK\$228.5 million for the year ended 31 December 2025, representing an increase of 8.6% as compared with approximately HK\$210.4 million for the year ended 31 December 2024, and representing 10.2% (for the year ended 31 December 2024: 9.1%) of the Group's total revenue. Gross profit from the OS&E business increased by 3.5% to approximately HK\$53.4 million for the year ended 31 December 2025 (for the year ended 31 December 2024: approximately HK\$51.6 million). The segment's gross profit margin decreased to 23.4% for the year ended 31 December 2025 (for the year ended 31 December 2024: 24.5%).

For the year ended 31 December 2025, OS&E business revenues from the PRC and other markets were approximately HK\$162.7 million and HK\$65.8 million (for the year ended 31 December 2024: approximately HK\$155.3 million and HK\$55.1 million) respectively, representing 71.2% and 28.8% (for the year ended 31 December 2024: 73.8% and 26.2%) of the total OS&E business segment revenue respectively.

The Group remains steadfast in market-driven principle, comprehensively optimising the product portfolio and quality management system of OS&E business to closely align with customers' evolving demands for performance, reliability, and sustainability. We flexibly adjust our supply strategies to enhance supply chain resilience and responsiveness to improve delivery efficiency and service standards, and further solidifying our competitive advantage in the market. At the same time, the Group is proactively identifying emerging growth opportunities and expanding the network of strategic partnerships. We are actively capitalising on the recovery of the tourism economy and the surge in hotel development projects across the Southeast Asia, aiming to broaden our market coverage and unlock the long-term growth potential of OS&E business.

Health Care and Hygienic Products Business

The Group is engaged in the manufacture and supply of high-quality health care and hygienic products, together with disposable infection control products. During the year ended 31 December 2025, certain production facilities were relocating from the PRC to Cambodia as requested by our customers in response to tariff policies of the United States of America. The transition unavoidably affected certain operational arrangements, which in turn weighed on the sales performance of the segment. In response, the Group will adopt a prudent yet proactive approach to our operations, maintaining flexibility in the business deployment and further strengthening its market-oriented operating model. Efforts will be directed towards broadening the product portfolio, enhancing responsiveness to evolving customer requirements across different markets, and build sustainable growth momentum amidst the global trend of health consumption upgrading and rising public hygiene awareness.

Revenues from the Group's health care and hygienic products business for the year ended 31 December 2025 was approximately HK\$128.7 million (for the year ended 31 December 2024: approximately HK\$170.8 million), which contributed 5.8% (for the year ended 31 December 2024: 7.4%) of the Group's total revenue. Gross profit from the health care and hygienic products business was approximately HK\$39.9 million for the year ended 31 December 2025 (for the year ended 31 December 2024: approximately HK\$51.3 million). The segment's gross profit margin increased 1.0 percentage point to 31.0% for the year ended 31 December 2025 (for the year ended 31 December 2024: 30.0%).

For the year ended 31 December 2025, the revenues of health care and hygienic products business from the North America, Hong Kong and other markets were approximately HK\$122.9 million, HK\$2.3 million and HK\$3.5 million (for the year ended 31 December 2024: approximately HK\$162.4 million, HK\$1.8 million and HK\$6.6 million) respectively, representing 95.5%, 1.8% and 2.7% (for the year ended 31 December 2024: 95.1%, 1.0% and 3.9%) of the total health care and hygienic products business segment revenue respectively.

OUTLOOK AND STRATEGIES

The Group is aiming to become an excellent international corporate brand specialising in hospitality supplies and personal care products, create maximum value for stakeholders, and support ecology for sustainable development.

Global tourism is navigating growth opportunities amidst a challenging environment

According to the World Tourism Barometer released by UN Tourism in January 2026, geopolitical tensions and ongoing conflicts continue to pose significant risks to tourism in 2026, while uncertainties arising from trade tensions and extreme weather events may weigh on traveller confidence. However, driven by solid consumer demand, enhanced air connectivity and growing outbound travel from emerging markets, global tourism is expected to continue its growth trajectory in 2026. In light of the current global tourism landscape, the Group will adhere to a prudent and pragmatic operating philosophy. We will strengthen our internal governance framework, optimise resource allocation efficiency, and enhance the quality of our products and services, thereby consolidating and reinforcing our core competitive advantages. Simultaneously, we will closely monitor market dynamics, accurately seize opportunities arising from environmental, social and governance ("ESG") development, flexibly adjust our business layout and product portfolio, and striving to advance steadily in a complex market environment.

Deepen production capacity layout in Cambodia to capture growth dividends in the Southeast Asian market

Against a backdrop of ongoing adjustments in global manufacturing and supply chain deployment, Southeast Asia has continued to assume a more prominent role in regional production arrangements, supported by its comparatively competitive cost base and a policy framework conducive to manufacturing activities. Such developments have provided the Group with greater flexibility in reviewing the regional operational footprint and production allocation. The Group is utilising the Cambodian factory as one of our core operational bases to continuously promote production capacity synergy and resource allocation, and to enhance supply chain operational efficiency, thereby addressing demand fluctuations and cost pressures. Looking ahead, on the basis of prudent assessment of market and operational risks, the Group will further review and optimise its business layout in Cambodia and surrounding regions, consolidate its regional operational foundation, and provide robust support for the realisation of long-term sustainable development.

Sustained commitment to sustainability goals and development

ESG considerations have increasingly become an important standard for assessing the sustainable value of enterprises. The Group places great emphasis on ESG principles and has integrated them into our corporate strategy and daily operations. In response to growing market demand for green products and sustainable business models, we are actively advancing research, development, and innovation of environmentally friendly products. By adopting energy-saving and carbon-reduction policies and using eco-friendly materials, we aim to enhance overall resource efficiency and reduce our environmental footprint. Looking ahead, the Group will further deepen the ESG implementation, contributing to the achievement of global sustainable development goals.

Forging lasting partnerships through excellence in products and services

The Group's sustainable development is deeply rooted in long-term, mutually-trusted relationships and successful collaborations with our customers and partners. We consistently adhere to providing high-quality products and exceptional services as an important operational principle, accurately addressing the diverse needs of existing and potential clients regarding functionality, design, and sustainability in hospitality supplies. Looking ahead, the Group will closely aligned with evolving market trends and industry standards, continuously driving product innovation and optimising our service framework to further enhance product competitiveness and customer experience. At the same time, the Group will deepen strategic collaboration with existing clients to strengthen long-term partnerships, while actively expanding into emerging markets and potential customers, working together to achieve a win-win framework.

Driving growth through prudent strategies, strategic optimisation and research and development innovation

In response to the evolving global economic landscape and intensifying industry competition, the Group will continue to review its business priorities and the allocation of resources, with an increased focus on investment in product development and technological enhancement. By accelerating the introduction of products with high market relevance, the Group aims to address evolving customer requirements and refine its overall business structure. Simultaneously, the Group will maintain a prudent operating stance to ensure financial stability and resilience against external volatility. As research and development initiatives are progressively implemented, these measures are expected to support the Group's future operating performance and provide a solid foundation for sustained improvement in results and long-term value for shareholders.

EMPLOYEES AND REMUNERATION POLICY

The total number of employees of the Group was approximately 8,000 as at 31 December 2025. The employee benefit expenses including Directors' emoluments were approximately HK\$549.1 million for the year ended 31 December 2025. The remuneration of employees (including the Directors and senior management) of the Group are generally structured by reference to market terms and individual merits, which is reviewed on a regular basis. The Group also provides various other benefits to designated staff, including discretionary bonus, social insurance or medical insurance, share award scheme, continuing education and training programmes. The Group also launched key performance indicators assessment scheme and commendation annual award scheme to boost individual performance and operational efficiency.

CORPORATE GOVERNANCE CODE

During the year ended 31 December 2025, the Group has complied with all the code provisions in the "Corporate Governance Code" as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), except the deviation of code provision C.2.1 that the Board has not appointed an individual to the post of chief executive officer up to the date of this announcement and the role of the chief executive officer has been performed collectively by all the Executive Directors of the Company, including the Chairman of the Company. The Board considers that this arrangement allows contributions from all Executive Directors of the Company with different expertise and is beneficial to the continuity of the Company's policies and strategies.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises three Independent Non-Executive Directors of the Company with written terms of reference in accordance with the requirements of the Listing Rules. The Audit Committee has reviewed the Group’s final results for the year ended 31 December 2025.

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “Model Code”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions on 5 October 2007. Having made specific enquiries to all Directors of the Company, all Directors of the Company confirmed that they have complied with the required standard as set out in the Model Code for the year ended 31 December 2025.

ANNUAL GENERAL MEETING

It is proposed that the forthcoming annual general meeting of the Company will be held on Wednesday, 20 May 2026. The notice of AGM will be published and delivered to the shareholders of the Company (the “Shareholders”) in due course.

FINAL DIVIDEND

The Board recommend the payment of a final dividend of HK4.0 cents per Share for the year ended 31 December 2025. Subject to the approval by the Shareholders at the AGM, the final dividend will be paid on Friday, 5 June 2026 to the Shareholders whose names appear on the register of members of the Company on Friday, 29 May 2026.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATES

For ascertaining the eligibility of the Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 15 May 2026 to Wednesday, 20 May 2026 (both dates inclusive), during which period no transfer of Shares will be effected. The record date will be on Wednesday, 20 May 2026. In order to be eligible to attend and vote at the AGM, all documents in respect of transfers of Shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 14 May 2026.

For ascertaining the entitlement of the Shareholders to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 27 May 2026 to Friday, 29 May 2026 (both dates inclusive), during which period no transfer of Shares will be effected. The record date will be on Friday, 29 May 2026. In order to qualify for the proposed final dividend, all documents in respect of transfers of Shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 26 May 2026.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated statement of 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, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT ON THE HKEXNEWS WEBSITE OF THE STOCK EXCHANGE AND THE WEBSITE OF THE COMPANY

The annual report containing all information required by the Listing Rules will be despatched to the Shareholders and published on the HKExnews website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.mingfaigroup.com) in due course.

PROPOSED AMENDMENTS TO THE SECOND AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION AND PROPOSED ADOPTION OF THE THIRD AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board proposes to make certain amendments to the second amended and restated memorandum and articles of association of the Company (the "Second Amended and Restated Memorandum and Articles of Association") in order to, among other things, (i) reflect and align with the latest regulatory requirements, including the relevant requirements of the Listing Rules in connection with treasury shares, hybrid meeting or electronic meeting and to enable electronic voting; (ii) ensure the articles to be compatible with the uncertificated securities market (USM) regime; (iii) align with other relevant requirements of the Listing Rules and applicable laws of the Cayman Islands; and (iv) make other consequential and housekeeping amendments (collectively, the "Proposed Amendments"). Save for the Proposed Amendments, the other provisions of the Second Amended and Restated Memorandum and Articles of Association will remain unchanged.

The Board also proposes to adopt the third amended and restated memorandum and articles of association of the Company (the "Third Amended and Restated Memorandum and Articles of Association") which consolidates all Proposed Amendments, in substitution for and to the exclusion of the Second Amended and Restated Memorandum and Articles of Association.

The Proposed Amendments and the adoption of the Third Amended and Restated Memorandum and Articles of Association will become effective upon approval by the Shareholders by special resolution at the AGM to be convened.

A circular reflecting, among other matters to be tabled at the AGM, further details of the Proposed Amendments and the notice of the AGM will be despatched to the Shareholders and published on the HKEXnews website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.mingfaigroup.com) in due course.

By order of the Board
Ming Fai International Holdings Limited
CHING Chi Fai
Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the Executive Directors of the Company are Mr. CHING Chi Fai, Mr. CHING Chi Keung, Mr. LIU Zigang, Mr. CHING Tsun Wah and Mr. KEUNG Kwok Hung; the Non-Executive Director of the Company is Ms. CHAN Yim Ching, and the Independent Non-Executive Directors of the Company are Mr. HUNG Kam Hung Allan, Mr. SUN Eric Yung Tson and Mr. KWONG Tony Wan Kit.