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Plover Bay Technologies Limited

玊灣科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1523)

ANNOUNCEMENT OF ANNUAL RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2025

SUMMARY

- Revenue for the year ended 31 December 2025 reached approximately US\$130,144,000, an increase of approximately 11.4% over the year ended 31 December 2024.
- Profit attributable to the owners of the Company for the year ended 31 December 2025 was approximately US\$45,466,000, representing an increase of approximately 19.5% over the year ended 31 December 2024.
- Diluted earnings per share for the year ended 31 December 2025 was approximately US4.11 cents, an increase of approximately 19.1% over the year ended 31 December 2024.
- The Board has resolved to declare a second interim dividend of HK16.54 cents per share and a special dividend of HK5.65 cents per share for the year ended 31 December 2025. The dividends are expected to be paid on 26 March 2026 to the shareholders whose names appear in the Company's register of members on 13 March 2026.

The Board (the “Board”) of Directors (the “Directors”) of Plover Bay Technologies Limited (the “Company”) is pleased to announce the consolidated annual results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025, together with the comparative figures for the corresponding year in 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 US\$'000	2024 US\$'000
Revenue	4	130,144	116,791
Cost of sales and services		<u>(56,021)</u>	<u>(52,642)</u>
Gross profit		74,123	64,149
Other income and gains, net	4	2,589	2,054
Selling and distribution expenses		(3,742)	(4,348)
General and administrative expenses		(8,366)	(7,746)
Research and development, consultancy and other expenses		(10,007)	(8,495)
Finance costs	5	<u>(257)</u>	<u>(288)</u>
Profit before tax	6	54,340	45,326
Income tax expense	7	<u>(8,874)</u>	<u>(7,280)</u>
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT		<u><u>45,466</u></u>	<u><u>38,046</u></u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		289	(84)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT		<u><u>45,755</u></u>	<u><u>37,962</u></u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
- Basic (<i>US cents</i>)		<u>4.12</u>	<u>3.46</u>
- Diluted (<i>US cents</i>)		<u><u>4.11</u></u>	<u><u>3.45</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 US\$'000	2024 US\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		3,098	3,366
Intangible assets		1,368	1,855
Prepayments and deposits	12	394	98
Deferred tax assets		126	127
TOTAL NON-CURRENT ASSETS		4,986	5,446
CURRENT ASSETS			
Inventories	10	18,181	16,160
Trade receivables	11	22,574	15,497
Prepayments, deposits and other receivables	12	4,966	4,685
Tax recoverable		158	147
Pledged deposit	13	2,338	2,243
Time deposits	13	8,791	-
Cash and cash equivalents	13	56,259	65,933
TOTAL CURRENT ASSETS		113,267	104,665
CURRENT LIABILITIES			
Trade payables, other payables and accruals	14	8,071	7,420
Lease liabilities		763	1,598
Contract liabilities		26,380	20,880
Interest-bearing bank borrowings		-	8,516
Tax payable		10,484	2,701
TOTAL CURRENT LIABILITIES		45,698	41,115
NET CURRENT ASSETS		67,569	63,550
TOTAL ASSETS LESS CURRENT LIABILITIES		72,555	68,996
NON-CURRENT LIABILITIES			
Lease liabilities		1,211	982
Contract liabilities		12,159	11,398
Deferred tax liabilities		252	317
TOTAL NON-CURRENT LIABILITIES		13,622	12,697
NET ASSETS		58,933	56,299

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*As at 31 December 2025*

	Notes	2025 US\$'000	2024 US\$'000
EQUITY			
Equity attributable to owners of the parent			
Issued capital	15	1,423	1,420
Reserves		57,510	54,879
TOTAL EQUITY		58,933	56,299

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Attributable to owners of the parent

	Issued capital US\$'000	Share premium account US\$'000	Share option reserve US\$'000	Legal reserve US\$'000	Exchange fluctuation reserve US\$'000	Retained profits US\$'000	Total equity US\$'000
At 1 January 2024	1,418	24,191	515	-	(45)	24,145	50,224
Profit for the year	-	-	-	-	-	38,046	38,046
Other comprehensive loss for the year:							
Exchange differences on translation of foreign operations	-	-	-	-	(84)	-	(84)
Total comprehensive income/(loss) for the year	-	-	-	-	(84)	38,046	37,962
Issue of shares upon exercise of share options	2	778	(149)	-	-	-	631
Equity-settled share option arrangements	-	-	278	-	-	-	278
Transfer of share option reserve upon the forfeiture or expiry of share options	-	-	(7)	-	-	7	-
Repurchase and cancellation of shares	-	(87)	-	-	-	-	(87)
Second interim 2023 dividend	-	-	-	-	-	(15,400)	(15,400)
2023 special dividend	-	-	-	-	-	(1,999)	(1,999)
Interim 2024 dividend	-	-	-	-	-	(15,310)	(15,310)
At 31 December 2024	<u>1,420</u>	<u>24,882</u> *	<u>637</u> *	<u>-</u> *	<u>(129)</u> *	<u>29,489</u> *	<u>56,299</u>
At 1 January 2025	1,420	24,882	637	-	(129)	29,489	56,299
Profit for the year	-	-	-	-	-	45,466	45,466
Other comprehensive income for the year:							
Exchange differences on translation of foreign operations	-	-	-	-	289	-	289
Total comprehensive income for the year	-	-	-	-	289	45,466	45,755
Issue of shares upon exercise of share options	3	1,187	(248)	-	-	-	942
Equity-settled share option arrangements	-	-	269	-	-	-	269
Transfer of share option reserve upon the forfeiture or expiry of share options	-	-	(11)	-	-	11	-
Transfer of legal reserve	-	-	-	8	-	(8)	-
Second interim 2024 dividend	-	-	-	-	-	(18,906)	(18,906)
2024 special dividend	-	-	-	-	-	(7,989)	(7,989)
Interim 2025 dividend	-	-	-	-	-	(17,437)	(17,437)
At 31 December 2025	<u>1,423</u>	<u>26,069</u> *	<u>647</u> *	<u>8</u> *	<u>160</u> *	<u>30,626</u> *	<u>58,933</u>

* These reserve accounts comprise the consolidated reserves of US\$57,510,000 (2024: US\$54,879,000) in the consolidated statement of financial position.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 US\$'000	2024 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	54,340	45,326
Adjustments for:		
Finance costs	257	288
Bank interest income	(1,734)	(2,021)
Write-down of inventories to net realisable value	868	1,161
Depreciation	2,061	2,160
Impairment/(reversal of impairment) of trade receivables	7	(1)
Amortisation of intangible assets	999	1,090
Equity-settled share option expense	269	278
	<u>57,067</u>	<u>48,281</u>
Increase in inventories	(2,889)	(383)
Decrease/(increase) in trade receivables	(7,084)	1,923
Decrease/(increase) in prepayments, deposits and other receivables	(577)	602
Increase in trade payables, other payables and accruals	651	2,734
Increase in contract liabilities	6,261	9,017
	<u>53,429</u>	<u>62,174</u>
Cash generated from operations	53,429	62,174
Hong Kong profits tax paid, net	(928)	(6,719)
Overseas profits tax paid, net	(265)	(293)
	<u>52,236</u>	<u>55,162</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,734	2,021
Purchase of items of property, plant and equipment	(759)	(195)
Additions to intangible assets	(512)	(882)
Proceeds from disposal of items of property, plant and equipment	-	1
Increase in non-pledged time deposit with original maturity of more than three months when acquired	(8,791)	-
Increase in a pledged deposit	(95)	(191)
	<u>(8,423)</u>	<u>754</u>
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)*For the year ended 31 December 2025*

	2025	2024
	US\$'000	US\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of share options	942	631
Repurchase and cancellation of shares	-	(88)
Dividends paid	(44,332)	(32,709)
New bank borrowings	-	14,418
Repayment of bank borrowings	(8,522)	(7,079)
Interest paid	(166)	(130)
Principal portion of lease payments	(1,634)	(1,531)
Interest portion of lease payments	(91)	(158)
	<u>(53,803)</u>	<u>(26,646)</u>
NET CASH FLOWS USED IN FINANCING ACTIVITIES		
	<u>(53,803)</u>	<u>(26,646)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(9,990)	29,270
Cash and cash equivalents at beginning of year	65,933	36,745
Effect of foreign exchange rate changes, net	316	(82)
	<u>56,259</u>	<u>65,933</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		
	<u>56,259</u>	<u>65,933</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	25,097	65,933
Non-pledged time deposits with original maturity of less than three months when acquired	31,162	-
	<u>56,259</u>	<u>65,933</u>
Cash and cash equivalents as stated in the statement of financial position	<u>56,259</u>	<u>65,933</u>

NOTES TO CONSOLIDATED FINANCIAL INFORMATION

For the year ended 31 December 2025

1. CORPORATE AND GROUP INFORMATION

Plover Bay Technologies Limited is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at Unit B, 5/F, Dragon Industrial Building, 93 King Lam Street, Lai Chi Kok, Kowloon, Hong Kong.

During the year, the Group was involved in the following principal activities:

- designing, development, marketing and sales of software-defined wide area network (“SD-WAN”) routers and related products; and
- sales of software licences and provision of warranty and support services.

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. The financial statements are presented in United States dollars (“US\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

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

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- (a) the sale of SD-WAN routers segment that primarily engages in sale of wired and wireless routers, also known as Fixed First Connectivity and Mobile First Connectivity, respectively; and
- (b) software licences and warranty and support services segment that primarily engages in the provision of software licences and warranty and support services.

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 other income and gains, net, selling and distribution expenses, unallocated general and administrative expenses, and finance costs are excluded from such measurement.

There were no material intersegment sales and transfers during the current and prior years.

Operating segments

	Sale of SD-WAN routers						Software licences and warranty and support services		Total	
	Fixed First Connectivity		Mobile First Connectivity							
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Segment revenue										
Sales to external customers	17,744	17,147	73,085	66,178	39,315	33,466	130,144	116,791		
Segment results	6,790	6,451	22,873	19,366	33,459	28,753	63,122	54,570		
<i>Reconciliation:</i>										
Other income and gains, net							2,589	2,054		
Selling and distribution expenses							(3,742)	(4,348)		
Unallocated general and administrative expenses							(7,372)	(6,662)		
Finance costs							(257)	(288)		
Profit before tax							54,340	45,326		

Information of assets, liabilities and capital expenditure of reportable segments is not provided to the chief operating decision makers for their review. Therefore, no analysis of the Group's assets, liabilities and capital expenditure by reportable segments is presented.

	Sale of SD-WAN routers						Software licences and warranty and support services		Total	
	Fixed First Connectivity		Mobile First Connectivity							
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Other segment information:										
Amortisation of intangible assets	51	92	825	876	123	122	999	1,090		
Write-down of inventories to net realisable value	156	232	712	929	-	-	868	1,161		

Geographical information

Revenue from external customers

	2025 US\$'000	2024 US\$'000
North America	76,351	74,760
EMEA (Europe, Middle East and Africa)	37,083	29,064
Asia	11,911	8,756
Others	4,799	4,211
	<u>130,144</u>	<u>116,791</u>

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

Non-current assets

	2025 US\$'000	2024 US\$'000
Hong Kong	3,107	3,917
Others	1,362	1,308
	<u>4,469</u>	<u>5,225</u>

The non-current asset information above is based on the locations of the assets and excludes financial assets and deferred tax assets.

Information about a major customer

For the year ended 31 December 2025, total revenue of approximately US\$31,682,000 (2024: US\$25,954,000) was derived from transactions with a single customer reporting in the sale of SD-WAN routers segment and software licences and warranty and support services segment.

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

	2025 US\$'000	2024 US\$'000
<i>Revenue from contracts with customers</i>	<u>130,144</u>	<u>116,791</u>

Revenue from contracts with customers

(i) Disaggregated revenue information

Segments	Sale of SD-WAN routers		Software licences and warranty and support services		Total	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Type of goods or services						
Sale of SD-WAN routers						
- Fixed First Connectivity	17,744	17,147	-	-	17,744	17,147
- Mobile First Connectivity	73,085	66,178	-	-	73,085	66,178
Provision of warranty and support services	-	-	28,385	25,282	28,385	25,282
Sale of software and licence fee income	-	-	10,930	8,184	10,930	8,184
Total revenue from contracts with customers	<u>90,829</u>	<u>83,325</u>	<u>39,315</u>	<u>33,466</u>	<u>130,144</u>	<u>116,791</u>
Geographical markets						
North America	52,600	54,085	23,751	20,675	76,351	74,760
EMEA	26,800	20,865	10,283	8,199	37,083	29,064
Asia	7,991	5,208	3,920	3,548	11,911	8,756
Others	3,438	3,167	1,361	1,044	4,799	4,211
Total revenue from contracts with customers	<u>90,829</u>	<u>83,325</u>	<u>39,315</u>	<u>33,466</u>	<u>130,144</u>	<u>116,791</u>
Timing of revenue recognition						
Goods transferred at a point in time	90,829	83,325	1,684	1,229	92,513	84,554
Services transferred over time	-	-	37,631	32,237	37,631	32,237
Total revenue from contracts with customers	<u>90,829</u>	<u>83,325</u>	<u>39,315</u>	<u>33,466</u>	<u>130,144</u>	<u>116,791</u>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 US\$'000	2024 US\$'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Provision of warranty and support services	14,614	13,305
Sale of software and licence fee income	6,266	4,333
	<u>20,880</u>	<u>17,638</u>

(ii) Performance obligations

Information about the Group’s performance obligations is summarised below:

Sale of SD-WAN routers and software

The performance obligation is satisfied upon delivery of the routers and software and payment is generally due within 60 days from delivery.

Warranty and support services

The revenue from the provision of warranty and support services (“warranty”) was derived from (i) the embedded service-type warranty provided with the sale of SD-WAN routers; and (ii) the extended service-type warranty. For embedded service-type warranty, it provides customer services such as after-sales services and updates, which is beyond fixing existing defects in the products and, thus, embedded service-type warranty represents a separate performance obligation. For other extended service-type warranty, it is sold separately and represents a separate performance obligation. The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

Licence services

The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2025	2024
	US\$’000	US\$’000
Amounts expected to be recognised as revenue:		
Within one year	26,380	20,880
After one year	12,159	11,398
	38,539	32,278

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to licence services and warranty and support services, of which the performance obligations are to be satisfied within seven years.

	2025 US\$'000	2024 US\$'000
Other income and gains, net		
Foreign exchange gains, net	847	-
Bank interest income	1,734	2,021
Others	8	33
	<u>2,589</u>	<u>2,054</u>

5. FINANCE COSTS

	2025 US\$'000	2024 US\$'000
Interest on bank borrowings	166	130
Interest on lease liabilities	91	158
	<u>257</u>	<u>288</u>

6. PROFIT BEFORE TAX

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

	2025	2024
	US\$'000	US\$'000
Depreciation ^{a&b}	2,061	2,160
Amortisation of intangible assets ^c	999	1,090
Employee benefit expense (excluding directors' remuneration) ^d :		
Wages, salaries, bonuses and allowances	10,927	9,025
Equity-settled share-based payment expense	223	253
Retirement benefit scheme contributions (defined contribution schemes) ^e	369	326
Less: Government subsidies - Lithuania ^f	(232)	(380)
	11,287	9,224
Impairment/(reversal of impairment) of financial assets:		
Impairment/(reversal of impairment) of trade receivables, net	7	(1)
Write-down of inventories to net realisable value	868	1,161

- a) Depreciation for the year of US\$241,000 (2024: US\$318,000) is included in "Cost of sales and services" on the face of the consolidated statement of profit or loss and other comprehensive income.
- b) The total amount of depreciation includes the depreciation of right-of-use assets of US\$1,595,000 (2024: US\$1,600,000).
- c) Amortisation of intangible assets for the year of US\$999,000 (2024: US\$1,090,000) is included in "General and administrative expenses" on the face of the consolidated statement of profit or loss and other comprehensive income.
- d) Employee benefit expense of US\$7,665,000 (2024: US\$6,052,000) is included in "Research and development, consultancy and other expenses" on the face of the consolidated statement of profit or loss and other comprehensive income.
- e) There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions. At 31 December 2025, the Group had no forfeited contributions available to reduce its contributions to pension schemes in future years (2024: Nil).
- f) During the year, the Company's subsidiary located in Lithuania received subsidies of approximately US\$243,000 (2024: US\$410,000) from the Government of Lithuania for several research and development projects. Subsidies of approximately US\$216,000 (2024: US\$354,000) were granted by the Government of Lithuania and are presented as a reduction in "Research and development, consultancy and other expenses" on the face of the consolidated statement of profit or loss and other comprehensive income. Subsidies of approximately US\$27,000 (2024: US\$56,000) are presented as a reduction in "General and administrative expenses" on the face of the consolidated statement of profit or loss and other comprehensive income. There are no unfulfilled conditions or contingencies relating to the subsidies.

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first US\$257,000 (2024: US\$256,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025	2024
	US\$'000	US\$'000
Current – Hong Kong profits tax		
Charge for the year	7,678	6,870
Underprovision in prior years	27	243
Current – Elsewhere – income taxes		
Charge for the year	1,197	243
Underprovision in prior years	36	2
Deferred	(64)	(78)
	<hr/>	<hr/>
Total tax charge for the year	8,874	7,280
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8. DIVIDENDS

	Notes	2025 US\$'000	2024 US\$'000
Interim – HK12.34 cents (2024: HK10.83 cents) per ordinary share		17,437	15,310
Second interim – HK16.54 cents (2024: HK13.37 cents) per ordinary share	(a)	23,496*	18,935*
Special dividend – HK5.65 cents (2024: HK5.65 cents) per ordinary share	(b)	<u>8,026*</u>	<u>8,002*</u>
		<u><u>48,959</u></u>	<u><u>42,247</u></u>

Notes:

- (a) Subsequent to the end of the reporting period, a second interim dividend in respect of the year ended 31 December 2025 of HK16.54 cents (2024: HK13.37 cents) per ordinary share, in the aggregate amount of approximately US\$23,496,000 (2024: US\$18,935,000), was declared by the Directors of the Company.
- (b) Subsequent to the end of the reporting period, the Directors of the Company declared a special dividend for the year ended 31 December 2025 of HK5.65 cents (2024: HK5.65 cents) per ordinary share, in the aggregate amount of approximately US\$8,026,000 (2024: US\$8,002,000).

* Based on the exchange rates at the end of the respective reporting periods.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,102,565,261 (2024: 1,100,968,011) outstanding during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

Earnings

The calculations of basic and diluted earnings per share are based on profit for the year attributable to ordinary equity holders of the parent.

Shares

	Number of shares	
	2025	2024
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	1,102,565,261	1,100,968,011
Effect of dilution – weighted average number of ordinary shares: Share options	4,868,151	1,889,493
Number of shares used in the diluted earnings per share calculation	1,107,433,412	1,102,857,504

10. INVENTORIES

	2025	2024
	US\$'000	US\$'000
Raw materials and consumables	6,849	8,897
Finished goods	11,332	7,263
	18,181	16,160

11. TRADE RECEIVABLES

	2025 US\$'000	2024 US\$'000
Trade receivables	22,603	15,519
Impairment	(29)	(22)
	<u>22,574</u>	<u>15,497</u>

The Group's trading terms with its customers are mainly on credit, except for new and individual customers, where payment on demand or in advance is normally required. The overall credit period for credit sales is generally within 60 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivables. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025 US\$'000	2024 US\$'000
Within 1 month	13,407	11,199
1 to 2 months	5,941	3,251
2 to 3 months	2,775	808
Over 3 months	451	239
	<u>22,574</u>	<u>15,497</u>

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 US\$'000	2024 US\$'000
Prepayments	863	536
Deposits and other receivables	4,497	4,247
	<u>5,360</u>	<u>4,783</u>
Less: Non-current portion	(394)	(98)
	<u>4,966</u>	<u>4,685</u>

The financial assets included in the above balances relate to deposits and receivables for which there was no recent history of default and past due amounts. The loss allowance was assessed by management to be minimal as at 31 December 2025 and 2024.

13. CASH AND CASH EQUIVALENTS, TIME DEPOSITS AND PLEDGED DEPOSIT

	2025 US\$'000	2024 US\$'000
Cash and bank balances	25,097	65,933
Time deposits	42,291	2,243
	<u>67,388</u>	<u>68,176</u>
Less: Pledged time deposit for bank facilities	(2,338)	(2,243)
Time deposits with original maturity over 3 months	<u>(8,791)</u>	<u>-</u>
Cash and cash equivalents	<u><u>56,259</u></u>	<u><u>65,933</u></u>

Certain cash at banks earns interest at floating rates based on applicable bank deposit rates. Short term time deposits are made for varying periods of between one and twelve months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

14. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	2025 US\$'000	2024 US\$'000
Trade payables	4,633	4,321
Deposits received	353	582
Other payables	68	43
Accruals	3,017	2,474
	<u>8,071</u>	<u>7,420</u>

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

	2025 US\$'000	2024 US\$'000
Within 1 month	4,330	3,705
1 to 2 months	229	577
2 to 3 months	21	39
Over 3 months	53	-
	<u>4,633</u>	<u>4,321</u>

The trade payables are non-interest-bearing and are normally settled within 30 days.

15. ISSUED CAPITAL

Shares

	2025 US\$'000	2024 US\$'000
Authorised: 4,000,000,000 (2024: 4,000,000,000) ordinary shares of HK\$0.01 each	<u>5,152</u>	<u>5,152</u>
Issued and fully paid: 1,104,900,000 (2024: 1,102,233,000) ordinary shares of HK\$0.01 each	<u>1,423</u>	<u>1,420</u>

A summary of movements in the Company's issued capital is as follows:

	Notes	Number of shares in issue	Issued capital HK\$'000	Issued capital US\$'000
At 1 January 2024		1,100,494,000	11,005	1,418
Share options exercised	(a)	1,995,000	20	2
Share repurchased and cancelled	(b)	<u>(256,000)</u>	<u>(3)</u>	<u>-</u>
At 31 December 2024 and 1 January 2025		1,102,233,000	11,022	1,420
Share options exercised	(c)	<u>2,667,000</u>	<u>27</u>	<u>3</u>
At 31 December 2025		<u>1,104,900,000</u>	<u>11,049</u>	<u>1,423</u>

Notes:

- (a) The subscription rights attaching to 1,995,000 share options were exercised at the weighted average subscription price of HK\$2.466 per share, resulting in the issue of 1,995,000 ordinary shares for a total cash consideration, before expenses, of approximately US\$631,000. An amount of approximately US\$149,000 was transferred from the share option reserve to share premium account upon the exercise of the share options.
- (b) During the prior year, the Company repurchased a total of 256,000 ordinary shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of approximately US\$88,000. The shares repurchased were subsequently cancelled on 24 June 2024. Particulars of the shares repurchased are as follows:

Month of Repurchase	No. of Shares Repurchased	Purchase Consideration Per Share		Aggregate Consideration US\$'000
		Highest Price Paid HK\$	Lowest Price Paid HK\$	
April 2024	256,000	2.72	2.64	88

- (c) The subscription rights attaching to 2,667,000 share options were exercised at the weighted average subscription price of HK\$2.757 per share, resulting in the issue of 2,667,000 ordinary shares for a total cash consideration, before expenses, of approximately US\$942,000. An amount of approximately US\$248,000 was transferred from the share option reserve to share premium account upon the exercise of the share options.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS

Revenue and segment information

The Group is a vendor of connectivity hardware, software and services. Our products include wired SD-WAN routers, wireless SD-WAN routers and networking peripherals that support customers' networks. We also engage in the sales of software licences and provision of warranty and support services.

As our product range continues to evolve, many of our products are enabled with both wired and wireless functions. Our products have also branched out to include connectivity products beyond the capabilities of a typical SD-WAN router, such as our mobile antenna, network switches, accessories, access points, and so on.

Our revenue segments consist mainly of the following categories: (i) SD-WAN routers, which is further divided into Fixed First Connectivity, which denotes products connected primarily through fixed networks, and Mobile First Connectivity, which denotes products connected primarily through mobile networks; (ii) warranty and support services, which includes provision of warranty services and cloud & on-demand data services, which are based on data usage; and (iii) software licences, which include add-on software licences and subscription of InControl2 service and other software features.

Revenue highlights

During the year ended 31 December 2025, the Group's revenue increased to approximately US\$130,144,000, representing an approximately 11.4% year-over-year growth. The sales of Fixed First Connectivity increased to approximately US\$17,744,000, an increase of about 3.5% year-over-year. The sales of Mobile First Connectivity increased to approximately US\$73,085,000, or an increase of about 10.4% year-over-year. The revenue from the provision of warranty and support services increased about 12.3% year-over-year to US\$28,385,000. Finally, the sales of software licences increased about 33.6% year-over-year to US\$10,930,000.

During the year, our sales increase can be attributed to the strong growth in high-end Mobile First networking products, networking peripherals and recurring revenues

The table below sets out our revenue by product and service category for the years ended 31 December 2025 and 31 December 2024:

	For the year ended 31 December			
	2025		2024	
	Revenue US\$'000	% of total %	Revenue US\$'000	% of total %
Fixed First Connectivity	17,744	13.6	17,147	14.7
Mobile First Connectivity	73,085	56.2	66,178	56.7
Warranty and support services	28,385	21.8	25,282	21.6
Software licences	10,930	8.4	8,184	7.0
Total	130,144	100.0	116,791	100.0

Overview of recurring sales

We consider the sales of Fixed First Connectivity and Mobile First Connectivity, licences for virtual appliances and add-on licences for software features to be one-time sales.

Recurring sales mainly include the following:

- (i) Embedded Subscriptions, which refer to revenues relating to embedded one-year warranty and services included with the sale of a router or product;
- (ii) Organic Subscriptions, which refer to revenues relating to sales of subscriptions for warranty (recognised in the software licences and warranty and support services segment) and software features (recognised in the software licences and warranty and support services segment); and
- (iii) the sales of cloud and on-demand data services, which are based on data usage.

During the year, one-time sales increased approximately 9.4% while recurring sales increased approximately 16.7% year-over-year. The sales of Embedded Subscriptions generally follow the growth trend of Fixed First and Mobile First Connectivity segment sales in the past twelve months. Growth of Organic Subscriptions is generally influenced by our accumulated userbase, take up rate of subscriptions, and user stickiness. During the year, the number of devices under a subscription and take up rate of subscriptions both recorded healthy increases, indicating strong recurring revenue pipeline going forward.

The table below sets out the breakdown of revenue according to the timing of revenue recognition for the years ended 31 December 2025 and 2024:

	For the year ended 31 December			
	2025		2024	
	Revenue US\$'000	Weight %	Revenue US\$'000	Weight %
One-time sales:	92,513	71.1	84,554	72.4
Recurring sales:	37,631	28.9	32,237	27.6
Total	130,144	100.0	116,791	100.0

Overview of sales in geographical regions

We divide our sales into the following geographical regions: North America, EMEA (Europe, Middle East and Africa), Asia and other regions. During the year ended 31 December 2025, sales to North America increased to approximately US\$76,351,000, representing year-on-year growth of approximately 2.1%. Sales to EMEA rose to approximately US\$37,083,000, representing a year-on-year growth of approximately 27.6%. Sales to Asia was approximately US\$11,911,000, which increased about 36.0% year-on-year. Sales to other regions was approximately US\$4,799,000, which increased about 14.0% year-on-year.

During the year, sales to North America only mildly increased due to tariff uncertainties, which caused us to implement a temporary product shipment halt during the first half of the year. Our product shipments have since resumed normally as trade friction stabilized. In addition, sales from distributing Starlink products also declined modestly due to reduced product selling prices of Starlink products. On a positive note, shipment volume of Starlink products surged strongly during the year, which also benefited the sales of Peplink products as our authorized Starlink resellers often pair our products with Starlink products to ship as a solution.

In the rest of the world (EMEA, Asia and Others), our sales grew significantly due to deliveries to various customers in those regions who are in the midst of deploying their multi-year large projects.

The table below sets out the breakdown of revenue amount by geographical location of customers and the respective proportion of total revenue for the years ended 31 December 2025 and 2024:

	For the year ended 31 December			
	2025		2024	
	Revenue US\$'000	Weight %	Revenue US\$'000	Weight %
North America	76,351	58.7	74,760	64.0
EMEA	37,083	28.5	29,064	24.9
Asia	11,911	9.2	8,756	7.5
Others	4,799	3.6	4,211	3.6
Total	130,144	100.0	116,791	100.0

Gross profit and gross profit margin

For the year ended 31 December 2025, our gross profit was approximately US\$74,123,000, a year-over-year increase of approximately 15.5%. Our gross profit margin for the year was approximately 57.0%, compared to approximately 54.9% for the year ended 31 December 2024.

The increase of gross profit margin is mainly attributable to increase in gross margin of Mobile First Connectivity products, partly due to the increased product mix in high-end Mobile First routers. Meanwhile, the overall gross margins from high-volume routers also increased as our procurement and economies of scale continue to improve.

The table below sets out our Group's gross profit and gross profit margin by product and service category for the years ended 31 December 2025 and 2024:

	For the year ended 31 December			
	2025		2024	
	Gross profit US\$'000	Gross margin %	Gross profit US\$'000	Gross margin %
Fixed First Connectivity	8,205	46.2	7,790	45.4
Mobile First Connectivity	29,317	40.1	25,050	37.9
Warranty and support services	26,586	93.7	23,830	94.3
Software licences	10,015	91.6	7,479	91.4
Total	74,123	57.0	64,149	54.9

Other income and gains, net

Other income and gains, net for the year ended 31 December 2025 were approximately US\$2,589,000 (2024: approximately US\$2,054,000). During the year, other income and gains, net mainly comprised of approximately US\$847,000 exchange gains and US\$1,734,000 bank interest income. In the previous year, other income and gains, net mainly comprised of approximately US\$2,021,000 bank interest income.

Selling and distribution expenses

Selling and distribution expenses comprised mainly salaries and benefits of our sales and marketing staff, advertising and promotion expenses incurred to promote our products and other expenses relating to our sales and marketing activities.

Selling and distribution expenses for the year ended 31 December 2025 were approximately US\$3,742,000, decreasing about 13.9% year-on-year. The overall decrease was mainly due to lower spending on advertising and promotion and lower expenses incurred for marketing consulting services.

General and administrative expenses

General and administrative expenses mainly represented salaries and benefits of our administrative, finance and other supporting staff, depreciation of property, plant and equipment, amortisation of intangible assets, lease expenses, legal and professional fees and other office expenses.

General and administrative expenses for the year ended 31 December 2025 were approximately US\$8,366,000, a year-on-year increase of approximately 8.0%. The increase was mainly due to increase in salaries and professional fees.

Research and development, consultancy and other expenses

Research and development (“R&D”) expenses mainly represented salaries and benefits of our software development, hardware engineering, testing and supporting staff, product testing fee, certification costs, tooling, components and parts used for product research and development purposes. Consultancy and other expenses mainly represented payments to service providers for testing, technical support and system maintenance.

Research and development, consultancy and other expenses for the year ended 31 December 2025 increased by 17.8% to approximately US\$10,007,000 which was mainly due to increase of salaries.

Government subsidies

For the year ended 31 December 2025, approximately US\$243,000 (2024: approximately US\$410,000) were granted by the Government of the Republic of Lithuania for several R&D projects.

Equity-settled share-based payment expense

Included in selling and distribution expenses, general and administrative expenses, and research and development, consultancy and other expenses was equity-settled share-based payment expense, representing equity-settled share-based payments to directors, employees and consultants which are expensed on a straight-line basis over the vesting period since the grant date.

Equity-settled share-based payment expense for the year ended 31 December 2025 was approximately US\$269,000 (2024: approximately US\$278,000). Details of share options granted by the Group are set out below under the heading “Share Option Scheme” of this annual results announcement.

Total operating expenses

Total operating expenses for the year ended 31 December 2025, which includes selling and distribution expenses, general and administrative expenses, and research and development, consultancy and other expenses, amounted to approximately US\$22,115,000, representing a year-over-year increase of approximately 7.4%. Employee cost (including equity-settled share-based payment expense and directors’ remuneration) remained our largest cost component, which amounted to approximately US\$12,171,000 for the year (2024: approximately US\$10,514,000).

Finance costs and interest-bearing bank borrowings

Finance costs mainly represented interest on bank borrowings and interest on lease liabilities.

Finance costs for the year ended 31 December 2025 were approximately US\$257,000, representing a year-over-year decrease of approximately 10.8%. The decrease was mainly due to decrease in interest on lease liabilities.

As at 31 December 2025, bank borrowings were approximately nil (2024: approximately US\$8,516,000). The decrease in bank borrowings was mainly because of delay of draw down of credit facilities to 2026.

Income tax expense

During the year, the Group provided for Hong Kong profits tax at a rate of 16.5% on its estimated assessable profits arising in Hong Kong, except for one subsidiary which is a qualifying entity under the two-tiered profits tax rates regime. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates. The overall effective tax rate for the year was approximately 16.3%.

Profit attributable to owners of the parent

Profit attributable to owners of the parent for the year ended 31 December 2025 was approximately US\$45,466,000, representing an increase of approximately 19.5% year-on-year.

Inventories

As at 31 December 2025, the Group's inventory balance was approximately US\$18,181,000 (2024: approximately US\$16,160,000). The increase in inventory balance was mainly due to increase in the balance of finished goods which were prepared to fulfill customer demands.

PRINCIPAL RISKS AND UNCERTAINTIES

The following list is a summary of certain principal risks and uncertainties facing the Group, some of which are beyond our control:

- Brand recognition of our customers depends on our ability to keep up with the rapidly changing technologies or conduct R&D and market our new products and services;
- Competition from existing or new competitors may affect our market share in the SD-WAN markets and our revenue may be reduced;
- Our business and financial performances depend on our ability to manage our inventories effectively;
- Global trade policy uncertainties, which may affect the economics of the purchasing decisions of our end customers;
- We do not have long-term purchase commitments from our customers which may lead to significant uncertainty and volatility of our revenue;
- We may be exposed to credit risk of our customers, affecting the collectability of trade receivables and adversely affecting our cash flows; and
- Disruption of supply chain and raw material shortages may affect our ability to meet customer demands.

The above is not an exhaustive list. Investors are advised to make their own judgement or consult their own investment advisers before making any investment in the Company's shares.

CHAIRMAN'S STATEMENT AND BUSINESS OUTLOOK

Dear shareholders and partners,

A New Era, A New Chapter

This year, we turn 20.. It is also our 10th year as a public company. Our growth has come from solving a “boring” but hard technical problem: making connectivity more reliable, faster and more versatile across all use cases and locations.

We serve a very long tail market. We have thousands of customers across dozens of verticals – maritime, transportation, public safety, construction, mining, agriculture, events, retail, enterprise branch offices, autonomous vehicles, live streaming, RV/mobile living, education, healthcare, and more. No single customer or vertical dominates.

We have built through multiple technology cycles, from 3G to 4G to 5G, from fixed-line to satellite, and from branch networks to edge connectivity. Remote work, IoT, and Starlink each created new waves of demand for reliable connectivity. We were already there with a mature product when each wave arrived. We didn't chase these trends, we were positioned for them.

And the next wave is already forming. Autonomous systems, teleoperation, and AI-driven infrastructure all share one requirement: unbreakable connectivity. In Las Vegas, a teledriving company is already using our routers to remotely drive cars on public roads with no one behind the wheel - they are bonding multiple 5G connections to keep the video feed and vehicle controls running in real time. We are positioned for that wave too.

Steady Growth, Stronger Foundation

FY2025 was another year of steady progress. Revenue grew to US\$130 million, net profit reached US\$45.5 million, and our recurring revenue base grew to US\$37.6 million. This recurring base now represents 28.9% of total revenue, up from 27.6% a year ago. Our subscription take-up rate climbed to 38.6% from 34.2%, demonstrating that our customers increasingly see ongoing value in our platform, not just our hardware.

Our growth has been entirely organic. Every dollar of revenue was earned by building better products, supporting our channel partners, and placing bigger bets on larger, exciting opportunities. We are investing in SpeedFusion Connect infrastructure globally and preparing new products purpose-built for Starlink deployments.

Why Our Model Works

Like every company who makes hardware, we are not immune to rising costs of memory and other components. These costs are real and they affect our bill of materials, but our business model handles these pressures differently. We do not sell commodity hardware — our devices are purpose-built, application-specific products that customers choose for what they do, not what they cost. That gives us pricing resilience that generic hardware vendors lack. And with 28.9% of our revenue now recurring through subscriptions, the impact of component costs can be spread out across a recurring revenue base that grows independently of hardware margins. We are

not a hardware company. We are not a SaaS company either. We are something in between — and that “in-between” is proving to be a very good place to be.

Unlike a SaaS company, we do not spend heavily to acquire subscribers; our hardware is already in their network, doing its job every day. That installed base is the foundation of our subscription business. As customers see the ongoing value, subscriptions will follow. Our take-up rate climbing from 34.2% to 38.6% tells us we are on the right path, with significant room still ahead.

Preparing for a New Era

We just announced our plan to spin off our North American business through a distribution in specie to our eligible shareholders, followed by a separate listing of the spun-off business on the NASDAQ.

The logic is simple. Over 58% of our revenue now comes from North America, and that market has its own rhythm — its own customer expectations, competitive dynamics, and pace of innovation. At the same time, EMEA and Asia represent enormous growth opportunities that require different approaches, different partnerships, and a different kind of presence on the ground.

Running both from a single structure often involves competing priorities.. Separating them means both can grow at full strength — one focused entirely on North America with a NASDAQ listing, and Plover Bay focused on the rest of the world with the ability to move fast, leverage a broader Asian supply chain, and build deeper local partnerships.

For our shareholders, the structure is straightforward: every share you hold in Plover Bay today entitles you to shares in both companies. In essence, you will own the exact same slice of the total pie, but delivered in two distinct packages. This unlocks value by giving each business the room to grow while providing full transparency into their independent performance. We will keep shareholders closely informed as the plan progresses and provide detailed guidance along the way.

Some may wonder whether two separate companies can be as lean as one. In fact, operating independently removes friction and overhead. Each company will be more focused, each team can move faster and stay closer to its customers. With AI and automation aiding the heavy lifting, each entity will remain high-impact and efficient without traditional corporate bloat. We have always operated with a small team — that is not a constraint, it is how we work best.

Appreciation

What we do does not fit neatly into any familiar investment category. Investing in Plover Bay takes patience and conviction. We do not take that for granted. Just like last year, we are pleased to announce a special dividend to reward your continued support.

We are excited about the opportunities ahead and remain committed to creating long-term value. It's exciting to build this together.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 December 2025, our bank borrowings was nil (2024: approximately US\$8,516,000) which are secured by the pledge of a time deposit amounting to approximately US\$2,338,000 (2024: approximately US\$2,243,000).

As at 31 December 2025, the gearing ratio (which is defined as total borrowings over total equity) of our Group was nil (2024: approximately 15.1%). The Directors confirm that the Group financed its operations principally from cash generated from its business operations and expect that this will continue to be the case in the coming year. We did not experience any liquidity problem during the year ended 31 December 2025.

AGEING ANALYSES OF TRADE RECEIVABLES AND TRADE PAYABLES

For details of our ageing analyses of trade receivables and trade payables, please refer to note 11 and note 14 to the consolidated financial information, respectively.

FOREIGN CURRENCY EXPOSURE

The Group undertakes certain transactions denominated in foreign currencies, mainly in Euro, US dollars, Pound Sterling and Australian dollars, hence exposure to exchange rate fluctuations arises. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely in order to keep the net exposure to an acceptable level. The Group will consider hedging significant foreign currency exposure should the need arise.

EMPLOYEE AND SALARY POLICIES

The Directors consider the quality of employees as the most critical factor in maintaining the Group's business growth and enhancing our profitability. The Group offers remuneration packages including salaries, bonuses and retirement benefits with reference to the performance and working experience of individual employees, and the prevailing market rates. As at 31 December 2025, the Group had 206 (2024: 180) full-time employees. The total amount of employee costs of the Group (including equity-settled share-based payment expense and directors' remuneration) for the year was approximately US\$12,171,000 (2024: approximately US\$10,514,000).

The Company also adopted a share option scheme approved on 21 June 2016 for the purpose of, among other things, recognition of employees' contribution to the Group's continued growth. Details have been set out in the section headed "Share Option Scheme" elsewhere in this announcement.

The emoluments of the Directors are decided by the Remuneration Committee having regard to the Group's operating results, individual performance and comparable market statistics.

RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme (the “MPF Scheme”) for all qualified employees in Hong Kong. Contributions from employers and employees are 5% each of the employee’s relevant income. The maximum mandatory contribution per employee is HK\$1,500 per month. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of an independent trustee. The expense arising from contributions to the MPF Scheme of the Group for the year ended 31 December 2025 was approximately US\$226,000 (2024: approximately US\$204,000).

The employees of the Group’s subsidiary in Malaysia are members of the state-managed retirement benefit scheme, the Employees Provident Fund (the “EPF Scheme”) operated by the Malaysian government. The subsidiary is required to contribute a certain percentage of payroll costs to the EPF Scheme. The only obligation of the Group with respect to the retirement benefit scheme is to make specified contributions. The retirement benefit scheme contributions arising from the EPF Scheme charged to profit or loss for the year ended 31 December 2025 were approximately US\$65,000 (2024: approximately US\$55,000).

The employees of the Group’s subsidiary in Taiwan chose to participate in a defined contribution scheme governed by the Labour Pension Act of Taiwan. This subsidiary contributes 6% of the total salaries of participating employees who have chosen to participate in the defined contribution scheme, which are deposited into individual pension accounts at the Bureau of Labour Insurance of Taiwan. The expense arising from the defined contribution scheme for the year ended 31 December 2025 was approximately US\$58,000 (2024: approximately US\$54,000).

The employee of the Group’s subsidiary in Singapore participates in the Central Provident Fund scheme (the “CPF”) organised by the government of Singapore. This subsidiary and its employee are required to contribute a certain percentage of the employee’s payroll to the CPF. The contributions are charged to profit or loss as they become payable in accordance with the rules of the CPF. The subsidiary has no further obligations for the actual pension payments or post-retirement benefits beyond its contributions. The expense arising from contributions to the CPF for the year ended 31 December 2025 was approximately US\$14,000 (2024: approximately US\$13,000).

The employees of the Group’s subsidiary in Canada participates in the Canada Pension Plan (the “CPP”) organised by the government of Canada. This subsidiary and its employees are required to contribute a certain percentage of the employees’ payroll to the CPP. The subsidiary has no further obligations for the actual pension payments or post-retirement benefits beyond its contributions. The expense arising from contributions to the CPP for the year ended 31 December 2025 was approximately US\$12,000 (2024: US\$10,000).

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLAN FOR MATERIAL INVESTMENT

As at 31 December 2025, the Group had no significant investment held and no material future investment plan.

MATERIAL ACQUISITIONS AND DISPOSALS

During the year ended 31 December 2025, the Group had no material acquisitions or disposals of subsidiaries and associated companies.

COMMITMENTS

As at 31 December 2025, the Group had no capital commitment including commitment in respect of acquisition of property, plant and equipment contracted but not provided for in the consolidated financial statements (2024: Nil).

PLEDGE OF ASSETS

The Group's bank facilities amounting to approximately US\$15,017,000 (2024: approximately US\$15,007,000), of which nil (2024: approximately US\$8,516,000) had been utilised as at the end of the reporting period, which are secured by the pledge of a time deposit of the Group amounting to approximately US\$2,338,000 (2024: approximately US\$2,243,000).

DIVIDEND POLICY

The Board of Directors of the Company has approved and adopted a dividend policy (the "Dividend Policy") effective from 28 February 2019. The Company endeavours to maintain sufficient working capital to develop and operate the business of the Group and to provide stable and sustainable returns to the shareholders of the Company ("Shareholders"). During the year ended 31 December 2025, there has been no change to the Dividend Policy.

In determining the dividend for distribution to Shareholders, the Board will measure the capital needs in future years based on the future capital budget plan of the Company and consider factors such as profitability, financial structures and liquidity of the Group comprehensively.

The declaration and payment of dividend by the Company is subject to any restrictions under the Companies Law of the Cayman Islands and the Company's articles of association and any other applicable laws and regulations. The Board will continually review the Dividend Policy and reserves the rights in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Group in respect of its future dividend and/or in no way obligate the Group to declare a dividend at any time or from time to time.

DECLARATION OF DIVIDENDS AND THE CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to declare a second interim dividend of HK16.54 cents per share and a special dividend of HK5.65 cents per share (together, the "Dividends") for the year ended 31 December 2025. For the purpose of determining the entitlement to the Dividends, the register of members of the Company will be closed on Friday, 13 March 2026. The record date for entitlement to receive the Dividends is Friday, 13 March 2026. In order to be qualified for the Dividends, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 12 March 2026. The cheques for payment of the Dividends are expected to be sent on Thursday, 26 March 2026.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 December 2025, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), as recorded in the register required to be kept under section 352 of the SFO, or as notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) were as follows:

Long positions in shares and underlying shares

Name of Director	Nature of interest	Number of ordinary shares of the Company interested	Number of underlying ordinary shares of the Company held under the Share Option Scheme	Approximate percentage of shareholding %
Chan Wing Hong Alex	Through controlled corporation (note)	756,000,000	-	68.4
Chau Kit Wai	Beneficial owner	6,000,000	-	0.5
Chong Ming Pui	Beneficial owner	6,000,000	-	0.5
Yeung Yu	Beneficial owner	6,000,000	-	0.5
Chiu Chi Ying	Beneficial owner	-	600,000	0.1
		774,000,000	600,000	70.0

Note:

The 756,000,000 shares of the Company are held by Namlong Development Limited, a company beneficially owned by Mr. Chan Wing Hong Alex.

Save as disclosed above, as of the date of this annual results announcement, so far as is known to any Directors or chief executives of the Company, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (ii) required to be recorded in the register kept by the Company pursuant to section 352 of the SFO; or (iii) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code. Details of the Directors' interests in share options granted by the Company are set out below under the heading “Share Option Scheme”.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the paragraph headed “Share Option Scheme” below, at no time during the year ended 31 December 2025 was the Group a party to any arrangements to enable the Directors, supervisors or chief executives of the Company, to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

SHARE OPTION SCHEME

A share option scheme was conditionally adopted by the Company on 21 June 2016, and became effective on 13 July 2016 (the “Listing Date”) (the “Share Option Scheme”). Details of movements of the share options granted under the Share Option Scheme for the year ended 31 December 2025 are as follows:

Grantee	Date of grant	Exercise price per share (HK\$)	Exercise period	Notes	At 1 January 2025	Granted	Exercised	Forfeited	Lapsed/cancelled	At 31 December 2025
Directors										
Chan Wing Hong Alex	20/7/2016	0.483	20/7/2017-19/7/2021	(1 & 2)	-	-	-	-	-	-
Chau Kit Wai	20/7/2016	0.483	20/7/2017-19/7/2021	(2)	-	-	-	-	-	-
Chong Ming Pui	20/7/2016	0.483	20/7/2017-19/7/2021	(2)	-	-	-	-	-	-
Yeung Yu	20/7/2016	0.483	20/7/2017-19/7/2021	(2)	-	-	-	-	-	-
Chiu Chi Ying	11/12/2023	1.99	11/12/2025-10/12/2028	(6)	100,000	-	-	-	-	100,000
	26/7/2024	4.34	26/7/2026-25/7/2029	(7)	500,000	-	-	-	-	500,000
Consultants										
	17/6/2022	2.988	17/6/2024-16/6/2027	(5 & 9)	560,000	-	(235,000)	-	-	325,000
	26/7/2024	4.34	26/7/2026-25/7/2029	(7)	500,000	-	-	-	-	500,000
Employees										
	14/12/2020	0.922	14/12/2022-13/12/2025	(3 & 8)	28,000	-	(28,000)	-	-	-
	9/11/2021	2.97	9/11/2023-8/11/2026	(4 & 8)	1,435,000	-	(464,000)	(100,000)	-	871,000
	17/6/2022	2.988	17/6/2024-16/6/2027	(5 & 8)	3,898,000	-	(1,390,000)	(150,000)	-	2,358,000
	11/12/2023	1.99	11/12/2025-10/12/2028	(6 & 8)	2,200,000	-	(550,000)	(200,000)	-	1,450,000
	26/7/2024	4.34	26/7/2026-25/7/2029	(7)	4,100,000	-	-	(300,000)	-	3,800,000
					13,321,000	-	(2,667,000)	(750,000)	-	9,904,000

Notes:

1. Mr. Chan Wing Hong Alex is also the beneficial controlling shareholder of the Company.
2. For all share options granted on 20 July 2016, the first 25% of the total options can be exercised 1 year after the date of grant, and each 25% of the total options will become exercisable in each subsequent year. The closing price of the share immediately before the date on which the options were granted was HK\$0.46 per share.
3. For all share options granted on 14 December 2020, the first 50% of the total options can be exercised 2 years after the date of grant, and a further 25% of the total options will become exercisable in each subsequent year. The closing price of the share immediately before the date on which the options were granted was HK\$0.92 per share.
4. For all share options granted on 9 November 2021, the first 50% of the total options can be exercised 2 years after the date of grant, and a further 25% of the total options will become exercisable in each subsequent year. The closing price of the share immediately before the date on which the options were granted was HK\$2.77 per share.
5. For all share options granted on 17 June 2022, the first 50% of the total options can be exercised 2 years after the date of grant, and a further 25% of the total options will become exercisable in each subsequent year. The closing price of the share immediately before the date on which the options were granted was HK\$2.96 per share.
6. For all share options granted on 11 December 2023, the first 50% of the total options can be exercised 2 years after the date of grant, and a further 25% of the total options will become exercisable in each subsequent year. The closing price of the share immediately before the date on which the options were granted was HK\$2.00 per share.
7. For all share options granted on 26 July 2024, the first 50% of the total options can be exercised 2 years after the date of grant, and a further 25% of the total options will become exercisable in each subsequent year. The closing price of the share immediately before the date on which the options were granted was HK\$4.02 per share.
8. The weighted average closing share price immediately before the dates on which the options were exercised by employees was HK\$5.94 per share.
9. The weighted average closing share price immediately before the dates on which the options were exercised by consultants was HK\$6.42 per share.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

Other than as disclosed in the paragraph headed “Directors’ and chief executives’ interests and short positions in shares, underlying shares and debentures” above, the Directors have not been notified by any person (other than the Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares which shall be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept pursuant to Section 336 of the SFO.

NON-COMPETITION UNDERTAKINGS

Mr. Chan Wing Hong Alex (the “Covenator”) has confirmed to the Company of his compliance with the terms of the Deed of Non-Competition during the year ended 31 December 2025.

Our independent non-executive Directors have reviewed compliance of the Deed of Non-Competition and were satisfied that the terms of the Deed of Non-Competition had been duly complied with and enforced during the year ended 31 December 2025.

As at 31 December 2025, in so far as the Directors were aware, none of the Directors or their respective associates had any interest in a business that competed or was likely to compete with the business of the Group.

EVENTS AFTER THE REPORTING PERIOD

On 25 February 2026, the Company announced a proposal (the “Proposal”) to spin off one of its wholly-owned subsidiaries, Peplink Holdings Limited (“SpinCo”), by way of a distribution in specie of all shares held by the Company in SpinCo to the Company’s shareholders on a pro-rata basis, followed by separate listing of SpinCo’s ordinary shares on Nasdaq* (the “Proposed Spin-off*”), in compliance with the requirements set out in Practice Note 15 to the Listing Rules. It was further announced that the Company had submitted the Proposal to the Stock Exchange and had obtained approval from the Stock Exchange to proceed with the Proposed Spin-off.

The Proposed Spin-off is subject to, among other things, the approval of the Company’s shareholders, the approvals from relevant U.S. authorities in respect of the listing of, and permission to deal in, securities of SpinCo, the final decisions of the Board of the Company and the board of directors of SpinCo, as well as market conditions and other relevant considerations. Accordingly, there is no assurance as to whether or when the Proposed Spin-off will proceed.

Following completion of the Proposed Spin-off, SpinCo and its subsidiaries would operate the Group’s Connectivity Business* in the North American Markets*, while the Group would retain the Connectivity Business* in the Non-North American Markets* and continue the sale of Starlink’s satellite-based equipment. Further details are set out in the Company’s announcement dated 25 February 2026 (the “Announcement”).

* Definitions of these terms are set out in the Announcement.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code (the "CG Code") as its own code of corporate governance, and is committed to maintaining high standards of corporate governance as well as transparency. The Company has complied with all applicable code provisions of the CG Code for the year ended 31 December 2025.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code of conduct for the Directors in their dealings in the Company's securities. Having made specific enquiries with each Director, the Company confirmed that the Directors had complied with the required standard as set out in the Model Code for the year ended 31 December 2025.

SCOPE OF WORK OF THE COMPANY'S AUDITORS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Company's auditors to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditors in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the Company's auditors on the preliminary announcement.

AUDIT COMMITTEE

The audit committee of the Company reviewed the Group's consolidated annual results for the year ended 31 December 2025, including the accounting principles and practices adopted by the Group, and discussed auditing, internal control and financial reporting matters as well as the consolidated financial statements for the year ended 31 December 2025 with the management.

THE ANNUAL REPORT

The annual report of the Company for the year ended 31 December 2025 will be dispatched to the shareholders of the Company and published on the website of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.ploverbay.com>) in due course.

By Order of the Board of
Plover Bay Technologies Limited
Chan Wing Hong Alex
Chairman and executive Director

Hong Kong, 26 February 2026

As at the date of this announcement, the executive Directors are Mr. Chan Wing Hong Alex, Mr. Chau Kit Wai, Mr. Chong Ming Pui, Mr. Yeung Yu and Ms. Chiu Chi Ying; and the independent non-executive Directors are Dr. Yu Kin Tim, Mr. Ho Chi Lam and Mr. Wan Sze Chung.