

The background of the cover features a vibrant, high-angle photograph of a modern resort. A long, two-story building with large windows and a dark roofline runs across the middle ground. In the foreground, a large, rectangular swimming pool with a waterfall edge is surrounded by lush greenery, including trees and manicured lawns. A yellow bicycle is parked on the grass near the pool. The sky is a clear, bright blue with a few wispy clouds. The entire scene is framed by a large, stylized green arch that curves over the top and bottom of the image, creating a sense of enclosure and elegance.

Multifield

Multifield International Holdings Limited
萬事昌國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 0898)

ANNUAL REPORT
2025

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lau Chi Yung, Kenneth (*Chairman*)
Mr. Lau Michael Kei Chi
(*Vice-Chairman and Managing Director*)
Ms. Leung Wei San Saskia

Independent Non-executive Directors

Mr. Tsui Ka Wah
Mr. Lo Mun Lam, Raymond
Mr. Lo Kam Cheung, Patrick
Mr. Ng Sing Yip

AUDIT COMMITTEE

Mr. Lo Mun Lam, Raymond (*Chairman*)
Mr. Tsui Ka Wah
Mr. Lo Kam Cheung, Patrick
Mr. Ng Sing Yip

REMUNERATION COMMITTEE

Mr. Tsui Ka Wah (*Chairman*)
Mr. Lau Chi Yung, Kenneth
Mr. Lau Michael Kei Chi
Ms. Leung Wei San Saskia
Mr. Lo Mun Lam, Raymond
Mr. Lo Kam Cheung, Patrick
Mr. Ng Sing Yip

NOMINATION COMMITTEE

Mr. Lau Chi Yung, Kenneth (*Chairman*)
Mr. Lau Michael Kei Chi
Mr. Tsui Ka Wah
Ms. Leung Wei San Saskia
Mr. Lo Mun Lam, Raymond
Mr. Lo Kam Cheung, Patrick
Mr. Ng Sing Yip

COMPANY SECRETARY

Mr. Wong Ka Chun
(*Appointed on 8 August 2025*)
Ms. Tang Cheung Kai, Kinnie
(*Resigned on 8 August 2025*)

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Hong Leong Bank Berhad
United Overseas Bank Limited
Bank of Communications (Hong Kong) Limited
Bank J. Safra Sarasin Ltd, Hong Kong Branch
Bank of China

SOLICITORS

Wong & Tang Solicitors
Guangdong Langqian Law Firm

AUDITOR

Beijing Xinghua Caplegend CPA Limited
Certified Public Accountants
and Registered Public Interest Entity Auditor
1/F, GR8 Inno Tech Centre
46 Tsun Yip Street
Kwun Tong
Hong Kong

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

PRINCIPAL PLACE OF BUSINESS

Units 22-28, 25/F
Tower A, Southmark
11 Yip Hing Street
Wong Chuk Hang
Hong Kong

PRINCIPAL SHARE REGISTRAR & TRANSFER OFFICE

Appleby Global Corporate Services
(Bermuda) Limited
Canon's Court, 22 Victoria Street
PO Box HM 1179, Hamilton HM EX
Bermuda

HONG KONG BRANCH SHARE REGISTRAR & TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

On behalf of the board (the “Board”) of directors (the “Directors”) of Multifield International Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”), I am pleased to present the annual results of the Group for the year ended 31 December 2025.

REVIEW OF OPERATIONS

PROPERTY INVESTMENT

Hong Kong

The Group's investment property portfolio in Hong Kong mainly comprises office buildings, industrial buildings, retail shops and car parks. This portfolio continued to provide a stable source of income to the Group, and contributed rental revenue of approximately HK\$72 million in 2025 (2024: HK\$72 million).

Shanghai, China

The Group's investment property portfolio in Shanghai, China comprises three residential complexes operating under the brand name “Windsor Renaissance”, consisting of approximately 182 blocks of hotel-serviced villas and 132 hotel-serviced apartments in total. Windsor Renaissance is regarded as a symbol of high quality hotel-serviced villas and apartments in Shanghai, and is well recognised by consulates and management of foreign business entities. These properties in Shanghai achieved an average occupancy rate of approximately 87% and generated rental and management fee revenue of approximately HK\$158 million in 2025 (2024: HK\$152 million).

Zhuhai, China

Zhuhai Qianshan

The Group owns a 36,808-square-metre plot of commercial land in Qianshan, Zhuhai, where a small number of existing residents have yet to relocate. The local government is responsible for the relocation work, but progress has been slow.

To accelerate the relocation process, the Group has proposed to the local government an adjustment to the planning arrangement, so that a portion of the commercial land can be allocated for the construction of residential units for the in situ resettlement of the existing residents. However, this proposal requires coordination among a number of government departments, including approval for changes to the land-use planning. The Group is currently awaiting comments and approval from the relevant government departments.

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

Zhuhai Doumen

On 24 February 2021, 珠海市自然資源局 (literally translated as Zhuhai Municipal Natural Resources Bureau) issued its latest compensation notice (letter reference number (2021) 52) in respect of the resumption of the 94,110.84-square-meter hotel, commercial and exhibition use land located in Doumen, Zhuhai (the "Doumen Land") which was previously owned by the Group. According to the compensation notice, the amount of compensation was approximately RMB205,538,000.

The management considered that the Zhuhai Municipal Natural Resources Bureau had no legal basis to make the above compensation decision and was against legal procedures. The Zhuhai Municipal Natural Resources Bureau not only failed to specify relevant legal basis on the above compensation notice, it also once again hired valuation agency unilaterally without the Group's consent, and submitted to such agency information which had not been confirmed by the Group as the basis for making assessment. As a result, the assessment for the Doumen Land's value was substantially inaccurate and thus was unfair to the Group. To protect the Group's legitimate interests, the Group has engaged lawyers to commence legal proceedings against local government departments including the Zhuhai Municipal Natural Resources Bureau, and such proceedings are currently ongoing.

As of the date of approval of these consolidated financial statements, the Group has not reached an agreement with the Zhuhai Municipal Natural Resources Bureau on the amount of compensation available to the Group in respect of the resumption of the Doumen Land. Nevertheless, no material negative impact on the daily operations and the financial position of the Group is expected.

FINANCIAL INVESTMENTS

Investment portfolio

As at 31 December 2025, the Group held highly liquid equity investments amounting to approximately HK\$1,388 million (31 December 2024: HK\$980 million), comprising mainly blue-chip stocks and exchange-traded funds listed in Hong Kong.

In 2025, the Group recorded a net fair value gain of approximately HK\$402 million on these equity investments (2024: HK\$177 million), of which approximately HK\$387 million represented unrealised gain based on the mark-to-market valuation of the investment portfolio as at the financial year end date (2024: HK\$177 million), while approximately HK\$15 million represented realised gain on the disposal of equity investments (2024: Nil). The Group also received dividend income of approximately HK\$55 million during the year (2024: HK\$60 million).

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

The equity investments held by the Group as at 31 December 2025 were as follows:

Stock code	Company name	Principal business	Number of shares held as at 31 December 2025 '000	Percentage of shareholding as at 31 December 2025 %	Investment cost HK\$'000	Realised gain	Unrealised gain/(loss)	Dividend income for the year ended 31 December 2025 HK\$'000	Fair value/ carrying amount as at 31 December 2025 HK\$'000	Percentage to the Company's total asset as at 31 December 2025 %
						on change in fair value for the year ended 31 December 2025 HK\$'000	on change in fair value for the year ended 31 December 2025 HK\$'000			
5	HSBC Holdings plc	Banking and financial services, manages its products and services through four businesses: Retail Banking and Wealth Management (RBWM), Commercial Banking (CMB), Global Banking and Markets (GB&M), and Global Private Banking (GPB).	5,743	0.03	385,760	–	267,608	29,450	702,901	5.45
2828	Hang Seng China Enterprises Index ETF	Sub-fund of the Hang Seng Investment Index Funds Series, a unit trust established as an umbrella fund under the laws of Hong Kong, which aims to match, before expenses, as closely as practicable the performance of the Hang Seng China Enterprises Index (“HSCEI”).	2,664	0.76	337,354	–	45,235	4,795	243,117	1.88
2800	Tracker Fund of Hong Kong	Collective investment fund, structured as a unit trust established under Hong Kong law, provide investment results that closely correspond to the performance of the Hang Seng Index.	7,850	0.14	196,381	–	43,646	6,045	202,687	1.57
3988	Bank of China Limited (H-shares)	Banking and financial services, a China-based company principally engage in the provision of banking and related financial services.	29,300	0.04	101,558	–	14,357	7,660	130,678	1.01

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

Stock code	Company name	Principal business	Number of shares held as at 31 December 2025 '000	Percentage of shareholding as at 31 December 2025 %	Investment cost HK\$'000	Realised	Unrealised	Dividend income for the year ended 31 December 2025 HK\$'000	Fair value/ carrying amount as at 31 December 2025 HK\$'000	Percentage to the Company's total asset as at 31 December 2025 %
						gain on change in fair value for the year ended 31 December 2025 HK\$'000	gain/(loss) on change in fair value for the year ended 31 December 2025 HK\$'000			
3416	Global X HSCEI Covered Call Active ETF	Sub-fund of the Global X Exchange Traded Funds Series OFC, a public umbrella open-ended fund company established under Hong Kong law, generate income by primarily (i) investing in constituent equity securities in the HSCEI; and (ii) selling call options on the HSCEI to receive payments of money from the purchaser of call options.	3,814	0.18	40,584	-	(847)	2,175	39,737	0.31
941	China Mobile Limited	Telecommunication and Services, a China-based company principally engage in telecommunication and related businesses including mobile businesses, wireline Broadband businesses and Internet of Things (IoT) businesses.	340	Less than 0.01	31,219	-	1,734	1,782	27,778	0.22
857	PetroChina Co. Ltd. (H-shares)	Petroleum and gases, a China-based company principally engage in the production and distribution of oil and gas.	2,378	0.01	24,819	-	5,397	1,221	19,926	0.15

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

Stock code	Company name	Principal business	Number of shares held as at 31 December 2025 '000	Percentage of shareholding as at 31 December 2025 %	Investment cost HK\$'000	Realised gain	Unrealised gain/(loss)	Dividend income for the year ended 31 December 2025 HK\$'000	Fair value/ carrying amount as at 31 December 2025 HK\$'000	Percentage to the Company's total asset as at 31 December 2025 %
						on change in fair value for the year ended 31 December 2025 HK\$'000	on change in fair value for the year ended 31 December 2025 HK\$'000			
2628	China Life Insurance Company Limited (H-shares)	Life insurance, a China-based company principally engage provides a range of insurance products, including individual and group life insurance, health insurance and accident insurance products.	600	Less than 0.01	18,919	5,379	7,620	753	16,428	0.13
	Other listed securities [#]				72,100	9,100	2,567	1,149	4,638	0.04
						<u>14,479</u>	<u>387,317</u>	<u>55,030</u>	<u>1,387,890</u>	<u>10.76</u>

[#] Other listed securities comprised equity investments in 9 companies whose shares were mainly listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). The carrying value of these investments, whether on an individual basis or in aggregate, accounted for less than 1% of the total assets of the Group as at 31 December 2025.

Investment policy and objectives

The Group maintains a portfolio of listed securities as part of its treasury management and financial investment activities. The objectives of the portfolio are to preserve liquidity through holdings that are readily realisable under normal market conditions, and to enhance returns on surplus funds through dividend income.

The Group adopts a prudent and balanced investment strategy which is designed to complement, rather than substitute for, its core property-related businesses. In managing the portfolio, the Group places emphasis on liquidity, capital preservation and stable income generation.

The Group's investment portfolio principally comprises highly liquid listed securities, including exchange-traded funds and selected blue-chip equities. The Group may also invest, on a limited basis, in debt instruments for liquidity management and interest yield purposes.

The investment universe is generally focused on securities listed on the Hong Kong Stock Exchange. Any expansion into other markets, asset classes or higher-risk instruments must be undertaken in accordance with the Group's internal governance and risk management framework, which may require prior approval by the Board.

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

Risk management and control measures

The Group's listed securities portfolio is managed by a designated investment committee comprising certain executive directors and senior management, in accordance with the Group's investment policy, which sets out the relevant investment parameters, risk limits and delegated authorities. Under the investment policy currently in effect, if the Group expands its listed securities portfolio, no acquisition should result in the carrying value of the Group's listed securities portfolio exceeding 25% of the Group's consolidated total assets immediately upon completion of the relevant transaction.

The Group manages counterparty risk by limiting transactions to regulated brokers and banks and by reviewing their financial strength, credit profile and exposure concentration on a regular basis. Liquidity risk is managed by assessing the market liquidity and exit profile of each investment before execution. Most of the Group's securities investments are highly liquid, the majority of such holdings are generally capable of being realised within one trading day under normal market conditions.

Approval and oversight mechanisms

Management is responsible for executing transactions within approved authority limits and reporting to the Board regularly on portfolio composition, investment performance, and key risks. The portfolio is subject to ongoing review with reference to market conditions, the Group's liquidity position and risk appetite, and adjustments may be made where appropriate.

FINANCIAL REVIEW

The Group recorded a net loss of approximately HK\$706 million for the year ended 31 December 2025 (2024: profit of approximately HK\$284 million). The reversal from profit to loss was primarily due to a substantial fair value loss on the Group's investment properties upon revaluation as at the financial year end date.

The Group's revenue from its core property leasing and management operations increased by approximately 3% to approximately HK\$231 million in 2025 (2024: HK\$225 million). During the year, rental income derived from Hong Kong remained stable at approximately HK\$72 million (2024: HK\$72 million), while rental and management fee income from the hotel-serviced apartments and villas in Shanghai increased by approximately 4% to approximately HK\$158 million (2024: HK\$152 million).

In 2025, the Group's equity investments recorded a fair value gain of approximately HK\$402 million (2024: HK\$177 million), primarily due to the significant increase in the market value of the relevant investments as at the financial year end date, as compared with that at the previous year end. Dividend income generated from these equity investments decreased by approximately 8% to approximately HK\$55 million during the year (2024: HK\$60 million).

The Group's investment properties recorded a fair value loss of approximately HK\$1,319 million in 2025 (2024: HK\$1 million), which represented a non-cash fair value loss arising from the year-end revaluation of the properties. As at 31 December 2025, the fair value of the Group's investment properties decreased by approximately 9% from the previous year end to approximately HK\$9,916 million (31 December 2024: HK\$10,903 million).

FOREIGN CURRENCY EXPOSURE

The Group's monetary assets, liabilities and transactions are mainly denominated in Renminbi, Hong Kong dollar, United States dollar and the Malaysian Ringgit. The Group is exposed to foreign exchange risk with respect mainly to Renminbi which may affect the Group's performance. The management is aware of the possible exchange rate exposure due to the continuing fluctuation of Renminbi and will closely monitor its impact on the performance of the Group and when appropriate hedge its currency risk.

As of 31 December 2025, the Group did not have any financial instrument for foreign currency hedging purpose.

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and banking facilities provided by its principal bankers in Hong Kong and Malaysia. In order to preserve liquidity and enhance interest yields, the Group maintained liquid assets in the form of highly liquid equity investments amounted to approximately HK\$1,388 million as of 31 December 2025 (2024: HK\$980 million). The Group's cash and cash equivalents amounted to approximately HK\$380 million as of 31 December 2025 (2024: HK\$388 million).

As of 31 December 2025, the Group had total bank borrowings of approximately HK\$1,590 million (2024: HK\$1,641 million), which were secured by legal charges over certain of the Group's investment properties in Hong Kong and Shanghai, as well as properties under development in Malaysia. The Group's bank borrowings were mainly arranged on a floating rate basis. Analysis of the maturity profile of the interest-bearing bank borrowings of the Group as at 31 December 2025 is set out in the Note 27 to the consolidated financial statements.

With the total bank borrowings of approximately HK\$1,590 million (2024: HK\$1,641 million) and the aggregate of the shareholder funds, non-controlling interests and total bank borrowings of approximately HK\$11,071 million (2024: HK\$11,599 million), the Group's gearing ratio as at 31 December 2025 was around 14% (2024: 14%).

CHARGES ON GROUP ASSETS

Details of charges on Group assets are set out in Note 27 to the consolidated financial statements.

CORPORATE GUARANTEES

As at 31 December 2025, the Company had given corporate guarantees in favour of banks for banking facilities granted to its subsidiaries to the extent of approximately HK\$1,922 million (2024: HK\$1,900 million), of which approximately HK\$1,678 million (2024: HK\$1,706 million) was utilised.

As at 31 December 2025, the Company had given a corporate guarantee in favour of a bank for banking facilities granted to a joint venture (which is indirectly owned by Oriental Explorer Holdings Limited, the listed subsidiary of the Company) to the extent of approximately HK\$270 million (2024: HK\$245 million), of which approximately HK\$88 million (2024: HK\$80 million) was utilised.

In the opinion of the Directors, no material liabilities will arise from the above corporate guarantees, which arose in the ordinary course of business of the Group, and the fair values of the corporate guarantees granted by the Company are immaterial.

COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material commitments and contingent liabilities.

EVENTS AFTER THE REPORTING PERIOD

The Group has no material events after the reporting period which are required to be disclosed.

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2025, the Group had approximately 195 employees (2024: 200 employees) in Shanghai, Zhuhai, Hong Kong and Malaysia. During the year, the staff costs (including directors' emoluments) amounted to approximately HK\$35 million (2024: HK\$33 million).

The objective of the Group's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. In order to determine the level of remuneration paid to its employees (including directors and senior management), their performance, experience and the prevailing market condition are mainly considered. In addition to salaries, provident fund scheme, discretionary bonuses and tuition/training subsidies are available to employees. Level of remuneration is reviewed annually. During the review process, no individual director is involved in decisions relating to his own remuneration.

PROSPECT

During 2025, the leasing market for office and industrial properties in Hong Kong remained weak, and the Group expects the local market to continue facing challenges throughout 2026, with no near-term rebound. This cautious outlook reflects a combination of global trade uncertainties, geopolitical tensions, rising oil prices, inflationary pressures, and slower-than-expected interest rate easing. In Mainland China, the Group expects the occupancy rates and revenue contribution from its hotel-serviced apartments and villas to remain stable in 2026. The Group will continue to adopt disciplined operational management and service enhancement measures to sustain such recurring income base.

In the area of equity investment activities, the Group recorded a substantial unrealised gain on its listed equity investment portfolio in 2025, reflecting favourable market movements during the year. However, in light of ongoing geopolitical tensions and uncertainties in the global economic environment, the Group expects its listed equity investments to remain exposed to market volatility in 2026. Management will therefore continue to manage the investment portfolio in a proactive and prudent manner, with due regard to prevailing market conditions, risk exposure and capital preservation.

Meanwhile, the Group's wholly owned and joint venture property development projects in Malaysia are progressing as expected. As these projects continue to move forward, they are expected to contribute to the Group's profits in future financial periods, subject to the timing of completion, delivery and recognition of the related sales and results.

Looking forward, the Group will continue to exercise prudence in the management of its operations and investments in response to the uncertain market environment. At the same time, the Group will remain alert to suitable opportunities, while maintaining a disciplined approach to risk management and capital allocation, to strengthen its business and create value for shareholders.

ACKNOWLEDGEMENT

On behalf of the Board and management team, I would like to thank our shareholders who have extended to us their trust. The Board has resolved to propose a final dividend of HK3 cents per ordinary share at the forthcoming annual general meeting. I would also like to thank my fellow directors for their support and all the staff for their dedication and hard work. I believe that we will create greater value to our investors in the future.

Lau Chi Yung, Kenneth
Chairman

Hong Kong, 26 March 2026

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. LAU Chi Yung, Kenneth (“Mr. Kenneth Lau”), aged 65, is the Chairman of the Company. He is also the Chairman and Director of Oriental Explorer Holdings Limited (Stock Code: 430) (“Oriental Explorer”), whose shares are listed on the Main Board of the Hong Kong Stock Exchange.

Mr. LAU Michael Kei Chi (“Mr. Michael Lau”), aged 72, is the Vice-Chairman and Managing Director of the Company. He joined the Group in 1997. He is also the Vice-Chairman and Managing Director of Oriental Explorer and is the elder brother of Mr. Kenneth Lau.

Ms. LEUNG Wei San Saskia (“Ms. Saskia Leung”), aged 66, serves as a director for several subsidiary companies within the Group. She previously held the position of executive Director of Oriental Explorer from 1998 to 2003. She is an executive director of Oriental Explorer and the spouse of Mr. Kenneth Lau.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. TSUI Ka Wah (“Mr. Tsui”), aged 73, joined the Group as an independent non-executive Director in 2010. He has 28 years of banking experience with the United States and local banks, and has held various management positions in corporate, retail and private banking. Until 2009, he was the President of Great China Region for a U.S. bank, overseeing operations in Taiwan, the People’s Republic of China and Hong Kong. Since August 2013, he has held the position of Chief Executive Officer of SME Credit Company Limited. Mr. Tsui holds a Bachelor Degree and a Master Degree of Business Administration from the Chinese University of Hong Kong. He is also an independent non-executive director of Oriental Explorer, Southeast Asia Properties & Finance Limited (Stock Code: 252) and Grand Ming Group Holdings Limited (Stock Code: 1271) respectively.

Mr. LO Mun Lam, Raymond (“Mr. Raymond Lo”), aged 72, joined the Group as an independent non-executive Director in 2021. He is a Chartered Accountant and Corporate Finance designate of the ICAEW (FCA/CF), a Chartered Surveyor (FRICS) and a Chartered Arbitrator (FCIArb.). He is also a Trust & Estate Practitioner (TEP). Mr. Raymond Lo held both directorate and executive positions with multinational corporations, advisory and financial institutions in the past 30 years.

Mr. Raymond Lo served as an executive director of Amasse Capital Holdings Limited (Stock Code: 8168) from February 2017 to February 2026. He also served as an independent non-executive director of China Datang Corporation Renewable Power Co., Limited (Stock Code: 1798) from August 2013 to November 2025.

Mr. Raymond Lo has been an independent non-executive director of China CITIC Financial Asset Management Co., Ltd. (Stock Code: 2799) since December 2023. He is currently also an independent non-executive director of Oriental Explorer.

Mr. LO Kam Cheung, Patrick (“Mr. Patrick Lo”), aged 72, joined the Group as an independent non-executive Director in 2021. He is a Chartered Accountant in the United Kingdom and Canada, a fellow member of the Hong Kong Institute of Certified Public Accountants, and a member of the Hong Kong Institute of Directors, with extensive experience in auditing and risk advisory. Mr. Patrick Lo had served with a big 4 accounting firm for over 10 years, and had managed the internal audit and risk management functions of a fully licensed bank and a mobile operator in Hong Kong respectively for a total of over 15 years. Mr. Patrick Lo joined RSM Hong Kong in 2007 as a partner overseeing its Risk Advisory Services Department. Before retiring from the firm in 2019, Mr. Patrick Lo had participated in initial public offering assignments of over 50 successfully listed companies. The team led by Mr. Patrick Lo at the firm had also provided internal audit, risk management and corporate governance advisory services to more than 20 companies listed in Hong Kong, Singapore, the United States, and the United Kingdom respectively. Mr. Patrick Lo is currently a Senior Advisor of RSM Hong Kong.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Patrick Lo was an independent non-executive director of Da Sen Holdings Group Limited (Stock Code: 1580) from May 2021 to March 2022. He is also currently an independent non-executive director of Oriental Explorer and EGL Holdings Company Limited (Stock Code: 6882).

Mr. NG Sing Yip (“Mr. Ng”), aged 75, joined the Group as an independent non-executive Director in 2024. He has over 30 years of experience in legal profession. Since 1987, he was employed at The Hongkong and Shanghai Banking Corporation Limited as Assistant Group Legal Adviser. From 1993 to 1997, Mr. Ng served as the Deputy Head of Legal and Compliance Department. Before retiring in 2016, Mr. Ng held the position of Regional General Counsel Asia Pacific to oversee the management of legal and regulatory risks and manage the legal teams in the Asia Pacific Region.

Mr. Ng served as an independent non-executive director of Ping An Insurance (Group) Company of China, Ltd. (Stock Code: 2318) from July 2019 to October 2025. He is currently the non-executive chairman of the Board of Supervision of HSBC Bank (Vietnam) Ltd., and an independent non-executive director of Oriental Explorer and Pangaea Connectivity Technology Limited (Stock Code: 1473), respectively. Mr. Ng has been a member of Asian Institute of International Financial Law Advisory Board of the Faculty of Law of The University of Hong Kong since 1999.

SENIOR MANAGEMENT

Hong Kong

Ms. SIU Wai King, Donna, aged 61, joined the Group in 1992. She is the General Manager of the Group. She is responsible for the Group’s Hong Kong property business and headquarter’s operations, and has over 30 years’ experience in property business.

Ms. LAU Phoebe, aged 36, joined the Group in 2013. She is the Deputy General Manager of the Group’s Hong Kong business. She holds a Bachelor of Laws degree from University of Bristol and a Master of Science in Real Estate from The University of Hong Kong. She has over 10 years experience in the property business. She is the daughter of Mr. Kenneth Lau and Ms. Saskia Leung and the niece of Mr. Michael Lau.

Mr. WONG Ka Chun, aged 42, first joined the Group in 2019 and served until 2023, before rejoining the Group in 2025. He currently serves as the Company Secretary of the Company and the Accounting Manager of the Group. He holds a Bachelor of Social Sciences degree from the University of Hong Kong, a Master of Science degree in Professional Accounting and Corporate Governance from the City University of Hong Kong, as well as a Bachelor of Laws and a Master of Laws degree from the University of London. He is a member of both the Hong Kong Institute of Certified Public Accountants and The Hong Kong Chartered Governance Institute, and has over 15 years of experience in finance, accounting, and company secretarial practice.

Shanghai, PRC

Mr. MASSY Jean-Philippe, aged 49, joined the Group in 2006. He is the General Manager of the Group’s subsidiaries in Shanghai. He is responsible for the property management and sales operation in Shanghai. He holds a Master Degree in Management. He has over 18 years’ experience in management and marketing.

Ms. FAN Qing, aged 55, joined the Group in 1996. She is the Deputy General Manager of the Group’s subsidiaries in Shanghai, responsible for the Finance Department in Shanghai. She holds the qualification of Middle Level Accountant (國家中級會計師資格). She has over 25 years’ experience in accounting, real estate development and operation.

Ms. WANG Wen Yang, aged 46, joined the Group in 2001. She is the Senior Manager of the Group’s subsidiaries in Shanghai. She holds a Bachelor Degree. She is responsible for the leasing and sales of properties in Shanghai. She has over 20 years’ experience in real estate leasing.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Ms. WANG Yu, aged 54, joined the Group in 2002. She is the Senior Manager of the Group's subsidiaries in Shanghai, responsible for the Personnel and Administration Department. She holds a Bachelor Degree. She has over 20 years' experience in personnel and administration.

Ms. MAO Ling Hua, aged 50, joined the Group in 1996. She is the Senior Manager of the Group's subsidiaries in Shanghai, responsible for property management. She has over 25 years' experience in property management.

Ms. SHEN Yan, aged 51, joined the Group in 2001. She is the Senior Manager of the Group's subsidiaries in Shanghai, responsible for property management. She holds a Bachelor Degree. She has over 20 years' experience in property management.

Ms. ZHANG Qian, aged 48, joined the Group in 2003. She is the Manager of the Group's subsidiaries in Shanghai, responsible for property management. She has over 20 years' experience in property management.

Ms. GUO Jin Hong, aged 45, joined the Group in 2002. She is the Deputy Manager of Finance Department of the Group's subsidiaries in Shanghai. She has over 20 years' experience in accounting and property operation.

Zhuhai, PRC

Ms. GU He, aged 50, joined the Group in 2001. She is the Deputy General Manager of the Group's subsidiaries in Zhuhai. She holds a Bachelor Degree and the qualification of Middle Level Accountant (國家中級會計師資格). She has over 20 years' experience in accounting, real estate development and operation.

Ms. JIAN Chu Shan, aged 50, joined the Group in 2007. She is the Manager of Finance Department of the Group's subsidiaries in Zhuhai. She holds a bachelor's degree, and possesses the qualification of Middle Level Accountant (國家中級會計師資格) and the qualification of Management Accountant (Senior) conferred by the China Association of Chief Financial Officers. She has over 15 years' experience in accounting.

Malaysia

Mr. NG Kok Khin, Daryl, aged 44, joined the Group in 2018. He is the General Manager of the Group's subsidiaries in Malaysia. He is responsible for the Group's property business and operations in Malaysia. He holds a Bachelor's Degree in Law and a Post Graduate Diploma in International Business & Finance. He has over 15 years' experience in corporate banking and property development industry.

Ms. SEE THOO Su Jean, aged 61, joined the Group in 2022. She is the Financial Controller of the Group's subsidiaries in Malaysia and is responsible for overseeing the finance & accounting, and human resources functions. She holds a Bachelor's Degree in Accounting from University of Malaya, and has more than 30 years of working experience in finance and accounting in real estate development and construction business.

Mr. CHIA Ying Hao, Steven, aged 38, joined the Group in 2023. He is the Senior Manager of the Group's subsidiaries in Malaysia. He is responsible for the marketing and sales of properties in Malaysia. He holds a Bachelor's Degree in Hospitality Management. He has over 13 years' experience in sales & leasing of various type of properties in Malaysia.

Mr. WONG Wei Teik, aged 43, joined the Group in 2023. He is the Senior Project Manager of the Group's subsidiaries in Malaysia. He holds a Bachelor Degree of Architecture and is a Professional Architect registered under Lembaga Arkitek Malaysia. He has over 16 years' experience in project management and property development industry.

REPORT OF THE DIRECTORS

The Directors present herewith their report and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries are set out in Note 1 to the consolidated financial statements.

There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2025 and the financial position of the Company and of the Group at that date are set out in the consolidated financial statements on pages 36 to 39 and pages 112 to 113 of this annual report.

The Board recommends a final dividend of HK3 cents per share which, together with the interim dividend of HK2 cent per share paid on 23 October 2025, makes a total of HK5 cents per share in respect of the year ended 31 December 2025. The proposed final dividend, if approved by the shareholders at the annual general meeting ("AGM") on 27 May 2026, will be paid on 25 June 2026 to shareholders whose names appear on the register of members on 5 June 2026.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited consolidated financial statements and restated/reclassified as appropriate. This summary does not form any part of the audited consolidated financial statements.

RESULTS

	Years ended 31 December				
	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
REVENUE	287,031	285,848	283,671	273,713	268,262
Cost of services provided	(45,797)	(47,706)	(48,214)	(42,916)	(52,094)
Gross profit	241,234	238,142	235,457	230,797	216,168
(LOSS)/PROFIT BEFORE TAX	(714,620)	316,514	332,203	464,146	611,235
Income tax credit/(expense)	8,794	(32,591)	(83,296)	(92,885)	(121,591)
(LOSS)/PROFIT FOR THE YEAR	(705,826)	283,923	248,907	371,261	489,644
Attributable to:					
Owners of the Company	(644,984)	235,177	179,229	264,120	421,295
Non-controlling interests	(60,842)	48,746	69,678	107,141	68,349
	(705,826)	283,923	248,907	371,261	489,644

REPORT OF THE DIRECTORS

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

	As at 31 December				
	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
Total assets	12,900,754	13,377,314	13,208,804	13,142,639	13,337,239
Total liabilities	(3,419,853)	(3,419,498)	(3,305,184)	(3,446,642)	(3,483,850)
Non-controlling interests	(1,846,781)	(1,847,856)	(1,845,385)	(1,772,081)	(1,777,781)
	<u>7,634,120</u>	<u>8,109,960</u>	<u>8,058,235</u>	<u>7,923,916</u>	<u>8,075,608</u>

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2025 is set out in the section headed “Chairman’s Statement and Management Discussion and Analysis” on pages 3 to 10 of the annual report and forms part of the “Report of the Directors”.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group’s principal risks and uncertainties include changes in the property markets in Hong Kong and Mainland China, volatility in the capital markets affecting its listed equity investments, fluctuations in interest rates and foreign exchange rates, and legal and regulatory uncertainties relating to its property projects and interests in the Mainland China.

The Group manages these risks through prudent financial management, regular portfolio review, ongoing monitoring of market conditions and, where appropriate, professional and legal advice.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to supporting the environmental sustainability. The Group is committed to implementing policies and measures in our daily business operations to foster reduction of the Group’s environmental impact. The Group also strives to implement recycling and waste reducing measures in office premises where applicable.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board is aware, the Group has complied with the relevant laws and regulations that may cause a significant impact on the business and operation of the Group in the event of a material breach or non-compliance. During the year under review, there was no material breach or non-compliance with the applicable laws and regulations by the Group.

RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that employees are our valuable assets. Thus employee management focuses on recruiting and growing the right people. Staff performance is measured on a regular and structured basis to provide employees with appropriate feedback and to ensure their alignment with the Group’s corporate strategy.

The Group also understands that maintaining long-term good relationship with business partners is also one of the primary objectives of the Group. Accordingly, our management have kept good communication, promptly exchanged ideas and shared business update with them when appropriate. During the year under review, there was no material and significant dispute between the Group and its business partners.

REPORT OF THE DIRECTORS

PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, PROPERTIES HELD FOR SALE AND PROPERTIES UNDER DEVELOPMENT

Details of the movements in the Group's property, plant and equipment, investment properties, properties held for sale and properties under development during the year are set out in Notes 14, 15, 19 and 20 to the consolidated financial statements, respectively. Further details of the Group's investment properties are set out in the "Property Portfolio of the Group" of this annual report.

SHARE CAPITAL AND SHARE OPTION SCHEME

Details of the share capital and share option scheme of the Company are set out in Notes 30 and 31 to the consolidated financial statements, respectively.

PRE-EMPTIVE RIGHTS

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the year.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in Note 41 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company's reserves available for distribution, calculated in accordance with the Companies Act of Bermuda, amounted to approximately HK\$1,231,789,000.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, revenue to the Group's five largest customers accounted for less than 30% of the Group's total revenue for the year.

During the year, purchases from the Group's five largest suppliers accounted for less than 30% of the Group's total purchases for the year.

None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or five largest suppliers.

REPORT OF THE DIRECTORS

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors

Mr. Lau Chi Yung, Kenneth *(Chairman)*
 Mr. Lau Michael Kei Chi *(Vice-Chairman and Managing Director)*
 Ms. Leung Wei San Saskia

Independent Non-executive Directors

Mr. Tsui Ka Wah
 Mr. Lo Mun Lam, Raymond
 Mr. Lo Kam Cheung, Patrick
 Mr. Ng Sing Yip

In accordance with the Company's bye-laws, Ms. Leung Wei San Saskia and Mr. Ng Sing Yip will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmation from each of the independent non-executive Directors as regards their independence to the Company and considers that each of the independent non-executive Directors is independent to the Company.

Changes in information of Directors

Changes in information of Directors since the date of the Company's last published interim report and up to the date of this report are set out below:

Name of Director	Details	Effective date
Mr. Ng Sing Yip	<ul style="list-style-type: none"> Ceased to be an independent non-executive director of Ping An Insurance (Group) Company of China, Ltd. 	15 October 2025
Mr. Lo Mun Lam, Raymond	<ul style="list-style-type: none"> Ceased to be an independent non-executive director of China Datang Corporation Renewable Power Co., Limited. Ceased to be an executive director of Amasse Capital Holdings Limited. 	14 November 2025 6 February 2026

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 11 to 13 of the annual report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

REPORT OF THE DIRECTORS

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has an unexpired service contract with the Company, which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in Notes 8 and 9 to the consolidated financial statements.

EMOLUMENT POLICY

The Remuneration Committee of the Company will review the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance and comparable market practices.

The emoluments of the Directors are recommended by the Remuneration Committee of the Company for the Board's approval, having regard to the Group's operating results, individual performance and comparable market statistics. No Director or executive, nor any of his/her associates, is involved in deciding his/her own remuneration.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in Note 36 to the consolidated financial statements, no Director nor a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the Group's business to which the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party, at any time during the year.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group during the year or subsisted at the end of the year.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the financial year. The Company has taken out and maintained appropriate insurance cover in respect of potential legal actions against its Directors and officers.

CORPORATE GOVERNANCE

The Company's corporate governance principles and practices are set out in the "Corporate Governance Report" contained in this annual report.

REPORT OF THE DIRECTORS

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 31 December 2025, the interests and short positions of the Directors and the chief executive of the Company and each of their respective associates, 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"), which were required (i) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Hong Kong Stock Exchange, were as follows:

Long position in ordinary shares of the Company

Name of Director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of the Company %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	559,411,142*	66.91

Long position in ordinary shares of associated corporation – Oriental Explorer, a subsidiary of the Company

Name of Director	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of associated corporation %
Mr. Lau Chi Yung, Kenneth	Interest of controlled corporation	291,137,700*	75.00

* *The above shares are ultimately controlled by Power Resources Holdings Limited which acts as the trustee under the Power Resources Discretionary Trust, a family discretionary trust, the discretionary objects of which include Mr. Kenneth Lau and his family.*

In addition to the above, a Director has non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, as at 31 December 2025, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) are required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO); or (ii) are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to the Model Code to be notified to the Company and the Hong Kong Stock Exchange.

REPORT OF THE DIRECTORS

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraph headed "Directors' and chief executive's interests and short positions in the shares, underlying shares or debentures of the Company and associated corporations" above and in the share option scheme disclosures in Note 31 to the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its holding companies or subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as was known to the Directors, as at 31 December 2025, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares of the Company

Name of Shareholder	Capacity and nature of interest	Number of shares held	Approximate percentage of the total issued share capital of the Company %
Power Resources Holdings Limited	Interest of controlled corporation	559,411,142*	66.91
Lucky Speculator Limited	Directly beneficially owned	439,084,800*	52.52
Desert Prince Limited	Directly beneficially owned	120,326,342*	14.39

* *Power Resources Holdings Limited was deemed to have a beneficial interest in 559,411,142 ordinary shares of the Company by virtue of its indirect interests through Lucky Speculator Limited and Desert Prince Limited, the wholly-owned subsidiaries, which held shares in the Company.*

Save as disclosed above, as at 31 December 2025, so far as was known to the Directors or chief executive of the Company, no person, other than a Director and chief executive of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in the shares, underlying shares or debentures of the Company and associated corporations" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2025 and up to the date of this annual report, none of the Directors or their respective close associates had interests in any business which was considered to compete or was likely to compete, either directly or indirectly, with the businesses of the Group.

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS

Details of material related party transactions of the Group for the year ended 31 December 2025 are set out in Note 36 to the consolidated financial statements.

None of the related party transactions disclosed in Note 36 to the consolidated financial statements constituted a connected transaction or a continuing connected transaction of the Company which is subject to any of the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Rules Governing the Listing for Securities on Hong Kong Stock Exchange ("Listing Rules").

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on information available to the Company, the Directors confirm that the Company maintained a sufficient public float of at least 25% in the Company's issued share capital as required under the Listing Rules during the year ended 31 December 2025 and as at the latest practicable date prior to the issue of this annual report.

AUDITOR

Following the resignation of Elite Partners CPA Limited as the auditor of the Company on 31 October 2024, Beijing Xinghua Caplegend CPA Limited was appointed by the Board as the new auditor of the Company on 31 October 2024 to fill the casual vacancy, and was reappointed at the annual general meeting held on 28 May 2025.

The consolidated financial statements of the Company for the year ended 31 December 2023 were audited by Elite Partners CPA Limited, and those for the years ended 31 December 2024 and 31 December 2025 were audited by Beijing Xinghua Caplegend CPA Limited. A resolution for the re-appointment of Beijing Xinghua Caplegend CPA Limited as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Lau Chi Yung, Kenneth
Chairman

Hong Kong
26 March 2026

CORPORATE GOVERNANCE REPORT

The Group is committed to achieving and upholding high standards of corporate governance. The Board believes that effective corporate governance practices are key to obtaining and maintaining the trust of the shareholders of the Company and other stakeholders. These practices are essential for encouraging accountability and transparency to sustain the success of the Group and to create long-term value for the shareholders of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has applied the principles and complied with code provisions of the Corporate Governance Code (the “CG Code”) as set out in Part 2 of Appendix C1 of the Listing Rules throughout the year ended 31 December 2025, save as disclosed below.

Under code provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Under the bye-laws of the Company, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third but not less than one-third, shall retire from office by rotation save any Director holding office as chairman and managing director. The Board considers that the exemption of both the chairman and the managing director of the Company from such retirement by rotation provisions would provide the Group with strong and consistent leadership, efficient use of resources, effective planning, formulation and implementation of long-term strategies and business plans. The Board believes that it would be in the best interest of the Company for such Directors to continue to be exempted from retirement by rotation provisions. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the CG Code.

Under code provision D.2.5, the Company should have an internal audit function. Given the Group’s relatively simple corporate and operational structure, the Board considered that establishing a separate internal audit department would not be a cost-effective use of resources. Accordingly, the Company did not maintain a separate internal audit function during the year.

To perform the internal audit function, the Group engaged an external professional consultant to review its internal control systems on areas and scopes agreed with the audit committee. Taking into account the Group’s organisational structure, management’s close oversight and the work of the external consultant, the Board considered the Group’s risk management and internal control systems to be adequate and effective. The Board will review the need for an internal audit function on an ongoing basis.

BOARD COMPOSITION AND BOARD PRACTICE

The Board is responsible for overseeing all major matters of the Company, including but not limited to formulating and approving overall strategies and business performance, monitoring financial performance and internal controls, overseeing the risk management system, and evaluating the performance of senior executives. In addition, the Board performs corporate governance duties, including developing and reviewing the Company’s policies and practices on corporate governance.

The composition of the Board as at the date of this annual report is set out as follows:

Executive Directors

Mr. Lau Chi Yung, Kenneth (*Chairman*)
Mr. Lau Michael Kei Chi (*Vice-Chairman and Managing Director*)
Ms. Leung Wei San Saskia

CORPORATE GOVERNANCE REPORT**Independent Non-executive Directors**

Mr. Tsui Ka Wah
Mr. Lo Mun Lam, Raymond
Mr. Lo Kam Cheung, Patrick
Mr. Ng Sing Yip

Currently, the Board comprises three executive Directors and four independent non-executive Directors. The positions of chairman and managing director are held by separate individuals. The chairman provides leadership for the Board and the managing director, supported by the management team, provides planning and implementation. The Board, led by Mr. Kenneth Lau is responsible for the approval and monitoring of the Group's overall strategies and policies, approval of annual budgets and business plans, evaluating the performance of the Group, and oversight of management. The chairman ensures that the Board works effectively and discharges its responsibilities. All Directors have been consulted on all major and material matters of the Company. With the support of the company secretary, the chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and receive adequate and reliable information in a timely manner.

To implement the strategies and plans approved by the Board, executive Directors and senior management meet on a regular basis to review the performance of the Group and make financial and operational decisions.

Under the Listing Rules, every listed issuer is required to have at least three independent non-executive directors, at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. Currently, the number of independent non-executive directors represents more than one-third of the total board members.

Biographical details of the Directors are set out in "Biographical Details of Directors and Senior Management" on pages 11 to 13 of this annual report. Save as disclosed in the aforesaid, there are no financial, business, family or other material/relevant relationships among the members of the Board.

The Company has arranged directors and officers liability and company reimbursement insurances for its Directors and officers. The insurance coverage is reviewed on an annual basis.

Consideration was given to the independence of Mr. Tsui Ka Wah, who has served on the Board for more than 15 years. Mr. Tsui has been serving as an independent non-executive Director since 2010. The Nomination Committee of the Company has evaluated the performance of Mr. Tsui and found he has not engaged in any executive management of the Group, but has consistently contributed independent judgement and critical mindset to the Board over the past years, in particular in areas including banking, financing, and financial management. Both the Board and the Nomination Committee are of the view that the independence of Mr. Tsui has not been affected despite he has served as an independent non-executive Director for more than 15 years.

The Company has received from each independent non-executive Director an annual confirmation of his independence, and the Company considers such Directors to be independent in accordance with the criteria set out in Rule 3.13 of the Listing Rules. Review will be made regularly on the Board composition to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company.

CORPORATE GOVERNANCE REPORT

The Board has scheduled regular meetings per year and meets more frequently as and when required to discuss and formulate the Group's overall business strategies, monitor financial performance and discuss the annual results, interim results and other significant matters. The Directors can attend meetings in person or through other means of electronic communication. During the financial year ended 31 December 2025, the attendance of individual Director to the Board meeting and general meeting is summarised below:

	Number of meetings attended/held	
	Board meetings	General meeting
Executive Directors		
Mr. Lau Chi Yung, Kenneth	6/6	1/1
Mr. Lau Michael Kei Chi	6/6	1/1
Ms. Leung Wei San Saskia	6/6	1/1
Independent Non-executive Directors		
Mr. Tsui Ka Wah	6/6	1/1
Mr. Lo Mun Lam, Raymond	6/6	1/1
Mr. Lo Kam Cheung, Patrick	6/6	1/1
Mr. Ng Sing Yip	6/6	1/1

The company secretary keeps the minutes of meetings of the Board for inspection by the Directors and all Directors have full access to information of the Company.

BOARD AND WORKFORCE DIVERSITY

The Company recognises that diversity at the Board and workforce levels is conducive to good corporate governance and the sustainable development of the Group. The Company has adopted its Board Diversity Policy and Workforce Diversity Policy to set out its approach to promoting diversity at the Board and across the workforce, including senior management.

Board Diversity Policy

The Company recognises that increasing diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development. The Company seeks to achieve Board diversity through the consideration of a number of factors, include and make good use of differences in the talents, skills, regional and industry experience, background, gender and other qualities of the members of the Board. All appointments of the members of the Board are made on merit, in the context of the talents, skills and experience the Board as a whole requires to be effective.

The Nomination Committee has set measurable objectives based on talents, skills, regional and industry experience, background, gender and other qualities to implement the Board Diversity Policy. Such objectives will be reviewed from time to time to ensure their appropriateness and the progress made towards achieving those objectives will be ascertained. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

Workforce Diversity Policy

The Company recognises and embraces the benefits of having a diverse workforce and considers workforce diversity to be important to sustainable business development, organisational effectiveness and succession planning. The Group applies the principles of diversity in workforce planning, recruitment, training and development, promotion and succession planning, with all employment decisions made on merit. The Group is committed to equal opportunity in all aspects of employment and to maintaining a workplace free from unlawful discrimination and harassment. The Board has overall oversight of the workforce diversity policy.

As at 31 December 2025, the gender ratio of the Group's senior management (whose biographies are set out on pages 12 to 13 of this annual report) was approximately 71% female to 29% male. For details of the gender ratio in the workforce, please refer to the Environmental, Social and Governance Report in this annual report.

CORPORATE GOVERNANCE REPORT

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding directors' securities transactions. Based on specific enquiry of all Directors, all Directors confirmed that they had complied with the required standard set out in the Model Code for the year ended 31 December 2025. The interest held by individual Directors in the Company's securities as at 31 December 2025 are set out in the "Report of the Directors" on pages 14 to 21 of this annual report.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors ensure that preparation of the financial statements of the Group are in accordance with statutory requirements and applicable accounting standards. The Directors also ensure that the publication of the financial statements of the Group is in a timely manner.

The statement of the external auditor of the Company, Beijing Xinghua Caplegend CPA Limited, with regard to its reporting responsibilities on the Group's consolidated financial statements, is set out in the Independent Auditor's Report included in this annual report.

The Directors confirm that, to the best of their knowledge and having made reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions which may cause the Group not to continue as a going concern.

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

Each newly appointed Director is provided with necessary induction and information to ensure that such Director has a proper understanding of the Company's operations and businesses as well as responsibilities of a director under the relevant statutes, laws, rules and regulations.

Directors' training is an ongoing process. During the year, Directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. In addition, all Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time to ensure compliance and enhance their awareness of good corporate governance practices.

Briefings were organised for Directors in 2025 to update the Directors on the duties of directors and roles and function of board committees, risk management and internal control, environmental, social and governance reporting and corporate governance were given to the Directors.

During the year, according to the records provided by the Directors, a summary of training is as follows:

Type of continuous professional development programmes

Executive Directors

Mr. Lau Chi Yung, Kenneth	A, B
Mr. Lau Michael Kei Chi	A, B
Ms. Leung Wei San Saskia	A, B

Independent Non-executive Directors

Mr. Tsui Ka Wah	A, B
Mr. Lo Mun Lam, Raymond	A, B
Mr. Lo Kam Cheung, Patrick	A, B
Mr. Ng Sing Yip	A, B

Notes:

- A: attending training sessions, including but not limited to briefing, seminars, webinars, conferences and workshops
 B: reading relevant news alerts, newspapers, journals, magazines and relevant publications

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Kenneth Lau serves as the Chairman of the Company, and the role of Chief Executive Officer of the Company is performed by our Managing Director, Mr. Michael Lau. They have separate defined responsibilities whereby the Chairman is primarily responsible for leadership and effective functioning of the Board, ensuring key issues are promptly addressed by the Board, as well as providing strategic direction of the Company, and also take primary responsibility for ensuring good corporate governance practices and procedures are established. The Managing Director is responsible for the day-to-day management of the Company's business and the effective implementation of corporate strategy and policies.

BOARD COMMITTEES

The Board has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees have been established with defined written terms of reference, which are posted on the website of the Hong Kong Stock Exchange at www.hkexnews.hk and the website of the Company at www.irasia.com/listco/hk/multifield/index.htm. All the Board committees should report to the Board on their decisions or recommendations.

The Board is responsible for performing the corporate governance duties as set out in CG Code provision A.2.1 which include (i) developing and reviewing the Company's policies and practices on corporate governance and making recommendations; (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual; and (v) reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Audit Committee

The Company has established an Audit Committee in accordance with the Listing Rules. The Audit Committee's terms of reference include those specific duties as set out in the code provision D.3.3 of the CG Code. Pursuant to its terms of reference, the Audit Committee is required, amongst other things, to consider and recommend to the Board the appointment, re-appointment and removal of the external auditor and to approve their remuneration, to review the interim and annual financial statements, to review the Group's financial controls, internal controls and risk management system, the effectiveness of the Group's internal audit function and to consider any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response. The Audit Committee should meet at least twice each year and when the need arises. Details of the attendance of Audit Committee meetings are as follows:

Members	Number of meetings attended/held
Mr. Lo Mun Lam, Raymond (<i>Chairman</i>)	4/4
Mr. Tsui Ka Wah	4/4
Mr. Lo Kam Cheung, Patrick	4/4
Mr. Ng Sing Yip	4/4

The Company has complied with Rule 3.21 of the Listing Rules, which requires the Audit Committee to consist of a minimum of three members, all of whom must be non-executive Directors. The majority of the Audit Committee members must be independent non-executive Directors, and it must be chaired by an independent non-executive Director. Additionally, at least one member of the Audit Committee must possess appropriate professional qualifications or expertise in accounting-related financial management.

During the year ended 31 December 2025, the Audit Committee held four meetings to review and discuss the Company's 2025 annual results, interim results, and the relevant arrangements for the 2025 annual audit, as well as the Company's internal control procedures and risk management system.

CORPORATE GOVERNANCE REPORT

The Group's consolidated financial statements for the year ended 31 December 2025 have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the consolidated financial statements of the Group for the year ended 31 December 2025 comply with applicable accounting standards and the Listing Rules, and that adequate disclosures have been made.

Remuneration Committee

The main responsibilities of the Remuneration Committee are to consider and recommend to the Board the Company's remuneration policy and structure and to review and determine the remuneration and compensation packages of the Directors and senior management of the Company. The Remuneration Committee reviews and proposes the management's remuneration proposals with reference to considerations factors such as the Group's performance and profitability, directors' experience, responsibilities and time commitment, existing market environment, salaries paid by comparable companies, employment conditions elsewhere in the Group, and considers the reasonableness on remuneration based on performance. The Remuneration Committee also reviews and/or approves matters relating to share schemes under Chapter 17 of the Listing Rules. The model code under code provision E.1.2(c)(ii) of the CG Code has been adopted.

The Remuneration Committee was established on 16 September 2005 and currently comprises three executive Directors and four independent non-executive Directors. Details of the attendance of the committee are as follows:

Members	Number of meetings attended/held
Mr. Tsui Ka Wah (<i>Chairman</i>)	1/1
Mr. Lau Chi Yung, Kenneth	1/1
Mr. Lau Michael Kei Chi	1/1
Ms. Leung Wei San Saskia	1/1
Mr. Lo Mun Lam, Raymond	1/1
Mr. Lo Kam Cheung, Patrick	1/1
Mr. Ng Sing Yip	1/1

During the year ended 31 December 2025, the Remuneration Committee held one meeting to review the remuneration packages and emoluments of Directors. The Remuneration Committee considered these packages to be fair and reasonable. During the year ended 31 December 2025, there were no material matters relating to the share option scheme of the Company which required review or approval by the Remuneration Committee. No Director, nor any of his/her associates, participated in decisions regarding his/her own remuneration.

CORPORATE GOVERNANCE REPORT

Nomination Committee

The role of Nomination Committee, which was established on 28 March 2012, is to advise on and propose to appoint any person as a Director either to fill a casual vacancy on or as an additional member of the Board. The selection criteria are mainly based on the professional qualification and experience of the candidate. Any Director so appointed by the Board shall hold office only until the first annual general meeting after his/her appointment. At each annual general meeting, one-third of the Directors or if their number is not three or a multiple of three, then the number nearest one-third but not less than one-third, shall retire from office by rotation. The retiring Director shall be eligible for re-election. Details of the attendance of the committee are as follows:

Members	Number of meetings attended/held
Mr. Lau Chi Yung, Kenneth (<i>Chairman</i>)	1/1
Mr. Lau Michael Kei Chi	1/1
Ms. Leung Wei San Saskia	1/1
Mr. Tsui Ka Wah	1/1
Mr. Lo Mun Lam, Raymond	1/1
Mr. Lo Kam Cheung, Patrick	1/1
Mr. Ng Sing Yip	1/1

The Nomination Committee periodically reviews the structure, size and composition of the Board, and makes recommendations on any proposed changes to the Board to complement the Company's corporate strategy. Its duties include identifying individuals suitably qualified to become Board members, and select or make recommendations to the Board on the selection of individuals nominated for directorships, and assess the independence of independent non-executive Directors.

During the year ended 31 December 2025, the Nomination Committee held one meeting to review and recommend the re-election of Directors (among others) the structure of the Board and the implementation and the effectiveness of the Board Diversity Policy.

Nomination procedures

The evaluation, recommendation, nomination, selection and appointment or re-appointment of each proposed Director shall be assessed and considered by the Nomination Committee and the Board against the above-mentioned selection criteria, the Board Diversity Policy, and (in cases of independent non-executive Directors) the independence guidelines set out in Rule 3.13 of the Listing Rules.

In the context of appointment of any proposed candidate to the Board, after the Nomination Committee receives the proposal to appoint a new Director or the nomination from a shareholder, the Nomination Committee shall evaluate the candidate's eligibility to serve as a Director based on all the relevant criteria in combination with his or her personal profile. If multiple candidates are involved, the Nomination Committee shall prioritise them according to the Company's needs and candidates' respective qualification.

In the case of the re-appointment of a Director at the forthcoming annual general meeting of the Company, the Nomination Committee shall review the overall contribution of the Directors and their services, their participation and performance within the Board and whether such Director still meets the above selection criteria.

REMUNERATION OF MEMBERS OF SENIOR MANAGEMENT BY BAND

Pursuant to paragraph E.1.5 of the CG Code, the remuneration of the members of the senior management by band for the year ended 31 December 2025 is set out in Note 9 to the consolidated financial statements.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROLS

The Directors acknowledge that they have overall responsibility for overseeing the Company's internal control, financial control and risk management system and shall monitor its effectiveness on an ongoing basis. A review of the effectiveness of the risk management and internal control systems has been conducted by the Board at least annually.

A review on the internal control systems of the Company, including financial, operational and compliance controls and risk management functions has been carried out by an independent consultancy company with staff in possession of relevant expertise to conduct an independent review.

The Audit Committee reviewed the internal control review report issued by the independent consultancy company and the Company's risk management and internal control systems for the financial year 2025 and considered that they are effective and adequate. The Board assessed the effectiveness of internal control systems by considering the internal control review report and reviews performed by the Audit Committee and concurred with the same.

Due to the relatively simple corporate and operational structure of the Group, establishing a separate internal audit department may divert resources. Consequently, the Group has not established its internal audit function as required under code provision D.2.5 of the CG Code for the year ended 31 December 2025. The Audit Committee and the Board have reviewed the internal control report prepared by the independent consultancy firm, as well as communications with the Company's external auditor regarding any material control deficiencies identified during the financial statement audit. This review serves as the basis for assessing the adequacy and effectiveness of the Group's risk management and internal control systems. The Audit Committee and the Board will continue to evaluate the need for an internal audit function on an annual basis.

PROCEDURES AND INTERNAL CONTROLS FOR THE HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group complies with all relevant laws and regulations in relation to the handling and dissemination of inside information. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the Safe Harbours as provided in the SFO. Before any inside information being fully disclosed to the public, the Group ensures such information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensuring that information contained in relevant announcements are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

BUSINESS MODEL AND STRATEGY

The Group has the mission to maintain long term profitability and assets growth with adoption of flexible business model and strategy and prudential risk and capital management framework. The Board has played and will continue to play a proactive role in the Group's development of business model to preserve the culture of the Group in serving customers well with premium service quality; the Group's business strategic drive for business expansion and opportunities; and the Group's setting of strategic goals, priorities and initiatives undertaken to motivate staff to achieve business and financial targets. Details of the Group's business review and financial review in the year 2025 are set out in the "Chairman's Statement and Management Discussion and Analysis" section of this annual report.

CORPORATE GOVERNANCE REPORT

DIVIDEND POLICY

Pursuant to the Dividend Policy of the Company, in deciding whether to propose/declare dividends and in determining the dividend amount, the Board shall take into account, inter alia, the following factors:

- (a) the overall results of operation and financial performance of the Group;
- (b) the Group's expected working capital requirements, capital expenditure requirements and future development plans;
- (c) the Group's financial position, retained earnings and distributable reserves;
- (d) any restrictions on payment of dividends by the Company that may be imposed by the Group's lenders or creditors;
- (e) the interests of the Company's shareholders;
- (f) taxation considerations;
- (g) possible effects on the Company's creditworthiness;
- (h) the general economic and other external factors that may have an impact on the future business and financial performance of the Group; and
- (i) any other factors that the Board may consider relevant and appropriate.

Any recommendation, declaration and payment of dividends are also subject to the compliance with any applicable laws and regulations, including but not limited to the laws of Bermuda and the Company's bye-laws.

The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid in future. There is no assurance that dividends will be paid in any particular manner or amount for any given period.

AUDITOR'S REMUNERATION

In line with the sound practice that the independence of external auditor should not be impaired by other non-audit assignments, the Group ensures that assignments other than statutory audits undertaken by external auditor should not have an adverse impact on their independence.

For the year ended 31 December 2025, the auditor of the Company received approximately HK\$820,000 for audit service.

COMPANY SECRETARY

Mr. Wong Ka Chun is the Company Secretary of the Company. He is accountable to the Board and reports to the Chairman from time to time. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable laws, rules and regulations are followed.

According to Rule 3.29 of the Listing Rules, the Company Secretary is required to take no less than 15 hours of relevant professional training during the year ended 31 December 2025. Mr. Wong fulfilled the requirement during the year under review.

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene a special general meeting ("SGM")

The Board shall, on the requisition in writing of the shareholders of not less than one-tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene a SGM.

If within twenty-one days of such deposit the Board fails to proceed to convene a SGM, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any meeting so convened shall not be held after three months from the date of the original deposit.

Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the company secretary whose contact details are as follows:

Units 22-28, 25/F., Tower A, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Hong Kong.
Email: contact@multifield.com.hk

Shareholders may also make enquiries with the Board at general meetings of the Company.

Procedures for putting forward proposals at shareholders' meeting

Shareholders can submit a written requisition to move a resolution at shareholders' meeting. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all shareholders having at the date of the requisition a right to vote at the shareholders' meeting, or who are no less than one hundred shareholders.

The written requisition must state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at the shareholders' meeting. It must also be signed by all of the shareholders concerned and be deposited at the Company's principal place of business in Hong Kong at Units 22-28, 25/F., Tower A, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Hong Kong, for the attention of the company secretary not less than six weeks before the shareholders' meeting in case of a requisition requiring notice of a resolution and not less than one week before the shareholders' meeting in case of any other requisition.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

CONSTITUTIONAL DOCUMENTS

There are no changes in the Company's constitutional documents during the year.

INVESTOR RELATIONS AND COMMUNICATION

The Company establishes different communication channels with shareholders and investors. These include (i) the publication of interim and annual reports; (ii) the annual general meeting or SGM providing a forum for shareholders of the Company to raise comments and exchange views with the Board; (iii) the Company replies to enquiries from shareholders timely; and (iv) the Company's share registrar in Hong Kong serves the shareholders regarding all share registration matters.

In fact, the Company's annual general meeting is one of the principal channels of communication with its shareholders. It provides an opportunity for shareholders to ask questions about the Group's performance. A separate resolution is proposed for each substantially separate issue at annual general meeting.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Multifield International Holdings Limited
(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Multifield International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 36 to 113, which comprise the consolidated statement of financial position as at 31 December 2025; the consolidated statement of profit or loss; the consolidated statement of profit or loss and other comprehensive income; the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended; and notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (“the Code”), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties

Refer to Note 15 to the consolidated financial statements.

We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the estimates associated with determining the fair value.

As at 31 December 2025, the Group had investment properties at a carrying amount of approximately HK\$9,916,238,000, with a loss arising on change in fair value of investment properties amounting to approximately HK\$1,319,496,000 recognised in the consolidated statement of profit or loss for the year then ended.

The Group's investment properties are stated at fair value based on valuations performed by an independent qualified professional valuer not connected with the Group.

Our procedures to the valuation of investment properties included the following:

- Obtained an understanding of the management's internal control and assessment process of valuation and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as significant judgements involved in determining assumptions to be applied;
- Assessed the competence, independence and integrity of the external valuer engaged by client;
- Obtained the external valuation reports and meeting with the external valuer to discuss and challenge the valuation process, methodologies used and market evidence to support significant judgments and assumptions applied in the valuation model;
- Checked key assumptions and input data in the valuation model to supporting evidence;
- Checked arithmetical accuracy of the valuation model; and
- Assessed the disclosure of the fair value measurement in the consolidated financial statements.

Based on the procedures above, we consider that the Group's fair value measurement of the investment properties is supported by the available evidence.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities of business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Beijing Xinghua Caplegend CPA Limited
Certified Public Accountants

Yeung Chun Wa
Practising Certificate Number P08421

Hong Kong, 26 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
REVENUE	5	287,031	285,848
Cost of services provided		<u>(45,797)</u>	<u>(47,706)</u>
Gross profit		241,234	238,142
Other income and gains, net	5	63,585	22,599
Fair value changes on financial assets at fair value through profit or loss, net		401,823	176,705
Fair value changes on investment properties, net	15	(1,319,496)	(1,089)
Operating and administrative expenses		(49,632)	(43,653)
Finance costs	7	(52,277)	(75,971)
Share of results of investments accounted for using the equity method	17	<u>143</u>	<u>(219)</u>
(LOSS)/PROFIT BEFORE TAX	6	(714,620)	316,514
Income tax credit/(expense)	10	<u>8,794</u>	<u>(32,591)</u>
(LOSS)/PROFIT FOR THE YEAR		<u>(705,826)</u>	<u>283,923</u>
(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		(644,984)	235,177
Non-controlling interests		<u>(60,842)</u>	<u>48,746</u>
		<u>(705,826)</u>	<u>283,923</u>
(LOSS)/EARNINGS PER SHARE			
Basic and diluted	12	<u>HK(77.14) cents</u>	<u>HK28.13 cents</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
(LOSS)/PROFIT FOR THE YEAR	(705,826)	283,923
OTHER COMPREHENSIVE INCOME/(EXPENSES)		
<i>Other comprehensive income/(expenses) that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of foreign operations	<u>263,712</u>	<u>(194,344)</u>
TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE YEAR	<u>(442,114)</u>	<u>89,579</u>
TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE YEAR ATTRIBUTABLE TO:		
Owners of the Company	<u>(442,398)</u>	85,167
Non-controlling interests	<u>284</u>	<u>4,412</u>
	<u>(442,114)</u>	<u>89,579</u>

The notes on pages 43 to 113 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment	<i>14</i>	251,327	249,764
Investment properties	<i>15</i>	9,916,238	10,902,981
Right-of-use assets	<i>16(a)</i>	545	843
Club debenture		330	330
Investments accounted for using the equity method	<i>17</i>	20,216	42
		<hr/>	<hr/>
Total non-current assets		10,188,656	11,153,960
CURRENT ASSETS			
Amounts due from investments accounted for using the equity method	<i>18</i>	40,805	27,649
Properties held for sale	<i>19</i>	281,851	281,851
Properties under development	<i>20</i>	360,321	294,121
Trade receivables	<i>21</i>	4,804	5,572
Prepayments, deposits and other receivables	<i>22</i>	233,019	221,542
Financial assets at fair value through profit or loss	<i>23</i>	1,410,939	1,004,358
Cash and cash equivalents	<i>24</i>	380,359	388,261
		<hr/>	<hr/>
Total current assets		2,712,098	2,223,354
CURRENT LIABILITIES			
Trade payables	<i>25</i>	4,519	2,170
Other payables and accruals	<i>26</i>	255,573	248,741
Lease liabilities	<i>16(b)</i>	248	309
Interest-bearing bank borrowings	<i>27</i>	270,216	248,594
Tax payable		35,307	40,061
		<hr/>	<hr/>
Total current liabilities		565,863	539,875
NET CURRENT ASSETS		2,146,235	1,683,479
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,334,891	12,837,439
		<hr/>	<hr/>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	27	1,320,000	1,392,500
Amount due to a director	28	108,248	97,357
Lease liabilities	16(b)	–	225
Deferred tax liabilities	29	1,425,742	1,389,541
		<hr/>	<hr/>
Total non-current liabilities		2,853,990	2,879,623
		<hr/>	<hr/>
NET ASSETS		9,480,901	9,957,816
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to owners of the Company			
Issued capital	30	41,804	41,804
Reserves	32	7,592,316	8,068,156
		<hr/>	<hr/>
Non-controlling interests		7,634,120	8,109,960
		1,846,781	1,847,856
		<hr/>	<hr/>
TOTAL EQUITY		9,480,901	9,957,816
		<hr/> <hr/>	<hr/> <hr/>

The consolidated financial statements on pages 36 to 113 were approved and authorised for issue by the board of directors on 26 March 2026 and are signed on its behalf by:

Lau Chi Yung, Kenneth
Chairman

Lau Michael Kei Chi
Vice-Chairman

The notes on pages 43 to 113 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the Company					Sub-total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
	Issued capital HK\$'000	Share premium account HK\$'000	Contributed surplus HK\$'000 (Note (a))	Exchange fluctuation reserve HK\$'000 (Note (b))	Retained profits HK\$'000			
At 1 January 2024	41,804	39,116	293,372	298,856	7,385,087	8,058,235	1,845,385	9,903,620
Profit for the year	-	-	-	-	235,177	235,177	48,746	283,923
Other comprehensive expenses for the year:								
Exchange differences on translation of foreign operations	-	-	-	(150,010)	-	(150,010)	(44,334)	(194,344)
Total comprehensive (expenses)/income for the year	-	-	-	(150,010)	235,177	85,167	4,412	89,579
Dividends paid to non-controlling interests	-	-	-	-	-	-	(1,941)	(1,941)
Final 2023 dividend declared (Note 11)	-	-	-	-	(16,721)	(16,721)	-	(16,721)
Interim 2024 dividend (Note 11)	-	-	-	-	(16,721)	(16,721)	-	(16,721)
At 31 December 2024	<u>41,804</u>	<u>39,116</u>	<u>293,372</u>	<u>148,846</u>	<u>7,586,822</u>	<u>8,109,960</u>	<u>1,847,856</u>	<u>9,957,816</u>
At 1 January 2025	41,804	39,116	293,372	148,846	7,586,822	8,109,960	1,847,856	9,957,816
Loss for the year	-	-	-	-	(644,984)	(644,984)	(60,842)	(705,826)
Other comprehensive income for the year:								
Exchange differences on translation of foreign operations	-	-	-	202,586	-	202,586	61,126	263,712
Total comprehensive income/(expenses) for the year	-	-	-	202,586	(644,984)	(442,398)	284	(442,114)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(1,359)	(1,359)
Final 2024 dividend declared (Note 11)	-	-	-	-	(16,721)	(16,721)	-	(16,721)
Interim 2025 dividend (Note 11)	-	-	-	-	(16,721)	(16,721)	-	(16,721)
At 31 December 2025	<u>41,804</u>	<u>39,116</u>	<u>293,372</u>	<u>351,432</u>	<u>6,908,396</u>	<u>7,634,120</u>	<u>1,846,781</u>	<u>9,480,901</u>

Notes:

- (a) The contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired over the nominal value of the shares of the Company issued in exchange therefor.
- (b) The exchange fluctuation reserve of the Group comprises exchange differences arising from the translation of the financial statements of foreign operations.

The notes on pages 43 to 113 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(714,620)	316,514
Adjustments for:		
Fair value changes on investment properties, net	1,319,496	1,089
Loss on disposal of investment properties	1,087	219
Dividend income from listed equity investments	(55,030)	(60,036)
Depreciation of property, plant and equipment	2,839	2,663
Depreciation of right-of-use assets	337	163
Finance costs	52,277	75,971
Fair value changes on financial assets at fair value through profit or loss, net	(401,823)	(176,705)
Foreign exchange difference, net	(16,056)	2,953
Interest income	(17,878)	(14,595)
Share of results of investments accounted for using the equity method	(143)	219
	170,486	148,455
Operating cash flows before movements in working capital	170,486	148,455
Increase in properties under development	(24,613)	(288,743)
Decrease/(increase) in trade receivables	774	(2,040)
(Increase)/decrease in prepayments, deposits and other receivables	(1,225)	12,725
Increase in financial assets at fair value through profit or loss	(4,758)	(6,231)
Increase in trade payables	2,094	487
(Decrease)/increase in other payables and accruals	(2,269)	4,352
	140,489	(130,995)
Cash generated from/(used in) operations	140,489	(130,995)
Dividend received from listed equity investments	55,030	60,036
Interest received from financial assets at fair value through profit or loss	647	316
Income tax paid	(22,350)	(22,556)
	173,816	(93,199)
Net cash flows generated from/(used in) operating activities	173,816	(93,199)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for investments accounted for using the equity method	–	(213)
Proceeds from disposal of property, plant and equipment	167	326
Proceeds from disposal of investment properties	1,882	2,371
Purchases of property, plant and equipment	(772)	(1,586)
Advance to investments accounted for using the equity method	(29,052)	(15,436)
Interest received	16,462	14,279
	(11,313)	(259)
Net cash flows used in investing activities	(11,313)	(259)
CASH FLOWS FROM FINANCING ACTIVITIES		
New interest-bearing bank borrowings	–	736,094
Repayment of interest-bearing bank borrowings	(72,500)	(632,449)
Advance from a director	11,156	95,826
Repayment to a director	(275)	(48,596)
Interest paid on interest-bearing bank borrowings	(62,971)	(81,265)
Dividend paid to non-controlling interests	(1,359)	(1,941)
Dividend paid	(33,424)	(33,437)
Repayment of lease liabilities	(325)	(141)
Interest paid on lease liabilities	(23)	(17)
	(159,721)	34,074
Net cash flows (used in)/generated from financing activities	(159,721)	34,074

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,782	(59,384)
Cash and cash equivalents at beginning of the year		388,261	452,539
Effect of foreign exchange rate changes, net		(10,684)	(4,894)
CASH AND CASH EQUIVALENT AT END OF THE YEAR		<u>380,359</u>	<u>388,261</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	24	107,051	287,794
Non-pledged time deposits with original maturity of less than three months when acquired	24	<u>273,308</u>	<u>100,467</u>
Cash and cash equivalents		<u>380,359</u>	<u>388,261</u>

Note:

- (i) Major non-cash transaction:

During the year ended 31 December 2025, additional investment in an investment accounted for using the equity method of HK\$20,037,000 has been settled through the amount due from an investment accounted for using the equity method.

The notes on page 43 to 113 form part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION

Multifield International Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda. The registered office of the Company is situated at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda and the principal place of business of the Company is located at Units 22-28, 25/F., Tower A, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Hong Kong. The shares of the Company are listed on Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

During the year, the Company and its subsidiaries (collectively the “Group”) were engaged in the following principal activities:

- property investment;
- property development;
- provision of serviced apartment and property management services; and
- investment in securities and investment holding.

In the opinion of the directors, the holding company of the Company is Lucky Speculator Limited, which is incorporated in the British Virgin Islands, and the ultimate holding company of the Company is Power Resources Holdings Limited, which is incorporated in the British Virgin Islands. Its ultimate controlling party is Mr. Lau Chi Yung, Kenneth, who is also a director of the Company.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated. The consolidated financial statements for the year ended 31 December 2025 were approved for issue by the board of directors on 26 March 2026.

Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Issued share capital/ paid-up capital	Percentage of equity interest attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Benefit Properties Sdn. Bhd.	Malaysia	Malaysian Ringgit (“RM”) 1,000	-	-	100	100	Property investment
Chater Land Limited	Hong Kong	HK\$1	-	-	69	69	Property investment
Conrad Shipping Limited	Hong Kong	HK\$1	-	-	75	75	Property investment
Ernesto Investments Limited	British Virgin Islands	United States dollars (“US\$”) 1	-	-	69	69	Investment holding

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name	Place of incorporation/ registration and business	Issued share capital/ paid-up capital	Percentage of equity interest attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Ever Ford Development Limited	Hong Kong/People's Republic of China ("PRC")	HK\$10,000	-	-	69	69	Property investment
Fexlink Limited	Hong Kong	HK\$100	-	-	100	100	Property investment
Fortune Text Holdings Limited	Hong Kong/PRC	HK\$2	-	-	65	65	Property investment
Gain Power Consultants Limited	Hong Kong	HK\$1	-	-	69	69	Property investment
Golden Charter International Limited	Hong Kong	HK\$2	-	-	75	75	Property investment
Good Connection Investments Limited	British Virgin Islands/PRC	US\$50,000	-	-	82.02	82.02	Property investment
Goodrich Properties Limited	Hong Kong	HK\$2	-	-	75	75	Property investment
Grandfield Nominees Limited	Hong Kong	HK\$1,000,000	-	-	75	75	Property investment
Highcode Sdn. Bhd.	Malaysia	RM1	-	-	100	100	Investment holding
Keen2learn.com International Limited	Hong Kong	HK\$2	-	-	75	75	Property investment
Lau & Partners Consultants Limited	Hong Kong/PRC	HK\$10,000	-	-	75	75	Property investment
Limitless Investment Limited	British Virgin Islands	US\$2	-	-	100	100	Investment holding
Linkful Management Services Limited	Hong Kong	HK\$2	-	-	75	75	Provision of management services
Linkful Properties Company Limited	Hong Kong/PRC	HK\$2	-	-	75	75	Investment and property holding
Linkful Strategic Investment Limited	British Virgin Islands	US\$1	100	100	-	-	Investment holding

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name	Place of incorporation/ registration and business	Issued share capital/ paid-up capital	Percentage of equity interest attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Linkful Secretarial Services Limited	Hong Kong	HK\$10,000	–	–	75	75	Property investment
Mark Rich Limited	Hong Kong	HK\$10,000	–	–	69	69	Property investment
Maxlord Limited	Hong Kong	HK\$10,000	–	–	75	75	Property investment
Multifield (Holdings) Limited	Hong Kong	HK\$1,000,000	–	–	100	100	Provision of management services
Multifield Contracting Limited	Hong Kong	HK\$10,000	–	–	75	75	Property investment
Multifield Hotel Serviced Apartment Management (Shanghai) Ltd. [#] (Note (i))	PRC	US\$200,000	–	–	100	100	Provision of property management and administration services
Multifield Properties Limited	Hong Kong/PRC	HK\$9,000	–	–	100	100	Investment holding and property investment
Multifield Property Agency Limited	Hong Kong	HK\$2	–	–	75	75	Property investment
Multifield Property Management Limited	Hong Kong	HK\$2	–	–	100	100	Provision of property management services
Multifield Development Sdn. Bhd.	Malaysia	RM1,000	–	–	100	100	Provision of management consultancy services
Multifield Ventures Sdn. Bhd.	Malaysia	RM1,000	–	–	100	100	Investment holding
New Luck Management Limited	Hong Kong	HK\$1	–	–	69	69	Property investment

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION *(continued)*

Information about subsidiaries *(continued)*

Particulars of the Company's principal subsidiaries are as follows: *(continued)*

Name	Place of incorporation/ registration and business	Issued share capital/ paid-up capital	Percentage of equity interest attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Oriental Explorer Holdings Limited	Bermuda	HK\$38,818,360	-	-	75	75	Investment holding
Power Earning Limited	Hong Kong	HK\$1	-	-	75	75	Property investment
Prince Properties Limited	Hong Kong	HK\$10,000	-	-	100	100	Investment holding
Reach Profit Investments Limited	British Virgin Islands	US\$1	-	-	75	75	Investment holding
Rich Returns Limited	British Virgin Islands	US\$100	-	-	69	69	Investment holding
Richwell Properties Limited	Hong Kong	Ordinary HK\$110,000 Non-voting deferred HK\$10,000	-	-	100	100	Property investment
Rich Century Development Limited	Hong Kong	HK\$1	-	-	75	75	Property investment
Silver Nominees Limited	Hong Kong	HK\$2	-	-	75	75	Property investment
Smartmax Development Limited	Hong Kong	HK\$2	-	-	100	100	Property investment
Target Grace Limited	Hong Kong	HK\$1	-	-	100	100	Investment holding
Tellink Development Limited	Hong Kong	HK\$100	-	-	75	75	Property investment
Verywell Properties Limited	British Virgin Islands/Hong Kong	US\$1	-	-	75	75	Property investment

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name	Place of incorporation/ registration and business	Issued share capital/ paid-up capital	Percentage of equity interest attributable to the Company				Principal activities
			Direct		Indirect		
			2025 %	2024 %	2025 %	2024 %	
Windsor Homes Sdn. Bhd.	Malaysia	RM1	-	-	100	100	Investment holding
Windsor Property Management (Shanghai) Co., Ltd. [#] (Note (i))	PRC	US\$200,000	-	-	100	100	Provision of property management services
Windsor Renaissance Hotel Property Management (Shanghai) Ltd. [#] (Note (i))	PRC	US\$140,000	-	-	100	100	Provision of property management services
Winner Strong Limited	Hong Kong	HK\$100	-	-	100	100	Property investment
Wise Chance Limited	Hong Kong	HK\$100	-	-	100	100	Property investment
Wise Success Limited	Hong Kong	HK\$100	-	-	100	100	Property investment
珠海市世紀西海房地產投資有限公司 (Note (ii))	PRC	Renminbi ("RMB") 10,000,000	-	-	100	100	Property development
珠海萬事昌酒店有限公司 (Note (ii))	PRC	US\$20,000,000	-	-	100	100	Property development
怡麗酒店物業管理(上海)有限公司 (Note (i))	PRC	RMB500,000	-	-	100	-	Provision of property management services

[#] The English names of these companies referred to in these financial statements represent management's best effort to translate the Chinese names of those companies, as no English names have been registered.

Notes:

- (i) These subsidiaries are registered as wholly-foreign-owned enterprises under the PRC law.
- (ii) These subsidiaries are limited liability companies established in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

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

The HKICPA has issued certain new and amended to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2.2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these consolidated financial statements.

(b) Basis of preparation

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries and the Group’s interest in an associate and joint ventures.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for investment properties and certain financial assets which are measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of HKFRS Accounting Standards that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in Note 3.

2.2 ADOPTION OF NEW OR AMENDED HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES

(i) Changes in accounting policies

The Group has applied the amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the HKICPA to these consolidated financial statements for the current accounting period.

The amendments do not have a material impact on these consolidated financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.2 ADOPTION OF NEW OR AMENDED HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES *(continued)*

(ii) Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: Disclosures – Contracts referencing nature-dependent electricity	1 January 2026
Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, Presentation and disclosure in financial statements	1 January 2027
HKFRS 19, Subsidiaries without public accountability: Disclosures	1 January 2027
Amendments to HK-Int 5, Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause	1 January 2027
Amendments to HKAS 21, Translation to hyperinflationary presentation currency	1 January 2027
Amendments to HKFRS 10 and HKAS 28, Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The directors of the Group are in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements, except for the following:

HKFRS 18, Presentation and disclosure in financial statements

HKFRS 18 will replace HKAS 1 Presentation of Financial Statements and aims to improve the transparency and comparability of information about an entity's financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt HKFRS 18 and is still in the process of assessing the impact of the adoption.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION

Subsidiaries and non-controlling interests

(a) Consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are consolidated from the date on which control commences until the date on which control ceases.

(i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group can elect to measure any non-controlling interests (“NCI”) either at fair value or at the NCI’s proportionate share of the subsidiary’s net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any NCI in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, NCI recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intra-group transactions, balances and unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

(ii) Changes in ownership interests in subsidiaries without change of control

Changes in the Group’s interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)***Subsidiaries and non-controlling interests** *(continued)**(a) Consolidation (continued)**(iii) Disposal of subsidiaries*

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. It means the amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards.

(b) Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment in the Company's statement of financial position. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Fair value measurement

The Group measures its investment properties and financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than financial assets, investment properties, properties held for sale and properties under development), to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised in profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset. It is allocated to reduce the carrying amounts of assets in the cash-generating unit on a pro-rata basis.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises.

Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Related parties *(continued)*

- (b) An entity is related to the Group if any of the following conditions applies: *(continued)*
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Land and buildings	5% or over the lease terms, if shorter
Leasehold improvements	Over the lease terms
Furniture, fixtures and office equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicles	20% – 33 $\frac{1}{3}$ %
Vessels	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Capital work in progress is not depreciated until they are substantially complete and available for their intended use.

Capital work in progress represents the work in progress of development of properties. Capital work in progress is classified to land and buildings when work in progress is completed and ready for intended use.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)***Properties under development**

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost, comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realisable value.

Properties under development are classified as current assets unless those will not be realised in the normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction cost and subsequently at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes the land costs, construction costs, borrowing costs, professional fees, and other costs directly attributable to such properties incurred during the development period. Net realisable value is calculated as the estimated selling price less all costs of completion, if applicable, and costs of marketing and selling.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Leases *(continued)*

Group as a lessee (continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use), except for leases that have a short lease term of 12 months or less, and leases of low value items. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses. Cost includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	Over the lease terms
Leased premises	Over the lease terms

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments payable over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. Variable lease payments that do not depend on an index or a rate are not included in the measurement liability and are charged to profit or loss as an expense as incurred.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office premises (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised in profit or loss as an expense on a systematic basis over the lease term.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)***Leases** *(continued)**Group as a lessor*

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

Investments in associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the aggregate fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of results of investments accounted for using the equity method" in the consolidated statement of profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Joint arrangements

The Group has applied HKFRS 11 – Joint Arrangements to all joint arrangements. Under HKFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments and other financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flows characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Investments and other financial assets *(continued)*

(a) Initial recognition and measurement (continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

(b) Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(c) Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

(d) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

This category includes financial instruments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on listed equity investments classified as financial assets at fair value through profit or loss are also recognised as revenue and gains in the consolidated statement of profit or loss when the right of payment has been established.

(e) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Investments and other financial assets *(continued)*

(e) Derecognition of financial assets (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the assets. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECL") for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

(a) General approach

ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Impairment of financial assets *(continued)*

(a) General approach (continued)

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECL except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECL

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECL

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECL

(b) Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECL. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables and accruals, interest-bearing bank borrowings and amount due to a director.

(b) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Financial liabilities *(continued)*

(c) Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated statement of profit or loss.

(d) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in “Impairment of financial assets”; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

(e) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group’s cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Income tax *(continued)*

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Government grants, subsidies from the relevant PRC and Hong Kong government authorities, in the form of return of income tax, value added tax not associating with the purchase of property, plant and equipment and various taxes, as an incentive for the investments in various cities in the PRC are recognised in the consolidated statement of profit or loss when relevant approval has been obtained.

Revenue recognition

(a) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Revenue recognition *(continued)*

(b) Provision of serviced apartment operations and property management services

Revenue from the provision of serviced apartment operations and property management services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

(c) Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Employee benefits

(a) Pension obligation

The Group operates defined contribution plan. The schemes are generally funded through payments to insurance companies or trustee-administered funds.

A defined contribution plan is a pension plan under which the Group pays fixed contributions. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)*

Employee benefits *(continued)*

(c) Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(d) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(e) Long service payments

The Group's net obligation in respect of long service payments to its employees upon termination of their employment or retirement when the employees fulfil certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Dividends

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the Note 11 to the consolidated financial statements.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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2.3 MATERIAL ACCOUNTING POLICIES INFORMATION *(continued)***Foreign currencies** *(continued)*

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries, associates and joint ventures are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to NCI. On disposal of a foreign operation, the accumulative amount in the reserve relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties which are leased out and accounts for the contracts as operating leases.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, management has reviewed the Group's investment properties and concluded that the certain of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in these investment properties over time. Therefore, in determining the Group's deferred taxation on these investment properties, the directors have determined that the presumption that these investment properties measured using the fair value model are recovered through sale is rebutted.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)***Judgements** *(continued)**Deferred taxation on investment properties (continued)*

Accordingly, the Group recognises deferred tax in respect of the changes in fair value of the investment properties based on management's best estimate assuming future tax consequences through usage of such properties of rental purpose, rather than through sale. The final tax outcome could be different from the deferred tax liabilities recognised in the consolidated financial statements should the investment properties be subsequently disposed by the Group, rather than all of the economic benefits embodied in the investment properties are consumed substantially by leasing over time. In the event the investment properties are being disposed of, the Group may be liable to higher tax upon disposal considering the impact of corporate income tax and land appreciation tax.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Estimation of fair value of investment properties

As described in Note 15 to the consolidated financial statements, the investment properties were revalued at the end of the reporting period based on the appraised market value provided by an independent professional valuer. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of each reporting period.

Fair values of financial instruments

Financial instruments such as equity instruments are carried at the consolidated statement of financial position at fair value. The best evidence of fair value is quoted prices in an active market, where quoted prices are not available for a particular financial instrument, the Group uses the market values determined by independent financial institutions or internal or external valuation models to estimate the fair value. The use of methodologies, models and assumptions in pricing and valuing these financial assets and liabilities is subjective and requires varying degrees of judgement by management, which may result in significantly different fair values and results.

Impairment of receivables

The Group estimates the amount of loss allowance for trade receivables, deposits, other receivables and amounts due from investments accounted for using the equity method by assessing the ECL. The ECL for trade receivables, deposits, other receivables and amounts due from investments accounted for using the equity method are based on assumptions about risk of default and expected loss rates. The Group makes these assumptions and selects the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The information about the ECL on the Group's trade receivables, deposits, other receivables and amounts due from investments accounted for using the equity method is disclosed in Note 39 to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)*

Estimation uncertainty *(continued)*

Income taxes and deferred taxation

Significant judgement is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be recognised. The outcome of their actual recognition may be different.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into three (2024: three) reportable operating segments as follows:

- (a) property investment segment, mainly comprises investment in properties and related rental income;
- (b) serviced apartment operations and property management services segment; and
- (c) investments in securities segment.

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/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that unallocated corporate expenses, interest income on bank deposits, share of results of investments accounted for using the equity method, other gains and finance costs are excluded from such measurement.

Segment assets exclude other unallocated head office and corporate assets, and investments accounted for using the equity method.

Segment liabilities exclude interest-bearing bank borrowings, amount due to a director, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities are managed as these liabilities on a group basis.

There are no sales or other transactions between the operating segments during the year (2024: Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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4. OPERATING SEGMENT INFORMATION (continued)

Years ended 31 December 2025 and 2024

	Property investment		Serviced apartment operations and property management services		Investments in securities		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:								
Revenue from external customers	<u>196,946</u>	<u>193,517</u>	<u>34,408</u>	<u>31,979</u>	<u>55,677</u>	<u>60,352</u>	<u>287,031</u>	<u>285,848</u>
Segment results	<u>(1,143,766)</u>	<u>151,510</u>	<u>(3,412)</u>	<u>(2,564)</u>	<u>455,814</u>	<u>233,829</u>	<u>(691,364)</u>	<u>382,775</u>
<i>Reconciliation:</i>								
Unallocated corporate expenses							(15,303)	(11,534)
Interest income on bank deposits							16,462	13,900
Share of results of investments accounted for using the equity method							143	(219)
Other gains							27,719	7,563
Finance costs							(52,277)	(75,971)
(Loss)/profit before tax							<u>(714,620)</u>	<u>316,514</u>

	Property investment		Serviced apartment operations and property management services		Investments in securities		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	10,829,966	11,871,115	30,944	38,536	1,389,098	990,595	12,250,008	12,900,246
<i>Reconciliation:</i>								
Corporate and unallocated assets							650,746	477,068
Total assets							<u>12,900,754</u>	<u>13,377,314</u>
Segment liabilities	182,634	181,350	16,903	22,573	418	416	199,955	204,339
<i>Reconciliation:</i>								
Corporate and unallocated liabilities							3,219,898	3,215,159
Total liabilities							<u>3,419,853</u>	<u>3,419,498</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

4. OPERATING SEGMENT INFORMATION (continued)

Years ended 31 December 2025 and 2024 (continued)

	Property investment		Serviced apartment operations and property management services		Investments in securities		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Other segment information:										
Depreciation and amortisation	2,531	2,533	12	9	-	-	633	284	3,176	2,826
Fair value changes on investment properties, net	1,319,496	1,089	-	-	-	-	-	-	1,319,496	1,089
Fair value changes on financial assets at fair value through profit or loss, net	-	-	-	-	(401,823)	(176,705)	-	-	(401,823)	(176,705)
Capital expenditure*	384	39	262	331	-	-	126	1,216	772	1,586

* Capital expenditure consists of additions to property, plant and equipment.

Geographical information

(a)	Hong Kong		Mainland China		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers	128,362	134,102	158,669	151,746	287,031	285,848

The revenue information above is based on the locations of the customers. No single external customer accounted for 10% or more of the total revenue for the years ended 31 December 2025 and 2024.

(b)	Hong Kong		Mainland China		Malaysia		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Non-current assets	2,874,496	4,086,424	7,136,436	6,935,493	157,178	131,671	10,168,110	11,153,588

The non-current assets information above is based on the locations of assets and excludes club debenture and investments accounted for using the equity method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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5. REVENUE, OTHER INCOME AND GAINS

	2025 HK\$'000	2024 HK\$'000
<i>Revenue from contracts with customers</i>		
Serviced apartment operations and property management services	34,408	31,979
<i>Revenue from other sources</i>		
Rental income from property letting under fixed lease payments	196,946	193,517
Dividend income from listed equity investments	55,030	60,036
Interest income from financial assets at fair value through profit or loss	647	316
	<u>252,623</u>	<u>253,869</u>
	<u>287,031</u>	<u>285,848</u>

Revenue from contracts with customers

(a) Disaggregation of revenue information

	2025 HK\$'000	2024 HK\$'000
By source of revenue:		
<i>Revenue recognised over time</i>		
Serviced apartment operations and property management services	34,408	31,979
By geographical locations:		
Hong Kong	1,218	1,321
Mainland China	33,190	30,658
	<u>34,408</u>	<u>31,979</u>

(b) Performance obligations for contracts with customers

Serviced apartment operations and property management services income is recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Revenue is recognised for these serviced apartment operations and property management services based on monthly statement issued by the Group's property management agent.

Transaction price allocated to remaining performance obligation for contract with customers

As at 31 December 2025, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately HK\$19,740,000 (2024: HK\$15,581,000). The Group will recognise the expected revenue in future when the services are provided to customers, which is expected to occur within the next twenty-four months (2024: twenty-four months).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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5. REVENUE, OTHER INCOME AND GAINS (continued)

Other income and gains/(losses), net

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Foreign exchange difference, net	29,543	1,136
Government grants and subsidies (<i>Note</i>)	8,958	2,198
Interest income on bank deposits	16,462	13,900
Interest income from amounts due from investments accounted for using the equity method	769	379
Loss on disposal of investment properties	(1,087)	(219)
Management fee income	3,178	480
Others	5,762	4,725
	<u>63,585</u>	<u>22,599</u>

Note:

During the year ended 31 December 2025, the Group has received subsidies in form of return of income tax and various taxes of approximately HK\$8,958,000 (2024: HK\$2,198,000) as an incentive for the investments in various cities in the PRC.

There are no unfulfilled conditions or contingencies relating to grants.

6. (LOSS)/PROFIT BEFORE TAX

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditor's remuneration – audit services	820	820
Cost of services provided	45,797	47,706
Depreciation of property, plant and equipment	2,839	2,663
Depreciation of right-of-use assets	337	163
Foreign exchange differences, net	(29,543)	(1,136)
Employee benefit expense (including directors' and chief executive's remuneration):		
Salaries, wages and benefits in kind	31,236	28,976
Pension scheme contributions (defined contribution scheme) (<i>Note</i>)	4,025	3,985
Total staff costs	<u>35,261</u>	<u>32,961</u>

Note:

At 31 December 2025, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2024: Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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7. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on bank loans	62,985	81,332
Interest on lease liabilities (Note 16(b))	23	17
	<u>63,008</u>	<u>81,349</u>
Less: Interest capitalised	(10,731)	(5,378)
	<u>52,277</u>	<u>75,971</u>

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2025 HK\$'000	2024 HK\$'000
Fees	864	567
Other emoluments:		
Salaries, allowances and benefits in kind	4,920	5,125
Pension scheme contributions	8	18
	<u>4,928</u>	<u>5,143</u>
	<u>5,792</u>	<u>5,710</u>

(a) Independent non-executive directors

The fees paid to the independent non-executive directors during the year were as follows:

	2025 HK\$'000	2024 HK\$'000
Mr. Tsui Ka Wah	216	183
Mr. Lo Mun Lam, Raymond	216	183
Mr. Lo Kam Cheung, Patrick	216	183
Mr. Ng Sing Yip	216	18
	<u>864</u>	<u>567</u>

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

There were no other emoluments payable to the independent non-executive directors during the year (2024: Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors and chief executive

	Fees <i>HK\$'000</i>	Salaries, allowances and benefits in kind <i>HK\$'000</i>	Pension scheme contributions <i>HK\$'000</i>	Total remuneration <i>HK\$'000</i>
2025				
Executive directors:				
Mr. Lau Chi Yung, Kenneth	–	2,760	8	2,768
Mr. Lau Michael Kei Chi (Chief executive)	–	2,160	–	2,160
Ms. Leung Wei San Saskia	–	–	–	–
	<u>–</u>	<u>4,920</u>	<u>8</u>	<u>4,928</u>
2024				
Executive directors:				
Mr. Lau Chi Yung, Kenneth	–	2,875	18	2,893
Mr. Lau Michael Kei Chi (Chief executive)	–	2,250	–	2,250
Ms. Leung Wei San Saskia	–	–	–	–
	<u>–</u>	<u>5,125</u>	<u>18</u>	<u>5,143</u>

The executive directors' remuneration shown above were for their services in connection with the management of the affairs of the Company and the Group.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year (2024: Nil).

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2024: two) directors and chief executive, details of whose remuneration are set out in Note 8 above. Details of the remuneration for the year of the remaining three (2024: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Salaries, allowances and benefits in kind	2,212	2,237
Pension scheme contributions	113	39
	<u>2,325</u>	<u>2,276</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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9. FIVE HIGHEST PAID EMPLOYEES (continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

	Number of employees	
	2025	2024
Nil to HK\$1,000,000	2	3
HK\$1,000,001 to HK\$1,500,000	1	–
	<u>3</u>	<u>3</u>

10. INCOME TAX (CREDIT)/EXPENSE

The provision for Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Under the Law of the PRC on Enterprise Income Tax and Implementation Regulation of the Enterprise Income Tax Law, the tax rate of the PRC subsidiaries is 25%.

Pursuant to the relevant PRC tax laws and regulations, a non-resident enterprise is generally subject to a 10% Enterprise Income Tax on PRC-sourced income if such non-resident enterprise does not have an establishment or place in the PRC. The Group's subsidiaries incorporated in Hong Kong and the British Virgin Islands, and engaged in the property investment in the PRC do not have an establishment or place in the PRC. As a result, those subsidiaries are subject to a 10% Enterprise Income Tax on PRC-sourced income.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025 HK\$'000	2024 HK\$'000
Current tax – Hong Kong		
Charge for the year	4,313	5,395
Under-provision in prior years	111	19
	4,424	5,414
Current tax – Mainland China		
Charge for the year	12,654	12,373
Current tax – Malaysia		
Charge for the year	48	145
Over-provision in prior years	(7)	–
	41	145
	17,119	17,932
Deferred tax (Note 29)	(25,913)	14,659
Total tax (credit)/charge for the year	<u>(8,794)</u>	<u>32,591</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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10. INCOME TAX (CREDIT)/EXPENSE (continued)

A reconciliation of the income tax expense applicable to (loss)/profit before tax at the applicable rates for the countries (or jurisdictions) in which the Company and the majority of its subsidiaries are domiciled to the income tax expense is as follows:

2025

	Hong Kong HK\$'000	Mainland China HK\$'000	Malaysia HK\$'000	Total HK\$'000
(Loss)/profit before tax	<u>(727,732)</u>	<u>(25,280)</u>	<u>38,392</u>	<u>(714,620)</u>
Tax at the applicable tax rate	(120,076)	(6,320)	9,214	(117,182)
Lower tax rate for specific provinces or enacted by local authority	(165)	(18,981)	–	(19,146)
Income not subject to tax	(11,870)	(77,662)	(10,650)	(100,182)
Expenses not deductible for tax	139,611	86,050	1,484	227,145
Tax losses utilised from previous periods	(486)	–	–	(486)
Tax losses not recognised	953	–	–	953
Under/(over)-provision in prior years	<u>110</u>	<u>–</u>	<u>(6)</u>	<u>104</u>
Income tax (credit)/expense	<u>8,077</u>	<u>(16,913)</u>	<u>42</u>	<u>(8,794)</u>

2024

	Hong Kong HK\$'000	Mainland China HK\$'000	Malaysia HK\$'000	Total HK\$'000
Profit before tax	<u>144,111</u>	<u>172,294</u>	<u>109</u>	<u>316,514</u>
Tax at the applicable tax rate	23,778	43,074	26	66,878
Lower tax rate for specific provinces or enacted by local authority	(165)	(18,560)	–	(18,725)
Income not subject to tax	(35,809)	(62,494)	(1,421)	(99,724)
Expenses not deductible for tax	19,118	50,354	1,541	71,013
Tax effect of temporary differences not recognised	323	11,149	–	11,472
Tax losses utilised from previous periods	(391)	–	–	(391)
Tax losses not recognised	2,049	–	–	2,049
Under-provision in prior years	<u>19</u>	<u>–</u>	<u>–</u>	<u>19</u>
Income tax expense	<u>8,922</u>	<u>23,523</u>	<u>146</u>	<u>32,591</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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11. DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Interim dividend – HK2 cents per ordinary share of par value HK\$0.05 each (2024: HK2 cents per ordinary share of par value HK\$0.05 each)	16,721	16,721
Proposed final dividend – HK3 cents per ordinary share of par value HK\$0.05 each (2024: HK2 cents per ordinary share of par value HK\$0.05 each)	<u>25,082</u>	<u>16,721</u>
	<u><u>41,803</u></u>	<u><u>33,442</u></u>

Subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on 27 May 2026, dividend warrants will be posted on or about 25 June 2026 to shareholders whose names appear on the register of members of the Company on 5 June 2026.

12. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the loss for the year attributable to ordinary equity holders of the Company of approximately HK\$644,984,000 (2024: profit of approximately HK\$235,177,000) and the weighted average number of ordinary shares of 836,074,218 (2024: 836,074,218 shares) in issue for the year.

The diluted loss per share is equal to the basic loss per share as there is no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

13. NON-WHOLLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

The following table lists the information related to Rich Returns Limited and its subsidiaries ("Rich Returns Group"), which has material non-controlling interests.

	2025 %	2024 %
Percentage of equity interest held by non-controlling interests	<u>31</u>	<u>31</u>
	2025 HK\$'000	2024 HK\$'000
Profit for the year allocated to non-controlling interests	<u>50,012</u>	<u>54,039</u>
Accumulated balances of non-controlling interests at the reporting dates	<u><u>1,343,999</u></u>	<u><u>1,244,600</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

13. NON-WHOLLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS *(continued)*

The following tables illustrate the summarised financial information of Rich Returns Group. The amounts disclosed are before any inter-company eliminations:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	285,708	200,055
Total expenses	(50,700)	(75,922)
Profit for the year	161,328	174,321
Total comprehensive income for the year	<u>320,642</u>	<u>58,414</u>
Current assets	2,021,239	1,791,898
Non-current assets	4,814,412	4,743,066
Current liabilities	(610,010)	(615,939)
Non-current liabilities	<u>(1,890,160)</u>	<u>(1,904,187)</u>
Net cash flows generated from/(used in) operating activities	83,932	(337,139)
Net cash flows generated from investing activities	26,584	42,324
Net cash flows (used in)/generated from generated from financing activities	(86,355)	253,959
Effect of foreign exchange rate changes, net	<u>(2,957)</u>	<u>1,875</u>
Net increase/(decrease) in cash and cash equivalents	<u>21,204</u>	<u>(38,981)</u>

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14. PROPERTY, PLANT AND EQUIPMENT

	Capital work in progress <i>HK\$'000</i> <i>(Note)</i>	Land and buildings <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Furniture, fixtures and office equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Vessels <i>HK\$'000</i>	Total <i>HK\$'000</i>
31 December 2025							
At 1 January 2025:							
Cost	226,124	49,844	2,846	21,190	14,972	441	315,417
Accumulated depreciation and impairment	-	(28,978)	(2,607)	(20,589)	(13,038)	(441)	(65,653)
Net carrying amount	<u>226,124</u>	<u>20,866</u>	<u>239</u>	<u>601</u>	<u>1,934</u>	<u>-</u>	<u>249,764</u>
At 1 January 2025, net of accumulated depreciation and impairment	226,124	20,866	239	601	1,934	-	249,764
Additions	-	-	-	522	250	-	772
Depreciation provided during the year	-	(2,455)	(56)	(180)	(148)	-	(2,839)
Disposals	-	-	-	(1)	(166)	-	(167)
Exchange realignment	4,084	-	22	(34)	(275)	-	3,797
At 31 December 2025, net of accumulated depreciation and impairment	<u>230,208</u>	<u>18,411</u>	<u>205</u>	<u>908</u>	<u>1,595</u>	<u>-</u>	<u>251,327</u>
At 31 December 2025:							
Cost	230,208	49,844	2,874	21,764	15,300	441	320,431
Accumulated depreciation and impairment	-	(31,433)	(2,669)	(20,856)	(13,705)	(441)	(69,104)
Net carrying amount	<u>230,208</u>	<u>18,411</u>	<u>205</u>	<u>908</u>	<u>1,595</u>	<u>-</u>	<u>251,327</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT (continued)

	Capital work in progress HK\$'000 (Note)	Land and buildings HK\$'000	Leasehold improvements HK\$'000	Furniture, fixtures and office equipment HK\$'000	Motor vehicles HK\$'000	Vessels HK\$'000	Total HK\$'000
31 December 2024							
At 1 January 2024:							
Cost	228,221	49,844	2,581	21,162	16,825	441	319,074
Accumulated depreciation and impairment	–	(26,523)	(2,581)	(20,854)	(14,850)	(441)	(65,249)
Net carrying amount	<u>228,221</u>	<u>23,321</u>	<u>–</u>	<u>308</u>	<u>1,975</u>	<u>–</u>	<u>253,825</u>
At 1 January 2024, net of accumulated depreciation and impairment	228,221	23,321	–	308	1,975	–	253,825
Additions	–	–	265	627	694	–	1,586
Depreciation provided during the year	–	(2,455)	(26)	(81)	(101)	–	(2,663)
Disposals	–	–	–	(238)	(88)	–	(326)
Exchange realignment	(2,097)	–	–	(15)	(546)	–	(2,658)
At 31 December 2024, net of accumulated depreciation and impairment	<u>226,124</u>	<u>20,866</u>	<u>239</u>	<u>601</u>	<u>1,934</u>	<u>–</u>	<u>249,764</u>
At 31 December 2024:							
Cost	226,124	49,844	2,846	21,190	14,972	441	315,417
Accumulated depreciation and impairment	–	(28,978)	(2,607)	(20,589)	(13,038)	(441)	(65,653)
Net carrying amount	<u>226,124</u>	<u>20,866</u>	<u>239</u>	<u>601</u>	<u>1,934</u>	<u>–</u>	<u>249,764</u>

Note:

As at 31 December 2025, the Group holds a parcel of commercial use land located in Qianshan district, Zhuhai, the PRC with a carrying amount of approximately HK\$230,208,000 (2024: HK\$226,124,000), is now under relocation progress. In July 2015, a new relocation policy had changed the responsibility of relocation from the land department to the local district government. The Group is under negotiation with the local district government on the relocation work.

Impairment loss

For the years ended 31 December 2025 and 2024, the recoverable amounts of a parcel of land classified as capital work in progress were determined based on the assets' fair values less costs of disposal, determined by reference to a valuation performed by the independent professional qualified valuer.

At the end of the reporting period, the Group tests whether the carrying values of capital work in progress have suffered any impairment in accordance with the accounting policy on impairment of non-financial assets (Note 2.3). The Group assessed the recoverable amounts of the parcel of land classified as capital work in progress and there was no impairment for the years ended 31 December 2025 and 2024. The estimates of recoverable amounts were based on the assets' fair values less costs of disposal, determined by reference to a valuation performed by the independent professional qualified valuer.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

15. INVESTMENT PROPERTIES

	2025 HK\$'000	2024 HK\$'000
Fair value		
Carrying amount at 1 January	10,902,981	11,141,489
Disposals	(2,860)	(2,590)
Net loss from fair value adjustments	(1,319,496)	(1,089)
Exchange realignment	335,613	(234,829)
	<u>9,916,238</u>	<u>10,902,981</u>
Carrying amount at 31 December	<u><u>9,916,238</u></u>	<u><u>10,902,981</u></u>

The directors of the Company have determined that the investment properties consist of five classes of asset, i.e., car parking spaces, commercial properties, residential properties, industrial properties and investment properties under development, based on the nature, characteristics and risk of each property.

The fair value of the Group's investment properties situated in Hong Kong, Malaysia and the PRC at 31 December 2025 and 2024 had been arrived at based on a valuation carried out by Ravia Global Appraisal Advisory Limited, the independent professional qualified valuer not connected to the Group.

The fair value of the Group's investment properties were revalued by Ravia Global Appraisal Advisory Limited on 31 December 2025 and 2024. The valuation was determined using the direct comparison method by making reference to comparable market observable transactions of similar properties and adjusted to reflect the conditions and locations of the subject properties. There has been no change from the valuation techniques used in the prior year.

The key input was the market price per square feet or car parking space. The valuation takes into account the characteristics which include the location, size, shape, view, floor level, year of completion and other factors collectively, to arrive at the market price.

The Group's property manager and the director hold discussions with the independent professional qualified valuer on the valuation assumptions and valuation results when the valuation is performed at each annual reporting date.

The investment properties are leased to third parties under operating leases, further summary details of which are included in Note 16 to the consolidated financial statements.

At 31 December 2025, the Group's investment properties with a carrying value of approximately HK\$4,330,000,000 (2024: HK\$4,190,000,000) were pledged to secure general banking facilities granted to the Group (Note 27).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

15. INVESTMENT PROPERTIES (continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

	Fair value measurement as at 31 December using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Recurring fair value measurement for:				
2025				
Car parking spaces	–	–	457,314	457,314
Commercial properties	–	–	587,500	587,500
Residential properties	–	–	7,209,470	7,209,470
Industrial properties	–	–	1,504,776	1,504,776
Investment properties under development	–	–	157,178	157,178
	<u>–</u>	<u>–</u>	<u>9,916,238</u>	<u>9,916,238</u>
2024				
Car parking spaces	–	–	534,140	534,140
Commercial properties	–	–	909,500	909,500
Residential properties	–	–	7,071,760	7,071,760
Industrial properties	–	–	2,255,910	2,255,910
Investment properties under development	–	–	131,671	131,671
	<u>–</u>	<u>–</u>	<u>10,902,981</u>	<u>10,902,981</u>

During the year ended 31 December 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2024: Nil).

Reconciliation of fair value measurement, categorised with Level 3 of the fair value hierarchy:

	Car parking spaces HK\$'000	Commercial properties HK\$'000	Residential properties HK\$'000	Industrial properties HK\$'000	Investment properties under development HK\$'000	Total HK\$'000
Carrying amount at 1 January 2024	531,740	940,300	7,258,470	2,281,820	129,159	11,141,489
Disposals	–	–	(2,590)	–	–	(2,590)
Fair value changes on investment properties	2,430	(30,369)	52,760	(25,910)	–	(1,089)
Exchange realignment	(30)	(431)	(236,880)	–	2,512	(234,829)
Carrying amount at 31 December 2024 and 1 January 2025	534,140	909,500	7,071,760	2,255,910	131,671	10,902,981
Disposals	–	–	(2,860)	–	–	(2,860)
Fair value changes on investment properties	(76,863)	(322,574)	(180,080)	(751,134)	11,155	(1,319,496)
Exchange realignment	37	574	320,650	–	14,352	335,613
Carrying amount at 31 December 2025	<u>457,314</u>	<u>587,500</u>	<u>7,209,470</u>	<u>1,504,776</u>	<u>157,178</u>	<u>9,916,238</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

15. INVESTMENT PROPERTIES (continued)

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used).

	Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
<i>Hong Kong</i>			
Car parking spaces 2025: HK\$456,584,000 2024: HK\$533,280,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property.	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.
Commercial properties 2025: HK\$575,100,000 2024: HK\$897,100,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which ranged from HK\$4,476 to HK\$18,769 per square feet ("sqft") (2024: HK\$9,852 to HK\$19,000)	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.
Residential properties 2025: HK\$177,380,000 2024: HK\$217,300,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which ranged from HK\$4,681 to HK\$16,429 per sqft (2024: HK\$6,854 to HK\$21,375)	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.
Industrial properties 2025: HK\$1,504,776,000 2024: HK\$2,255,910,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which ranged from HK\$4,500 to HK\$7,712 per sqft (2024: HK\$5,929 to HK\$12,080)	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.
<i>PRC</i>			
Car parking spaces 2025: HK\$730,000 2024: HK\$860,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property.	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.
Commercial properties 2025: HK\$12,400,000 2024: HK\$12,400,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which is HK\$1,976 per sqft (2024: HK\$1,976)	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.
Residential properties 2025: HK\$7,032,090,000 2024: HK\$6,854,460,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which ranged from HK\$1,003 to HK\$9,650 per sqft (2024: HK\$1,185 to HK\$9,337)	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.
<i>Malaysia</i>			
Investment properties under development 2025: HK\$157,178,000 2024: HK\$131,671,000	Direct comparison	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which is HK\$141 per sqft (2024: HK\$118)	A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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16. LEASES

The Group as a lessee

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Office premises <i>HK\$'000</i>	Leasehold land <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 January 2024	–	331	331
Additions	675	–	675
Depreciation charge	(154)	(9)	(163)
	<u>521</u>	<u>322</u>	<u>843</u>
As at 31 December 2024 and 1 January 2025	521	322	843
Depreciation charge	(330)	(7)	(337)
Exchange realignment	39	–	39
	<u>39</u>	<u>–</u>	<u>39</u>
As at 31 December 2025	<u>230</u>	<u>315</u>	<u>545</u>

Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 35 years (2024: 36 years), and no ongoing payments will be made under the terms of these land leases.

For the years ended 31 December 2025, the Group leases offices for its operations in Malaysia. Lease contracts are entered into for fixed terms of twenty-six months. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable. The Group does not have the option to purchase the leased properties for a nominal amount at the end of the relevant lease terms nor any extension/termination option which are solely at the Group's discretion.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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16. LEASES *(continued)*

The Group as a lessee *(continued)*

(b) Lease liabilities

	Office premises 2025 HK\$'000
As at 1 January 2024	–
Additions	675
Interest expense	17
Lease payments	(158)
	–
As at 31 December 2024 and 1 January 2025	534
Interest expense	23
Lease payments	(348)
Exchange realignment	39
	–
As at 31 December 2025	248
Analysed into:	
Current liabilities	248
Non-current liabilities	–
	–

The maturity analysis of lease liabilities is disclosed in Note 39 to the consolidated financial statements.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2025 HK\$'000	2024 HK\$'000
Depreciation charge of right-of-use assets	337	163
Interest on lease liabilities	23	17
	–	–

For the year ended 31 December 2025, the total cash outflow for lease was approximately HK\$348,000 (2024: HK\$158,000).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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16. LEASES (continued)

The Group as a lessor

The Group leases its investment properties (*Note 15*) under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was HK\$196,946,000 (2024: HK\$193,517,000), details of which are included in Note 5 to the consolidated financial statements.

At 31 December 2025 and 2024, the undiscounted lease payments receivable by the Group in the future periods under non-cancellable operating leases with its tenants are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	136,360	121,457
After one year but within two years	48,433	22,707
After two years but within three years	6,410	3,187
	<u>191,203</u>	<u>147,351</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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17. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Set out below are an associate and joint ventures of the Group as at 31 December 2025. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

Details of the principal investments in an associate and joint ventures as at 31 December 2025 and 2024 are as follows:

Name of entity	Place of business/ Country establishment/ Incorporation	Percentage of ownership interest				Nature of the relationship	Measurement method	Carrying amount	
		2025		2024				2025	2024
		Group's effective interest	Held by a subsidiary	Group's effective interest	Held by a subsidiary			HK\$'000	HK\$'000
Tapah Land Development Sdn. Bhd. ("Tapah Land")	Malaysia	35%	35%	35%	35%	Associate (Note i)	Equity method	20,216	42
THY Urban Developments Sdn. Bhd. ("THY Urban")	Malaysia	49%	49%	49%	49%	Joint venture (Note ii)	Equity method	-*	-*
Torus Development Sdn. Bhd. ("Torus")	Malaysia	36.75%	49%	36.75%	49%	Joint venture (Note iii)	Equity method	-*	-*
Total investments accounted for using the equity method								<u>20,216</u>	<u>42</u>

* less than HK\$1,000

Tapah Land, THY Urban and Torus are private entities with no quoted price available.

Notes:

- (i) Tapah Land is principally engaged in property investment in Malaysia and is owned as to 35% by the Group. As at 31 December 2025, the Group has contributed capital, aggregated to RM35,000, equivalent to approximately HK\$62,000 (2024: RM35,000, equivalent to approximately HK\$62,000), in addition, the Group subscribed for redeemable preference shares on 30 September 2025, aggregated to RM11,500,000 (equivalent to approximately HK\$20,037,000). Tapah Land shall redeem the redeemable preference shares at the issue price at any time at the option of Tapah Land. The redeemable preference shares are measured at fair value.
- (ii) THY Urban is principally engaged in property investment in Malaysia and is owned as to 49% by the Group. As at 31 December 2025, the Group has contributed capital, aggregated to RM122,500, equivalent to approximately HK\$216,000 (2024: RM122,500, equivalent to approximately HK\$216,000).
- (iii) Torus is principally engaged in property investment in Malaysia and is owned as to 49% by a non-wholly-owned subsidiary of the Group. As at 31 December 2025, the Group has contributed capital, aggregated to RM122,000, equivalent to approximately HK\$213,000 (2024: RM122,000, equivalent to approximately HK\$213,000).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

17. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD *(continued)*

The movements of investments in an associate and joint ventures are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At the beginning of year	42	51
Share of results of investments accounted for using the equity method	143	(219)
Investment in Tapah Land	20,037	–
Investment in Torus	–	213
Exchange realignment	(6)	(3)
	<u>20,216</u>	<u>42</u>
At the end of year	<u>20,216</u>	<u>42</u>

The following table illustrates the aggregate financial information of the Group's associate and joint ventures that are not individually material:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Share of results of investments accounted for using the equity method	143	(219)
Aggregate carrying amount of the Group's investments in an associate and joint ventures	<u>20,216</u>	<u>42</u>

18. AMOUNTS DUE FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As at 31 December 2025, amounts due from Torus, a joint venture of the Group of approximately HK\$21,211,000 (2024: HK\$14,350,000) is unsecured, interest bearing at average lending rate of Bank Negara Malaysia and repayable on demand.

The remaining balances of approximately HK\$19,594,000 (2024: HK\$13,299,000) are unsecured, interest-free and repayable on demand.

19. PROPERTIES HELD FOR SALE

The properties held for sale are situated in Hong Kong. The properties held for sale are stated at the lower of cost and net realisable value.

At 31 December 2025, the Group's properties held for sale with a carrying value of approximately HK\$197,296,000 (2024: HK\$197,296,000) were pledged to secure general banking facilities granted to the Group (*Note 27*).

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20. PROPERTIES UNDER DEVELOPMENT

	2025 HK\$'000	2024 HK\$'000
At the beginning of the year	294,121	–
Additions	35,344	294,121
Exchange realignment	30,856	–
	<u>360,321</u>	<u>294,121</u>
At the end of the year	<u>360,321</u>	<u>294,121</u>

On 19 January 2024, the Group entered into the land development rights agreement with the landowner to grant the rights for the development of a piece of land in Malaysia (the “Development”). Pursuant to the terms of the agreement, the Group became the developer of the relevant land and acquired such rights at a consideration of RM158,500,000 (equivalent to approximately HK\$262,809,000).

Details of the development rights are as follows:

- (i) the right to use the approved plans approved by the relevant authorities for the Development and to construct, manage and implement the Development in accordance with the said development plans;
- (ii) the right to submit applications to the relevant authorities for the modification of the approved plans as the Group may deem expedient;
- (iii) the right to vacant possession and access to the relevant land;
- (iv) the right to brand, market, promote and sell the properties under development at such price in the Group’s sole and absolute discretion;
- (v) the right to receive all proceeds derived from the sale or rental of the properties under development and/or any other form of revenue derived from the relevant land and to keep all profits derived therefrom;
- (vi) the right to prepare and execute sale and purchase agreements and/or tenancy agreements for the properties under development;
- (vii) the right to take legal action and demand payment from end-purchasers for the payment of purchase prices of the properties under development;
- (viii) the right to manage all administrative and other matters as may be necessary in attending to any and all matters pertaining to the Development; and
- (ix) all other necessary rights and authorities as if the Group is the owner of the relevant land.

The properties under development is stated at the lower of cost and net realisable value. During the year, there was no provision for loss on net realisable value of the carrying value in respect of property under development (2024: Nil).

At 31 December 2025, the Group’s properties under development with a carrying value of approximately HK\$360,321,000 (2024: HK\$294,121,000) were pledged to secure general banking facilities granted to the Group (*Note 27*).

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21. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	4,804	5,572
Less: loss allowance	—	—
	<u>4,804</u>	<u>5,572</u>

Trade receivables mainly consist of receivables from property management services and rental receivables, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with amount ranging from two to three months' rentals in order to secure any default in their rental payments. The Group does not hold any other collateral or other credit enhancements over its trade receivables balances.

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 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	1,094	1,948
1 to 2 months	244	700
2 to 3 months	233	765
3 to 12 months	2,495	1,765
Over 1 year	738	394
	<u>4,804</u>	<u>5,572</u>

At 31 December 2025 and 2024, the allowance for credit loss represents lifetime ECL recognised for trade receivables under simplified approach. Details of impairment assessment of trade receivables for the years ended 31 December 2025 and 2024 are set out in Note 39 to the consolidated financial statements. No loss allowance on trade receivables is recognised as at 31 December 2025 (2024: Nil).

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22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Prepayments	1,919	2,322
Deposits	5,261	4,206
Other receivables (<i>Note (a)</i>)	<u>225,839</u>	<u>215,014</u>
	<u><u>233,019</u></u>	<u><u>221,542</u></u>

Notes:

- (a) On 24 February 2021, 珠海市自然資源局 (literally translated as Zhuhai Municipal Natural Resources Bureau) issued compensation notice (letter reference number (2021) 52) in respect of the resumption of the 94,110.84 square meters hotel, commercial and exhibition use land located in Doumen, Zhuhai (the “Doumen Land”) which was previously owned by the Group, the amount of compensation was approximately RMB205,538,000.

As of the date of approval of these consolidated financial statements, the Group has not reached an agreement with the Zhuhai Municipal Natural Resources Bureau on the amount of compensation available to the Group in respect of the resumption of the Doumen Land. Nevertheless, no material negative impact on the daily operations and the financial position of the Group is expected.

Included in the Group’s other receivables at 31 December 2025 was compensation receivable of approximately HK\$222,554,000 (2024: HK\$212,373,000) in respect of the resumption of Doumen Land.

The allowance for credit loss represents a 12-month ECL recognised for deposits and other receivables under general approach. Details of impairment assessment of deposits and other receivables for the years ended 31 December 2025 and 2024 are set out in Note 39 to the consolidated financial statements. No loss allowance on deposits and other receivables is recognised as at 31 December 2025 (2024: Nil).

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to other receivables for which there was no recent history of default.

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23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Listed equity investments, at fair value	1,387,891	980,069
Wealth management products, at fair value	18,939	20,208
Debt instruments with floating rate and without maturity date, at fair value	<u>4,109</u>	<u>4,081</u>
	<u><u>1,410,939</u></u>	<u><u>1,004,358</u></u>

The above listed equity investments at 31 December 2025 and 2024 were classified as financial assets at fair value through profit or loss as they were held for liquidity preservation and treasury management.

The financial assets at fair value through profit or loss included wealth management products which were issued by major banks in Mainland China. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

The debt instruments at fair value represent investment in listed debt instruments with floating rate.

24. CASH AND CASH EQUIVALENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cash and bank balances	107,051	287,794
Time deposits with original maturity of less than three months	<u>273,308</u>	<u>100,467</u>
Cash and cash equivalents	<u><u>380,359</u></u>	<u><u>388,261</u></u>

At 31 December 2025, the cash and bank balances and time deposits of the Group denominated in RMB amounted to approximately HK\$12,766,000 (2024: HK\$22,725,000) were kept in banks in the PRC. The RMB is not freely convertible into other currencies.

Cash at banks earns interest at floating rates based on daily bank deposits rates. Short-term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates.

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25. TRADE PAYABLES

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

	2025 HK\$'000	2024 HK\$'000
Within 1 month	–	2,170
1 to 2 months	4,519	–
	<u>4,519</u>	<u>2,170</u>

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

26. OTHER PAYABLES AND ACCRUALS

	2025 HK\$'000	2024 HK\$'000
Accruals	4,580	7,830
Other payables	73,655	75,385
Dividend payable	92	70
Relocation cost	22,282	21,272
Other tax payables	29,131	27,539
Construction payable	55,815	49,070
Rental deposits received	70,018	67,575
	<u>255,573</u>	<u>248,741</u>

Other payables are non-interest-bearing and repayable on demand.

27. INTEREST-BEARING BANK BORROWINGS

	2025			2024		
	Contractual interest rate (%)	Maturity	HK\$'000	Contractual interest rate (%)	Maturity	HK\$'000
Non-current liabilities						
Secured bank loans denominated in Hong Kong dollars	HIBOR plus 1.05	2026-2028	1,320,000	HIBOR plus 1.05	2026-2028	1,392,500
Current liabilities						
Secured bank loans denominated in Hong Kong dollars	HIBOR plus a range of 0.95 to 1.05	2025- 2028 or on demand	42,500	HIBOR plus a range of 0.95 to 1.05	2025- 2028 or on demand	42,500
Secured bank loans denominated in Malaysian Ringgit	Bank's cost of fund plus a range of 0.5 to 1	2027-2031 or on demand	227,716	Bank's cost of fund plus a range of 0.5 to 1	2027-2031 or on demand	206,094
			<u>270,216</u>			<u>248,594</u>
			<u>1,590,216</u>			<u>1,641,094</u>

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27. INTEREST-BEARING BANK BORROWINGS (continued)

The scheduled principal repayment dates of the Group with reference to the loan agreements and ignore the effect of any repayment on-demand clause are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Analysed into:		
Bank loans repayable:		
Within one year	42,500	42,500
In the second year	298,969	42,500
In the third to fifth years, inclusive	1,210,718	1,556,094
After five years	38,029	–
	<u>1,590,216</u>	<u>1,641,094</u>

The Group's bank loans are secured by:

- (i) mortgages over the Group's certain investment properties situated in Mainland China, which had an aggregate carrying value at the end of the reporting period of approximately HK\$4,330,000,000 (2024: HK\$4,190,000,000);
- (ii) mortgages over the Group's property held for sale situated in Hong Kong, which had an aggregate carrying value at the end of the reporting period of approximately HK\$197,296,000 (2024: HK\$197,296,000);
- (iii) mortgages over the Group's properties under development situated in Malaysia, which had an aggregate carrying value at the end of the reporting period of approximately HK\$360,321,000 (2024: HK\$294,121,000);
- (iv) personal guarantees given by a director of the Company; and
- (v) the Company has guaranteed certain of the Group's bank loans up to HK\$1,921,633,000 (2024: HK\$1,899,829,000) as at the end of the reporting period.

Interest-bearing bank borrowings are denominated in the following currency:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong dollars	1,362,500	1,435,000
Malaysian Ringgit	227,716	206,094
	<u>1,590,216</u>	<u>1,641,094</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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28. AMOUNT DUE TO A DIRECTOR

The amount due is unsecured, interest-free and is not repayable within one year.

29. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the year are as follows:

	Depreciation allowance in excess of related depreciation <i>HK\$'000</i>	Revaluation of properties <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2025	46,718	1,308,777	34,046	1,389,541
Deferred tax (credited)/charged to the consolidated statement of profit or loss during the year (<i>Note 10</i>)	3,509	(29,390)	(32)	(25,913)
Exchange realignment	–	62,114	–	62,114
At 31 December 2025	<u>50,227</u>	<u>1,341,501</u>	<u>34,014</u>	<u>1,425,742</u>
At 1 January 2024	43,497	1,342,458	34,046	1,420,001
Deferred tax charged to the consolidated statement of profit or loss during the year (<i>Note 10</i>)	3,221	11,438	–	14,659
Exchange realignment	–	(45,119)	–	(45,119)
At 31 December 2024	<u>46,718</u>	<u>1,308,777</u>	<u>34,046</u>	<u>1,389,541</u>

The Group has tax losses arising in Hong Kong of approximately HK\$349,682,000 (2024: HK\$346,848,000), that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2025, there was no significant unrecognised deferred tax liability (2024: Nil) for taxes that would be payable on the unremitted earnings of the Group's subsidiaries.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

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30. SHARE CAPITAL

Shares

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Authorised:		
10,000,000,000 ordinary shares of par value HK\$0.05 each (2024: 10,000,000,000 ordinary shares of par value HK\$0.05 each)	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
836,074,218 ordinary shares of par value HK\$0.05 each (2024: 836,074,218 ordinary shares of par value HK\$0.05 each)	<u>41,804</u>	<u>41,804</u>

Share options

Details of the Company's share option schemes and the share options issued under the schemes are included in Note 31 to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

31. SHARE OPTION SCHEMES

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 25 May 2023 as to provide incentives and rewards to eligible participants who contribute to the success of the business of the Group.

Under the Scheme, the directors of the Company may at their absolute discretion and subject to the terms of the Scheme, grant options to any employees (full-time or part-time), directors, shareholders, advisers, consultants or service providers of the Group, to subscribe for shares of the Company. The eligibility of any participants to the grant of any options shall be determined by the directors from time to time on the basis of the directors' opinion as to their contribution to the development and growth of the Group.

The total number of shares of the Company available for issue in respect of the options to be granted under the Scheme is limited to 83,607,421 shares, which represents 10% of the issued shares of the Company as at the date of approval of the Scheme, and represents 10% of the issued shares of the Company as at 31 December 2025.

Pursuant to the Scheme, no grant of share options shall result in the shares of the Company issued and to be issued in respect of all share options granted and to be granted to a participant in the 12-month period up to and including the relevant time of grant exceeds 1% of the issued shares of the Company at such time of grant. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is the grantee). Where any share options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their respective close associates would result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) under the Scheme and any other share option schemes of the Company to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the shares of the Company in issue must be approved by the Company's shareholders at the general meeting of the Company, with such participant and his/her close associates abstaining from voting.

The exercise period of the share options granted is determinable by the directors, commences after a certain vesting period and ends on a date which is not later than 10 years from the date of grant of the option.

The subscription price shall be a price determined by the board of directors and notified to a participant and shall be at least the higher of: (i) the closing price of the Company's shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the offer date, which must be a business day; (ii) the average closing prices of the Company's shares as stated in the Hong Kong Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the offer date; and (iii) the nominal value of the Company's share on the offer date.

The Scheme shall be valid and effective for a period of ten years commencing on 25 May 2023 and expiring on 24 May 2033, subject to early termination provisions contained in the Scheme.

No share options were granted since the adoption of the Scheme and there were no share option outstanding as at 31 December 2025 (31 December 2024: Nil).

As at 31 December 2025, there were 83,607,421 (1 January 2025: 83,607,421) share options available for grant under the Scheme and 8,360,742 (1 January 2025: 8,360,742) share options available for grant under the service provider sublimit of the Scheme.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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32. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Interest-bearing bank borrowings <i>HK\$'000</i>	Amount due to a director <i>HK\$'000</i>	Dividend payables* <i>HK\$'000</i>	Lease liabilities <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2025	1,641,094	97,357	70	534	1,739,055
Cash inflow/(outflow):					
Repayment of lease liabilities	–	–	–	(325)	(325)
Repayment of interest-bearing bank borrowings	(72,500)	–	–	–	(72,500)
Advance from a director	–	11,156	–	–	11,156
Repayment to a director	–	(275)	–	–	(275)
Interest paid	(62,971)	–	–	(23)	(62,994)
Dividend paid	–	–	(33,424)	–	(33,424)
Dividend paid to non-controlling interests	–	–	(1,359)	–	(1,359)
Non-cash transactions:					
Dividends	–	–	34,801	–	34,801
Interest expenses	52,254	–	–	23	52,277
Interest capitalised	10,731	–	–	–	10,731
Accrued interest	(14)	–	–	–	(14)
Exchange realignment	21,622	10	–	39	21,671
At 31 December 2025	<u>1,590,216</u>	<u>108,248</u>	<u>88</u>	<u>248</u>	<u>1,698,800</u>
At 1 January 2024	1,537,449	50,177	65	–	1,587,691
Cash inflow/(outflow):					
Repayment of lease liabilities	–	–	–	(141)	(141)
New interest-bearing bank borrowings	736,094	–	–	–	736,094
Repayment of interest-bearing bank borrowings	(632,449)	–	–	–	(632,449)
Advance from a director	–	95,826	–	–	95,826
Repayment to a director	–	(48,596)	–	–	(48,596)
Interest paid	(81,265)	–	–	(17)	(81,282)
Dividend paid	–	–	(33,437)	–	(33,437)
Dividend paid to non-controlling interests	–	–	(1,941)	–	(1,941)
Non-cash transactions:					
New lease	–	–	–	675	675
Dividends	–	–	35,383	–	35,383
Interest expenses	75,954	–	–	17	75,971
Interest capitalised	5,378	–	–	–	5,378
Accrued interest	(67)	–	–	–	(67)
Exchange realignment	–	(50)	–	–	(50)
At 31 December 2024	<u>1,641,094</u>	<u>97,357</u>	<u>70</u>	<u>534</u>	<u>1,739,055</u>

* Included in other payables and accruals

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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34. CORPORATE GUARANTEES

At 31 December 2025, the Company has given corporate guarantees in favour of banks for banking facilities granted to its subsidiaries to the extent of approximately HK\$1,921,633,000 (2024: HK\$1,899,829,000), of which approximately HK\$1,677,716,000 (2024: HK\$1,706,094,000) was utilised.

At 31 December 2025, the Company has given corporate guarantee in favour of a bank for banking facilities granted to a joint venture (which is indirectly owned by Oriental Explorer Holdings Limited, the listed subsidiary of the Company) to the extent of approximately HK\$270,268,800 (2024: HK\$244,607,000), of which approximately HK\$88,172,800 (2024: HK\$79,801,000) was utilised.

In the opinion of the directors, no material liabilities will arise from the above corporate guarantees which arose in the ordinary course of business of the Group and the fair values of the corporate guarantees granted by the Company are immaterial.

35. COMMITMENTS

Capital commitments

The Group had the following capital commitments at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Contracted, but not provided for investment properties	–	3,675

36. RELATED PARTY TRANSACTIONS

Transactions with related parties

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Entities controlled by Mr. Lau Chi Yung, Kenneth – Management fee income (<i>Note</i>)	3,178	480
Joint venture – Interest income	769	379

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36. RELATED PARTY TRANSACTIONS *(continued)*

Transactions with related parties *(continued)*

Note:

The above transactions with related parties were calculated in the ordinary course of business of the Group based on the terms mutually agreed between the relevant parties.

A summary of related parties are set out below:

Name of related parties	Relationship with the Group
Conrad Development Limited	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Silver Properties Limited	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Marriott Logistics Limited	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Windsor Art Hotel Development Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Windsor Elite Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Windsor Gallery Hotel Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Teamhub Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Urbansonic Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Windsor Damai Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Windsor Serdang Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Black Lotus Development Sdn Bhd	Controlled by Mr. Lau Chi Yung, Kenneth, an executive Director
Torus	Joint venture

(a) Outstanding balances with related parties

- (i) Details of amount due to a director as at the end of the reporting period are included in Note 28 to the consolidated financial statements.
- (ii) Details of amounts due from investments accounted for using the equity method as at the end of the reporting period are included in Note 18 to the consolidated financial statements.

(b) Compensation of key management personnel of the Group

The directors' and chief executive's emoluments are included in Note 8 to the consolidated financial statements.

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37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows:

2025

Financial assets

	Financial assets at fair value through profit or loss <i>HK\$'000</i>	Financial assets at amortised cost <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amounts due from investments accounted for using the equity method	–	40,805	40,805
Trade receivables	–	4,804	4,804
Deposits and other receivables	–	231,100	231,100
Financial assets at fair value through profit or loss	1,410,939	–	1,410,939
Cash and cash equivalents	–	380,359	380,359
	<u>1,410,939</u>	<u>657,068</u>	<u>2,068,007</u>

Financial liabilities

	Financial liabilities at amortised cost <i>HK\$'000</i>
Trade payables	4,519
Other payables and accruals	226,442
Lease liabilities	248
Interest-bearing bank borrowings	1,590,216
Amount due to a director	108,248
	<u>1,929,673</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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37. FINANCIAL INSTRUMENTS BY CATEGORY *(continued)*

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows: *(continued)*

2024

Financial assets

	Financial assets at fair value through profit or loss <i>HK\$'000</i>	Financial assets at amortised cost <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amounts due from investments accounted for using the equity method	–	27,649	27,649
Trade receivables	–	5,572	5,572
Deposits and other receivables	–	219,220	219,220
Financial assets at fair value through profit or loss	1,004,358	–	1,004,358
Cash and cash equivalents	–	388,261	388,261
	<u>1,004,358</u>	<u>640,702</u>	<u>1,645,060</u>

Financial liabilities

	Financial liabilities at amortised cost <i>HK\$'000</i>
Trade payables	2,170
Other payables and accruals	212,212
Lease liabilities	534
Interest-bearing bank borrowings	1,641,094
Amount due to a director	97,357
	<u>1,953,367</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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38. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, amounts due from investments accounted for using the equity method, trade receivables, deposits and other receivables, trade payables, other payables and accruals, lease liabilities and the current portion of interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the non-current portion of interest-bearing bank borrowings and amount due to a director have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings and amount due to a director as at 31 December 2025 and 2024 was assessed to be insignificant. Management has assessed that the fair values of the non-current portion of interest-bearing bank borrowings and amount due to a director approximate to their carrying amounts.

As detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values:

	Fair value as at		Fair value hierarchy	Valuations technique(s) and key inputs
	2025 HK\$'000	2024 HK\$'000		
Assets				
Listed equity securities	1,387,891	980,069	Level 1	Quoted bid prices in an active market
Wealth management products	18,939	20,208	Level 2	Income approach The key input is spot yield curve
Quoted debt securities	4,109	4,081	Level 1	Quoted prices in Over-the-Counter market
	<u>1,392,000</u>	<u>984,150</u>		

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	Fair value measurement using			Total HK\$'000
	Quoted price in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
As at 31 December 2025				
Financial assets at fair value through profit or loss	<u>1,392,000</u>	<u>18,939</u>	<u>–</u>	<u>1,410,939</u>
As at 31 December 2024				
Financial assets at fair value through profit or loss	<u>984,150</u>	<u>20,208</u>	<u>–</u>	<u>1,004,358</u>

The Group did not have any financial liabilities measured at fair value at 31 December 2025 and 2024.

During the year ended 31 December 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2024: Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank borrowings, financial assets at fair value through profit or loss, and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to changes in interest rates is mainly attributable to its interest-bearing bank borrowings. Borrowings at variable rates expose the Group to interest rate risk. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors the Group's interest rate exposure and considers entering into interest rate swaps to reduce its exposure to interest rate fluctuations should the need arise.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's (loss)/profit before tax (through the impact on floating rate borrowings) and the Group's equity.

2025

	Increase/ (decrease) in basis points	(Increase)/ decrease in loss before tax <i>HK\$'000</i>	(Decrease)/ increase in equity* <i>HK\$'000</i>
Bank borrowings	50	(7,951)	–
Bank borrowings	(50)	7,951	–

2024

	Increase/ (decrease) in basis points	(Decrease)/ increase in profit before tax <i>HK\$'000</i>	(Decrease)/ increase in equity* <i>HK\$'000</i>
Bank borrowings	50	(8,205)	–
Bank borrowings	(50)	8,205	–

* Excluding retained profits

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

Foreign currency risk

The Group is exposed to foreign currency risk as certain financial assets at fair value through profit or loss, cash and bank balances, and bank borrowings are denominated in currencies other than the Group's functional currency.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in RMB and RM exchange rates, with all other variables held constant, of the Group's (loss)/profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity. As Hong Kong dollar is pegged to US\$ within a narrow range, it is considered that the amount had no significant exposure to foreign exchange risk relating to this currency.

2025

	(Decrease)/ increase in exchange rate %	(Increase)/ decrease in loss before tax HK\$'000	Increase/ (decrease) in equity* HK\$'000
If Hong Kong dollar weakens against RMB	(5)	3,806	–
If Hong Kong dollar strengthens against RMB	5	(3,806)	–
If Hong Kong dollar weakens against RM	(5)	(8,545)	–
If Hong Kong dollar strengthens against RM	5	8,545	–

2024

	(Decrease)/ increase in exchange rate %	Increase/ (decrease) in profit before tax HK\$'000	Increase/ (decrease) in equity* HK\$'000
If Hong Kong dollar weakens against RMB	(5)	4,446	–
If Hong Kong dollar strengthens against RMB	5	(4,446)	–
If Hong Kong dollar weakens against RM	(5)	(9,758)	–
If Hong Kong dollar strengthens against RM	5	9,758	–

* Excluding retained profits

Credit risk

As at 31 December 2025 and 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties equal to the carrying amount of respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the Group holds rental deposits from tenants for leasing of properties. The Group has no significant concentration of credit risk as credits are granted to a large population of clients.

Trade receivables from property management services and rental receivables

In order to minimise the credit risk, the management of the Group will internally assess the credit quality of the potential tenants before accepting any new tenants. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model on trade balances from property management services and rental receivables based on provision matrix.

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

Credit risk *(continued)*

Deposits and other receivables

No allowance for impairment was made for deposits and other receivables since the directors of the Company consider the probability of default is minimal after assessing the counter-parties' financial background and creditability.

Amounts due from investments accounted for using the equity method

The Company has amounts due from investments accounted for using the equity method, primarily representing funding provided for land acquisitions and ongoing development projects. The carrying value of these amounts represents the Company's maximum credit exposure. While these receivables are subject to credit risk, the Company has not recognised any impairment losses or ECL as of the reporting date, as there are no indicators of default or significant deterioration in the financial condition of the investees.

Short-term bank deposits, fixed bank deposits and bank balances

The credit risk on short-term bank deposit, fixed bank deposits and bank balances are limited because the majority of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Group has no other significant concentration of credit risk.

The Group uses four categories for those receivables which reflect their credit risk and how the loss provision is determined for each of those categories.

Category	Group definition of category	Basis for recognition of ECL
Performing	The counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
Default	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9, which permits the use of the lifetime ECL for trade receivables from property management services and rental receivables. To measure the expected credit losses, these trade receivables have been based on past due status, historical credit loss experience based on the past default experience of the Group and are adjusted with forward-looking information. On that basis, the Group assessed that there is no loss allowance recognised in accordance with HKFRS 9 at 31 December 2025 and 2024.

For the impairment assessment for amounts due from investments accounted for using the equity method, the Group considers the credit risk to be low, given its influence over investees (as an equity method investor) and the recoverability of amounts through project cash flows or the intrinsic value of the land holdings.

For the purpose of impairment assessment for deposits and other receivables, the management considered that the credit risk of these financial assets have not significantly increased since initial recognition. The Group has assessed and concluded that the expected credit loss rate for these receivables is immaterial under 12-month ECL method after taken into account the historical default experience, historical settlement records, collateral values as well as the loss upon default in each case and are adjusted with forward-looking information.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

In the management of its liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on-demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

	On demand and less than 3 months HK\$'000	3 to less than 12 months HK\$'000	1 to 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Total carrying amount HK\$'000
At 31 December 2025					
Interest-bearing bank borrowings	285,157	97,439	1,424,163	1,806,759	1,590,216
Trade payables	4,519	–	–	4,519	4,519
Other payables and accruals	226,442	–	–	226,442	226,442
Lease liabilities	95	153	–	248	248
Amount due to a director	–	–	108,248	108,248	108,248
	<u>516,213</u>	<u>97,592</u>	<u>1,532,411</u>	<u>2,146,216</u>	<u>1,929,673</u>
	On demand and less than 3 months HK\$'000	3 to less than 12 months HK\$'000	1 to 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Total carrying amount HK\$'000
At 31 December 2024					
Interest-bearing bank borrowings	256,143	112,405	1,615,713	1,984,261	1,641,094
Trade payables	2,170	–	–	2,170	2,170
Other payables and accruals	212,212	–	–	212,212	212,212
Lease liabilities	81	249	229	559	534
Amount due to a director	–	–	97,357	97,357	97,357
	<u>470,606</u>	<u>112,654</u>	<u>1,713,299</u>	<u>2,296,559</u>	<u>1,953,367</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Interest-bearing bank borrowings with a repayment on-demand clause are included in the “on demand and less than 3 months” time band in the above maturity analysis. As at 31 December 2025, the aggregate carrying amounts of these borrowings amounted to approximately HK\$1,590,216,000 (2024: HK\$1,641,094,000). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the banks/financial institution will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. Aggregate principal and interest cash outflows are set out below:

	Less than 3 months HK\$'000	3 months to 12 months HK\$'000	1 to 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Total carrying amount HK\$'000
As at 31 December 2025						
Interest-bearing bank borrowings	<u>20,836</u>	<u>105,375</u>	<u>1,641,855</u>	<u>38,693</u>	<u>1,806,759</u>	<u>1,590,216</u>

	Less than 3 months HK\$'000	3 months to 12 months HK\$'000	1 to 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Total carrying amount HK\$'000
As at 31 December 2024						
Interest-bearing bank borrowings	<u>23,138</u>	<u>112,405</u>	<u>1,763,703</u>	<u>85,015</u>	<u>1,984,261</u>	<u>1,641,094</u>

Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from listed equity securities classified as financial assets at fair value through profit or loss (Note 23) at 31 December 2025. The Group’s listed equity investments are mainly listed on the Hong Kong Stock Exchange and are valued at quoted market prices at the end of the reporting period.

The market equity indices for the Hong Kong Stock Exchange, at the close of business of the nearest trading day in the year to the end of the reporting period, and their respective highest and lowest points during the year were as follows:

	31 December 2025	High/low 2025	31 December 2024	High/low 2024
Hong Kong – Hang Seng Index	25,631	27,287/ 18,874	20,060	23,242/ 14,794

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Equity price risk (continued)

The following table demonstrates the sensitivity to every 10% change in the fair values of the listed equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period.

2025

	Carrying amount of equity investments <i>HK\$'000</i>	Decrease/ (increase) in loss before tax <i>HK\$'000</i>
Investments listed in Hong Kong and overseas	1,387,891	138,789/
– Financial assets at fair value through profit or loss		(138,789)

2024

	Carrying amount of equity investments <i>HK\$'000</i>	Increase/ (decrease) in profit before tax <i>HK\$'000</i>
Investments listed in Hong Kong and overseas	980,069	98,007/
– Financial assets at fair value through profit or loss		(98,007)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 2024.

The Group monitors capital using a debt-to-equity ratio, which is debt (including interest-bearing bank borrowings) divided by the shareholders' equity. Total equity includes equity attributable to owners of the Company and non-controlling interests. The debt-to-equity ratios at the end of the reporting periods were as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Debt	<u>1,590,216</u>	<u>1,641,094</u>
Total equity	<u>9,480,901</u>	<u>9,957,816</u>
Debt-to-equity ratio	<u>16.77%</u>	<u>16.48%</u>

40. EVENTS AFTER THE REPORTING PERIOD

As at the date of this annual report, the Group has no material events after the reporting period which are required to be disclosed.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
NON-CURRENT ASSETS		
Investments in subsidiaries	<u>1,578,886</u>	<u>1,578,886</u>
CURRENT ASSETS		
Amounts due from subsidiaries	1,007,871	1,004,771
Prepayments, deposits and other receivables	451	419
Cash and cash equivalents	<u>284</u>	<u>180</u>
Total current assets	<u>1,008,606</u>	<u>1,005,370</u>
CURRENT LIABILITIES		
Amounts due to subsidiaries	1,274,241	1,677,597
Other payables and accruals	<u>542</u>	<u>557</u>
Total current liabilities	<u>1,274,783</u>	<u>1,678,154</u>
NET CURRENT LIABILITIES	<u>(266,177)</u>	<u>(672,784)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u><u>1,312,709</u></u>	<u><u>906,102</u></u>
EQUITY		
Issued capital	41,804	41,804
Reserves (<i>Note</i>)	<u>1,270,905</u>	<u>864,298</u>
TOTAL EQUITY	<u><u>1,312,709</u></u>	<u><u>906,102</u></u>

The statement of financial position of the Company was approved by the board of directors on 26 March 2026 and is signed on its behalf by:

Lau Chi Yung, Kenneth
Chairman

Lau Michael Kei Chi
Vice-Chairman

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 December 2025

41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(continued)*

Note:

A summary of the Company's reserves is as follows:

	Share premium account <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2024	39,116	802,254	43,169	884,539
Total comprehensive income for the year	–	–	13,201	13,201
Final 2023 dividend declared	–	–	(16,721)	(16,721)
Interim 2024 dividend	–	–	(16,721)	(16,721)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2024 and 1 January 2025	39,116	802,254	22,928	864,298
Total comprehensive income for the year	–	–	440,049	440,049
Final 2024 dividend declared	–	–	(16,721)	(16,721)
Interim 2025 dividend	–	–	(16,721)	(16,721)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2025	<u>39,116</u>	<u>802,254</u>	<u>429,535</u>	<u>1,270,905</u>

The contributed surplus of the Company originally arose as a result of the Group reorganisation in preparation for the public listing of the Company's shares and warrants on the Hong Kong Stock Exchange in 1998 and represents the excess of the fair value of the shares of the subsidiaries acquired over the nominal value of the shares of the Company issued in exchange therefor. Under the Companies Act of Bermuda, the contributed surplus may be distributed to the Company's shareholders under certain circumstances.

42. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to confirm to the current year's presentation. The new classification was considered to provide a more appropriate presentation of the state of affairs of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. ABOUT THIS REPORT

Multifield International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”, “we/our” or “us”) engage in property investment, property development, hotel-serviced villas and apartments operations, property management, and investment in securities and investment holdings.

This Environmental, Social and Governance (“ESG”) Report has been prepared in accordance with the ESG Reporting Code (the “ESG Reporting Code”) set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) (the “Listing Rules”) to present the aspects and key performance indicators (“KPIs”) which are relevant to the Group’s businesses and operations for the year ended 31 December 2025 (the “Reporting Period”).

In preparing this ESG Report, the Group has applied an operational-control reporting boundary, used internal management records as the principal data source, and performed management-level reviews over significant assumptions, activity data and conversion factors. Where narrative disclosures refer to targets, action plans or forward-looking measures, they reflect the Group’s current strategy and may be refined as underlying data quality and systems continue to develop.

BOARD STATEMENT ON ESG GOVERNANCE

The board of directors of the Company (the “Board”) takes the overall responsibility for the Group’s sustainability strategy and reporting. It evaluates and determines the Group’s ESG- and climate-related risks and ensures that appropriate and effective ESG risk management and internal control systems are in place.

To support this oversight, the Board has established a sustainability committee comprising directors and senior management. Management is responsible for implementing the Board’s ESG direction, coordinating data collection, maintaining internal controls over ESG information, and escalating material incidents or emerging risks to the sustainability committee in a timely manner. The sustainability committee is responsible for evaluating and prioritising ESG matters, advising on the effectiveness of the Group’s sustainability strategy and policies, and reporting regularly to the Board on its operations and the progress towards ESG-related goals and targets.

The Board reviews the Group’s material ESG and climate-related risks, significant compliance developments, stakeholder concerns, and management’s proposed response actions on an annual basis. It also reviews progress against ESG-related goals and targets and considers whether they remain appropriate in view of the Group’s business model and asset portfolio.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

REPORTING PRINCIPLES

The following reporting principles have been applied in the preparation of this ESG Report:

- Materiality:** The Group communicates with its major stakeholder groups on a regular basis to identify and assess ESG-related issues that matter most from their perspectives. Details of significant stakeholders identified, and the process and results of the Group's stakeholder engagements are set out in the section headed "STAKEHOLDER ENGAGEMENT".
- Quantitative:** Quantitative information/KPIs presented in this ESG Report are accompanied by narrative, explanation and comparison wherever applicable.
- Balance:** This ESG Report aims to disclose data in an objective way to provide stakeholders with a balanced overview of the Group's overall ESG performance.
- Consistency:** Unless otherwise stated, the Group adopts consistent methodologies and retrieves social and environmental KPIs from the Group's internal record system. The scope of reporting and KPIs are consistent with those of the previous report to allow meaningful comparison over time.

SCOPE OF REPORTING

The scope of this ESG Report has been determined with reference to the significance of operations, management control, data availability and the relevance of each operation to the Group's principal business activities. The disclosures on environmental aspects in this ESG Report cover majority of the key revenue generating activities of the Group, including the operations of the Group's headquarters office in Hong Kong, branch offices in the Mainland China and Malaysia, as well as certain investment properties held by the Group. Details of the scope of this ESG Report are set out below:

Property Name	Property Type	Location
M Place	Industrial	Hong Kong, China
Multifield Plaza	Commercial	Hong Kong, China
Multifield Centre	Commercial	Hong Kong, China
Units 22-28, 25/F., Tower A, Southmark	Commercial	Hong Kong, China
Multi-storey Lorry Park, Southmark	Car park	Hong Kong, China
Windsor Place	Hotel-serviced villas	Shanghai, China
Windsor Park	Hotel-serviced villas	Shanghai, China
Windsor Court	Hotel-serviced apartments	Shanghai, China
Office in Zhuhai	Commercial	Zhuhai, China
Office in Malaysia	Commercial	Kuala Lumpur, Malaysia

The reporting scope of this ESG Report remains unchanged from that of the Company's ESG Report for 2024.

This ESG Report covers the Group's ESG performance in environmental and social aspects. For details of the Group's corporate governance practices during the Reporting Period, please refer to the Corporate Governance Report included in the Company's 2025 Annual Report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDERS' FEEDBACK

We sincerely welcome your feedback on this ESG Report and our ESG performance. Please contact us through any of the following channels to share your comments with us:

Address: Units 22-28, 25/F, Tower A, Southmark, 11 Yip Hing Street,
Wong Chuk Hang, Hong Kong.
Phone: (852) 2802 2668
Fax: (852) 2802 2178

2. STAKEHOLDER ENGAGEMENT

Our stakeholders play a crucial role in supporting the continued success of our business. We engage with our stakeholders through various communication channels to better understand their expectations and concerns. A summary of our stakeholders' expectations, together with the corresponding communication channels, is set out below:

Stakeholders	Communication channels	Expectations
Stock Exchange	<ul style="list-style-type: none"> • Meetings • Training and workshops • Company website • Announcements 	<ul style="list-style-type: none"> • Compliance with Listing Rules • Timely and accurate disclosures
Government and regulatory authorities	<ul style="list-style-type: none"> • Interaction and visits • Inspections • Statutory filings 	<ul style="list-style-type: none"> • Compliance with laws and regulations • Fulfilment of tax obligation
Employees	<ul style="list-style-type: none"> • Training programmes • Interviews • Internal memos • Employee suggestion boxes 	<ul style="list-style-type: none"> • Work hours, benefits and compensation • Working environment • Career development
Customers	<ul style="list-style-type: none"> • Company website • Contract signing • E-mail and phone 	<ul style="list-style-type: none"> • Service quality • Service value • Personal data protection
Investors	<ul style="list-style-type: none"> • Shareholders' meetings • Financial reports • Announcements • Company website 	<ul style="list-style-type: none"> • Corporate governance • Business strategies • Investment returns
Suppliers	<ul style="list-style-type: none"> • Site visits • Business meetings • Company website • E-mail and phone 	<ul style="list-style-type: none"> • Payment schedule • Stable demand
Community	<ul style="list-style-type: none"> • Community activities • Company website • Email and phone 	<ul style="list-style-type: none"> • Community environment • Employment opportunities

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. MATERIALITY

We engaged our internal stakeholders to conduct a materiality assessment to identify ESG issues which are material with respect to our operations. Adopting the KPI numbering used in the ESG Reporting Code, the materiality matrix illustrating prioritisation of issues along internal and external dimensions is set out below:

IMPORTANCE TO STAKEHOLDER	High		<ul style="list-style-type: none"> • B4.1 • B4.2 • B6.2 • B6.5 	
	Middle	<ul style="list-style-type: none"> • B1.1 • B1.2 • B8.1 • B8.2 	<ul style="list-style-type: none"> • B2.1 • B2.2 • B2.3 • B3.1 • B3.2 • B7.1 • B7.2 	
	Low	<ul style="list-style-type: none"> • A1.1 • A1.3 • A1.4 • A1.5 • A1.6 • A2.4 • A2.5 • B5.1 • B6.1 • B6.4 	<ul style="list-style-type: none"> • A2.1 • A2.2 • A2.3 • A3.1 • B5.2 • B5.3 • B5.4 • B7.3 • D (climate-related issues) 	<ul style="list-style-type: none"> • B6.3
		Low	Middle	High
IMPORTANCE TO BUSINESS				
Less important		Important		Very Important

We will develop strategies and allocate resources to address concerns over material ESG issues identified, and will also look for ways to engage different stakeholders such as investors, customers, or local communities, so as to gain a wider understanding of ESG material issues.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. ENVIRONMENTAL ASPECTS

4.1. EMISSIONS

We are committed to protecting the environment and integrating environmental considerations into our daily operations. We strive to minimise all forms of emissions associated with our business activities, primarily by implementing and providing sufficient resources for effective emissions reduction measures.

We strictly comply with all applicable laws and regulations that are considered to have a significant impact on us, including:

Country/region	Laws/regulations
Hong Kong	<ul style="list-style-type: none"> Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong) Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong) Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong) Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong)
Mainland China	<ul style="list-style-type: none"> The Environmental Protection Law of the PRC The Law of the PRC on the Prevention and Control of Environmental Pollution from Solid Waste The Energy Conservation Law of the PRC The Water Pollution Prevention and Control Law of the PRC The Atmospheric Pollution Prevention and Control Law of the PRC
Malaysia	<ul style="list-style-type: none"> Environmental Quality Act 1974 of Malaysia Environmental Quality (Clean Air) Regulations 2014 of Malaysia Environmental Impact Assessment (EIA) Guidelines of Malaysia

During the Reporting Period, no cases of non-compliance with any of the above laws and regulations were noted.

AIR EMISSIONS

The majority of air emissions generated during the Reporting Period were air pollutants associated with vehicle use. Types of emissions and the respective emissions data of the Group for the Reporting Period are as follows:

Air pollutants

Emission type	Unit	2025	Intensity (per facility ¹)
Nitrogen Oxides (NO _x)	kg	6,549,920.9	654,992.1
Sulphur Oxides (SO _x)	kg	32,749.5	3,274.9
Particulate Matter (PM)	kg	8.8	0.9

Note:

- There were 10 investment properties within the reporting boundary of this ESG Report during the Reporting Period (2024: 10 investment properties).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

WASTE MANAGEMENT

Non-hazardous waste generated by our business activities mainly consists of waste paper and general refuse arising from our office operations. We have implemented measures to reduce non-hazardous waste, such as placing recycling bins in the Group's buildings and offices to facilitate the recycling of recyclable waste, and displaying notices in common areas of these buildings and offices to enhance awareness of the importance of waste reduction and recycling. We consider the amount of non-hazardous waste generated by the Group during the Reporting Period to be immaterial.

Moreover, in the Mainland China, the Group follows the government's regulations on waste sorting. The classifications include household food waste, residual waste, hazardous waste and recyclable waste, and the relevant environmental authorities are responsible for the collection and transportation of waste.

Due to the nature of our business, we are not aware of any hazardous waste generated by the Group's operations during the Reporting Period.

4.2. USE OF RESOURCES

The main resources consumed in our operations are primarily energy, water, and paper. While our business is less reliant on natural resources than industries such as manufacturing, mining, and refining, we recognise the importance of responsible resource use and are committed to minimising our consumption of natural resources.

Information on our energy and water consumption during the Reporting Period is as follows:

Direct energy consumption

Energy type	Unit	2025
Diesel	MWh	24.3
Petrol	MWh	184.4
Towngas	MWh	453.5
LPG	MWh	1.4
Total direct energy consumption	MWh	663.6

Indirect energy consumption

Electricity	MWh	3,244.9
Cooling	MWh	22.0
Total indirect energy consumption	MWh	3,266.9
Total energy consumption¹	MWh	3,930.5
Intensity (per facility)	MWh	393.0

Note:

1. Energy consumption is calculated in accordance with "How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" published by the Hong Kong Stock Exchange.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

We have set a target to reduce our energy consumption intensity from fossil fuels to 20% below the 2020 level by 2030 and have implemented, among others, the following energy conservation measures to reach this goal:

- 1) procure energy-efficient appliances;
- 2) turn on power saving mode for office equipment if not in use;
- 3) switch off air conditioning and lighting systems after office hours;
- 4) advise employees to put their computers in hibernation mode and turn off all other office equipment when not in use;
- 5) keep all the doors and windows closed when the air conditioners are in operation;
- 6) set the air conditioning at 25 degrees Celsius; and
- 7) arrange electronic meetings in place of physical meetings when permissible.

Water consumption

Total water consumption	Unit	2025	Intensity (per facility)
Water consumed ¹	m ³	25,858.7	2,585.9

Note:

1. During the Reporting Period, the water consumption includes water consumed in Hong Kong, Shanghai and Zhuhai operations.

During the Reporting Period, we did not encounter any issues in sourcing water that is fit for our purpose.

We have set a target to reduce our water consumption intensity to 20% below the 2020 level by 2030 and have implemented, among others, the following water conservation measures to reach this goal:

- 1) inspect taps regularly and repair any dripping promptly;
- 2) inspect water mains regularly and rectify leakage promptly;
- 3) install flow controllers in plumbing fixtures; and
- 4) retrofit aged appliances and fixtures with high water use efficiency models.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4.3. THE ENVIRONMENT AND NATURAL RESOURCES

Our impacts on the environment and natural resources are primarily associated with the abovementioned air and greenhouse gas (“GHG”) emissions, non-hazardous waste generation, and the consumption of energy and other resources. Accordingly, we consider the Group’s operations do not have a significant impact on the environment and natural resources.

Approximately 35% of the total site area of our properties in Shanghai is designated as greening area. Regular maintenance is conducted to preserve its environmental benefits, including its contribution to the reduction of GHG emissions.

In addition to the targets set and measures implemented in relation to emissions reduction and resources conservation mentioned in the above sections, we will continue to explore ways to further reduce our impacts on environment and natural resources and will continue to operate in strict compliance with all relevant laws and regulations.

4.4. CLIMATE CHANGE

4.4.1 Governance

With the support of the sustainability committee, the Board has the ultimate responsibility for the oversight of climate-related matters. The sustainability committee reports to the Board at least once a year on sustainability matters, covering climate-related issues, climate-related risks and opportunities, the integration of climate considerations into strategy, major transaction decisions and risk management processes, as well as progress on climate target implementation.

Under the supervision of the sustainability committee, the management team of the Group is responsible for assessing and managing climate-related risks and opportunities, the design and implementation of climate-related measures, as well as reviewing climate-related policies. This enables climate considerations to be incorporated into our daily operations.

Both the Board and the sustainability committee have sufficient knowledge of climate-related issues and the impacts of such issues on the Group’s business and operations. To ensure that the Board, the sustainability committee and all employees remain informed and that their knowledge is up to date, we provide regular training and materials on climate-related topics.

For details, please refer to Board Statement on ESG Governance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4.4.2 Strategy

To address the evolving implications of climate change, we continue to advance our approach to climate-related risk and opportunity management by embedding climate considerations into our overarching sustainability risk governance. This approach enables the systematic identification and management of climate-related physical and transition risks, as well as the evaluation of climate-related opportunities across the Group’s operations and value chain.

Climate Resilience

During the Reporting Period, a climate-related scenario analysis has been conducted to assess our climate resilience using an approach that is commensurate with our circumstances. The scenario analysis is intended to support strategic planning rather than predict a single outcome. It helps us to understand how physical risks and transition risks identified could affect occupancy, operating expenditure, maintenance cycles, financing conditions and asset values across different time horizons. The scenario analysis was conducted based on the following inputs:

Scope of analysis

The Group’s investment properties located in Hong Kong and the PRC.

Scenarios used

	Turquoise scenarios	Brown scenarios
Physical risks	<p>IPCC AR6 SSP2-4.5</p> <p><i>An intermediate warming pathway of around 2.7°C by the end of the century</i></p>	<p>IPCC AR6 SSP5-8.5</p> <p><i>A very high warming pathway of around 4.4°C by the end of the century</i></p>
Transition risks	<p>NGFS Net Zero 2050</p> <p><i>A 1.5°C-aligned pathway with limited overshoot</i></p>	<p>NGFS Current Policies</p> <p><i>An approximately 3.0°C pathway by the end of the century</i></p>

The selected scenarios provide a balanced and decision-useful range of climate futures for our property investment portfolio in Hong Kong and the Mainland China. The Intergovernmental Panel on Climate Change Sixth Assessment Report (“IPCC AR6”) physical scenarios capture a range of climate hazard intensities relevant to long-lived, location-specific real estate assets, while the Network for Greening the Financial System (“NGFS”) transition scenarios reflect a range of decarbonisation pathways and the related policy, market, cost, and financing impacts that are relevant to property valuation and asset management. Together, these scenarios support a robust assessment of both downside resilience and strategic adaptation across different climate futures.

Time horizons

Short-term	Medium-term	Long-term
2030	2050	2100

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Assumptions

The property portfolio within the scope of the analysis remains unchanged across the selected time horizons.

Results

The following tables illustrate, using a risk scale, the percentage of our assets exposed to selected climate-related transition and physical risks identified through the scenario analysis.

Physical risks	Relevance and assumptions	Percentage of value at risk					
		IPCC AR6 SSP2-4.5			IPCC AR6 SSP5-8.5		
		2030	2050	2100	2030	2050	2100
Coastal flooding	Higher sea levels raise the baseline for storm tides, making coastal inundation more damaging. This is particularly relevant for basement retail, car parks, loading bays, podiums, and critical plant rooms in coastal districts.	Low	Low	Medium	Low	Medium	Medium
Pluvial flooding	Intense rainfall can cause surface-water flooding in dense urban districts. This can affect operational continuity, tenant experience, maintenance costs, and resilience-related capital expenditure.	Low	Low	Medium	Low	Medium	Medium
Chronic heat stress in buildings	Persistently higher temperatures can increase operating costs, accelerate wear on building systems, and heighten retrofit needs relating to façades, ventilation, and energy efficiency.	Low	Low	Medium	Low	Medium	Medium
Tropical cyclone-related wind and rain damage	Typhoon-related wind, wind-driven rain, façade damage, water ingress, and business interruption are major property risks. Changes in heavy rainfall associated with tropical cyclones are also highly relevant to building operations and insurance exposure.	Low	Low	Medium	Low	Medium	High

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Transition risks	Relevance and assumptions	Percentage of value at risk					
		NGFS Net Zero 2050			NGFS Current Policies		
		2030	2050	2100	2030	2050	2100
Stricter building energy efficiency regulation	This can necessitate earlier refurbishment of HVAC systems, lighting, controls, façades, and other base-building systems.	Low	Medium	Medium	Low	Medium	Medium
Higher effective carbon costs passed through electricity and energy bills	Higher power-system decarbonisation costs can be passed through to electricity tariffs, common-area energy costs, and service-charge pressures.	Medium	Medium	Medium	Low	Medium	Medium
Green-premium pressure from tenant preference shifts	As occupiers pursue their own decarbonisation targets, they increasingly prefer efficient, certified, and data-rich buildings.	Medium	Medium	Medium	Low	Low	Low
Higher cost of capital and financing selectivity	Transition pathways can affect both asset-level and corporate financing through lender screening, sustainability-linked covenants, and differentiated pricing for greener versus less resilient assets.	Low	Medium	Medium	Low	Low	Low

Mitigation Measures

To address the physical vulnerabilities, particularly regarding coastal flooding, pluvial flooding, and chronic heat stress, the Group focuses on strengthening building resilience through both structural and operational enhancements. For acute risks such as typhoons and extreme rainfall, we implement preventive maintenance, install flood barriers, and reinforce building façades, while elevating critical mechanical and electrical equipment to mitigate damage to basements and plant rooms. To manage chronic heat stress and rising cooling demands, we are progressively upgrading key building systems, including the optimization of building management systems and the retrofitting of chiller plants to improve energy monitoring and cooling efficiency. Furthermore, we actively review our insurance coverage and explore geographical diversification to mitigate concentration risks and ensure business continuity for our tenants.

In response to transition risks such as tightening energy efficiency regulations and rising carbon costs, we prioritize the progressive decarbonization of our portfolio and the enhancement of asset competitiveness. We conduct periodic energy audits and targeted retrofits to align our properties with emerging building performance standards, thereby reducing exposure to potential capital expenditure requirements and higher energy tariffs. To address shifting tenant preferences for green-certified buildings, we are exploring green lease structures and strengthening engagement to promote shared energy-saving targets. Additionally, we are expanding our use of renewable energy and integrating sustainability considerations into our long-term capital planning to mitigate the impact of differentiated pricing for resilient assets.

4.4.3 Risk Management

The Board has collective responsibility for the design and effective implementation of the Group’s risk management framework. Under the oversight of the sustainability committee, the Group conducts regular sustainability risk and opportunity assessments with a specific focus on climate-related risks and opportunities. These assessments systematically identify, evaluate and manage climate-related risks based on their potential impact and likelihood of occurrence, enabling risks to be prioritised in a structured manner.

Based on the assessment outcomes, appropriate mitigation and response measures are formulated and integrated into business planning to enhance the Group’s resilience to climate-related risks and support informed decision-making.

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4.4.4 Metrics and Targets

Our Scope 1 and 2 GHG emissions primarily arise from fuel consumption by company-owned vehicles and purchased electricity used in our operations. These sources continue to represent the majority of our direct and energy-related emissions footprint. During the Reporting Period, we further strengthened our Scope 3 inventory by aligning our assessment with the 15 categories defined under the GHG Protocol Corporate Value Chain (Scope 3) Standard, enhancing the completeness and transparency of our value chain emissions disclosure. We will continue to refine our data collection methodologies, expand category coverage where material, and improve data accuracy in the years ahead to support more comprehensive carbon management across our value chain.

GHG emissions ¹	Carbon dioxide equivalent (tonnes)	
	2025	2024
Scope 1	143.7	153.6
Scope 2	1,668.8	1,821.7
Scope 3 ²	42.6	41.0
Total GHG emissions (Scope 1, 2)	1,812.5	1,975.3
Total GHG emissions (Scope 1, 2, 3)	1,855.1	2,016.3
Intensity ³ (per vehicle ⁴)	4.6	5.1
Intensity ⁵ (per facility)	166.9	182.2

Note:

- In accordance with The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition) published by the World Business Council for Sustainable Development and World Resources Institute, Scope 1 direct emissions are resulted from operations that are owned or controlled by the Group, Scope 2 energy indirect emissions are resulted from the generation of purchased or acquired electricity, heating, cooling, and steam consumed within the Group, while Scope 3 other indirect emissions are resulted from the Group’s value chain. Unless otherwise specified, emission factors were made reference to Appendix C2 of the Main Board Listing Rules and their referred documentation as set out by the Hong Kong Stock Exchange.
- The Scope 3 emissions include available data arising from category 5: waste generated in operations and category 6: business travel.
- The intensity is calculated by dividing Scope 1 emissions by the number of vehicles in services during the Reporting Period.
- There were 31 vehicles in services for the Group which are within the reporting boundary of this ESG Report during the Reporting Period (2024: 30 vehicles).
- The intensity is calculated by dividing Scope 2 emissions by the number of investment properties owned by the Group which are within the reporting boundary of this ESG Report during the Reporting Period.

In support of China’s Dual Carbon goals, including the newly articulated interim target to reduce GHG emissions by 7–10% from peak levels by 2035, the Group has established a structured decarbonisation pathway to align with national climate ambition. The Group has set a target of 20% reduction in absolute Scope 1 and 2 GHG emissions by 2030 from the base year of 2020. In order to reach this goal, we strive to reduce electricity consumption through various measures as described in the section headed “USE OF RESOURCES”.

4.5. PACKAGING MATERIAL

Use of packaging materials	Unit	2025
Paper	tonnes	0.3

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5. EMPLOYMENT AND LABOUR PRACTICES

5.1. EMPLOYMENT

Employees are our most valuable assets, and the success of the Group’s business depends on the dedication and contribution of our workforce. We highly value our employees’ contributions and are committed to attracting, rewarding, and retaining talent by offering competitive remuneration packages, a safe working environment, and a harmonious workplace free from discrimination and improper treatment.

It is our policy to give everyone equal opportunities in our recruitment and promotion process regardless of race, social class, age, nationality, religion, disability, gender, or sexual orientation, etc.

Matters relating to compensation, dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare are structured to comply with all applicable laws and regulations in the jurisdictions in which we operate, including but not limited to:

Country/region	Laws/regulations
Hong Kong	<ul style="list-style-type: none"> • Employment Ordinance (Cap. 57 of the Laws of Hong Kong) • Employees’ Compensation Ordinance (Cap. 282 of the Laws of Hong Kong) • Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong) • Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong) • Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong)
Mainland China	<ul style="list-style-type: none"> • The Labour Law of the PRC • The Labour Contract Law of the PRC • The Social Insurance Law of the PRC • The Law of the PRC on the Protection of Rights and Interests of Women • Regulations on Work-related Injury Insurances
Malaysia	<ul style="list-style-type: none"> • Employment Act 1995 of Malaysia • Persons with Disabilities Act 2008 of Malaysia • Employees Social Security Act 1969 of Malaysia • Holidays Act 1951 of Malaysia • Employees Provident Fund Act 1991 of Malaysia • Employment Insurance System Act, 2017 of Malaysia • Human Resources Development Act 2001 of Malaysia • Industrial Relations Act, 1967 of Malaysia • Employees’ Minimum Standards of Housing, Accommodations & Amenities Act 1990 of Malaysia

During the Reporting Period, no cases of non-compliance with any of the above laws and regulations were noted.

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Information on our total workforce by gender, age group, employment type, and geographical region as at 31 December 2025 is illustrated as follows:

		Number of employees	Proportion
Overall		195	100%
By gender	Male	124	63.6%
	Female	71	36.4%
By age	Below 30	10	5.1%
	Between 31 and 40	23	11.8%
	Between 41 and 60	141	72.3%
	Above 60	21	10.8%
By employment type	Junior	106	54.4%
	Middle	33	16.9%
	Senior	16	8.2%
	Contract or short term	40	20.5%
By geographical region	Hong Kong	18	9.2%
	Zhuhai	11	5.6%
	Shanghai	150	76.9%
	Malaysia	16	8.2%

Information on our employee turnover rates by gender, age group, and geographical region for the Reporting Period is illustrated as follows:

		Employee turnover rates
Overall		19.5%
By gender	Male	20.9%
	Female	17.1%
By age	Below 30	42.1%
	Between 31 and 40	13.6%
	Between 41 and 60	21.7%
	Above 60	0.0%
By geographical region	Hong Kong	5.7%
	Zhuhai	38.1%
	Shanghai	19.6%
	Malaysia	22.2%

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5.2. HEALTH AND SAFETY

Our operations do not involve high-risk activities. Nevertheless, we attach great importance to the occupational safety, health, and well-being of our employees and make every effort to provide a safe and comfortable working environment.

Matters relating to health and safety of our employees are structured to comply with, among others, the following laws and regulations:

Country/region	Laws/regulations
Hong Kong	<ul style="list-style-type: none"> Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)
Mainland China	<ul style="list-style-type: none"> The Labour Law of the PRC The Production Safety Law of the PRC The Law of the PRC on Prevention and Control of Occupational Diseases
Malaysia	<ul style="list-style-type: none"> Occupational Safety and Health Act 1994 of Malaysia Factories and Machinery Act 1967 of Malaysia

During the Reporting Period, no cases of non-compliance with any of the above laws and regulations were noted.

Information on the number and rate of work-related fatalities occurred in each of the past three years including the Reporting Period is illustrated as follows:

	2025	2024	2023
Number of work-related fatalities	0	0	0
Rate of work-related fatalities (%)	0	0	0
Number of work-related injuries	0	0	2
Rate of work-related injuries (%)	0	0	1.0%
Number of lost days due to work-related injuries	0	0	9

To protect our employees from occupational hazards, we have adopted, among others, the following occupational health and safety measures:

- 1) ensure that sufficient first aid kits and fire extinguishers are available at workplaces to support emergency preparedness;
- 2) provide medical insurance benefits to eligible full-time employees;
- 3) install air purifiers to improve air quality and the working environment for our employees;
- 4) provide protective and disinfection products such as face masks and alcohol-based hand sanitizer, as well as cooling supplies to employees;
- 5) encourage employees to participate in rescue, fire and evacuation drills to enhance safety awareness;
- 6) in Shanghai, new employees are required to complete and pass a medical examination at a designed second-class hospital prior to joining the Company. In Zhuhai, such medical examination is required to be conducted at a third-class hospital; and
- 7) provide a working environment that complies with national regulations to ensure employee safety.

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5.3. DEVELOPMENT AND TRAINING

The competence of our employees is essential to the sustainable growth and long-term success of our business. We are committed to strengthening their job-related knowledge and capabilities through a range of training and development initiatives, including on-the-job training, seminars, workshops, site visits, and formal training programmes. To further promote continuous learning, we have implemented policies to encourage employees to pursue relevant continuing education and professional development programmes. Eligible employees are entitled to paid examination leave and reimbursement of tuition fees, as well as seminar and workshop expenses.

Information on training and development of our employees is illustrated as follows:

Percentage of employees trained		2025	2024
Overall		88.9%	87.1%
By gender	Male	85.1%	84.8%
	Female	95.7%	91.0%
By employment type	Junior	84.2%	95.3%
	Middle	84.4%	72.7%
	Senior	60.0%	57.8%
	Contract or short-term	100.0%	65.3%
Average training hours		2025	2024
Overall		4.9	6.3
By gender	Male	4.3	5.6
	Female	5.9	7.4
By employment type	Junior	4.3	6.9
	Middle	4.2	4.3
	Senior	11.5	11.6
	Contract or short-term	4.1	2.2

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5.4. LABOUR STANDARDS

We strictly prohibit the use of child and forced labour. We are committed to complying with all laws and regulations relevant to the prevention of child and forced labour, including, without limitation:

Country/region	Laws/regulations
Hong Kong	<ul style="list-style-type: none"> • Employment of Children Regulation under the Employment Ordinance (Cap. 57B of the Laws of Hong Kong)
Mainland China	<ul style="list-style-type: none"> • Labour Law of the PRC • Underage Workers Special Protection Provisions • Provisions on the Prohibition of Using Child Labour
Malaysia	<ul style="list-style-type: none"> • Children and Young Persons (Employment) Act 1966 of Malaysia

During the Reporting Period, no cases of non-compliance with any of the above laws and regulations were noted.

We have implemented measures to prevent child and forced labour in our operations. As part of the recruitment process, a comprehensive identity verification and screening procedure is conducted to confirm the identity of every candidate. In addition, each candidate is required to sign an employment contract to affirm that they are joining the Group voluntarily and of their own free will.

We consider the risk of child or forced labour in our operations to be minimal. Nevertheless, if any instance of child or forced labour is identified, the relevant employment will be terminated immediately. Any such incident must be reported to the Board, which is responsible for determining whether any further action is required, including notification to the relevant authorities.

6. OPERATING PRACTICES

6.1. SUPPLY CHAIN MANAGEMENT

Our business activities do not involve significant procurement of materials for consumption, processing, or resale and therefore supply chain management is not material to us from the ESG perspective according to the materiality analysis carried out during the Reporting Period. The suppliers/service providers we come across in our daily operations are primarily retailers that provide office or household supplies for our back offices and properties, or contractors that provide property management or maintenance services to our properties. During the Reporting Period, we engaged 85 suppliers; of which 36 were from local communities in Mainland China and 49 were from Malaysia.

We take into consideration environmental and social risk factors in selection of suppliers/contractors. Our measures in this respect include conducting desktop search on suppliers'/contractors' track record on their environmental and labour practices. Our senior management is responsible for reviewing the qualification of potential suppliers/contractors. Those with questionable ESG practices will not be selected. In addition, one to two extra suppliers will be kept in our Company's record for replacement in case environmental and social risk is involved in the current supplier.

We have implemented measures to promote environmentally preferable products and services when selecting suppliers. For example, we prohibit contractors from using materials that do not meet relevant environmental and safety standards. Any contractor who does not meet or who has a record of breaching our ESG standard will not be considered for award of a contract.

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6.2. PRODUCT RESPONSIBILITY

We are committed to providing high-quality services to our tenants and the users of properties under our management. In particular, we strive to ensure that our properties are free from any preventable hazards.

We believe that safety is of paramount importance in all aspects of our operations, and fire safety is regarded as one of our highest priorities. In making purchasing decisions, we are committed, where practicable, to applying stringent fire safety and fire rating requirements to materials, equipment, and building components. We make every effort to ensure that all properties operated or managed by us comply with applicable fire safety laws and regulations.

To enhance fire safety awareness and preparedness, we have implemented measures including regular inspection and maintenance of fire safety equipment and systems, clear emergency evacuation procedures, and ongoing communication with property users on fire prevention practices. We also organise fire drills and fire safety seminars on a regular basis, including in collaboration with relevant authorities such as the Fire Services Department in Hong Kong, to raise the fire safety awareness of the users and occupants of the properties we operate or manage.

We are also committed to complying with all laws and regulations relating to health and safety, advertising, labelling, and privacy matters associated with the products and services we provide, including, but not limited to:

Country/region	Laws/regulations
Hong Kong	<ul style="list-style-type: none"> Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)
Mainland China	<ul style="list-style-type: none"> The Advertising Law of the PRC The Law of the PRC on the Protection of Rights and Interests of Consumers The Cybersecurity Law of the PRC The Personal Information Protection Law of the PRC The Fire Protection Law of the PRC The Road Traffic Safety Law of the PRC The Copyright Law of the PRC The Trademark Law of the PRC
Malaysia	<ul style="list-style-type: none"> Personal Data Protection Act 2010 of Malaysia Consumer Protection Act 1999 of Malaysia Cyber Security Act 2024 of Malaysia Copyright Act 1987 of Malaysia Housing Development (Control and Licensing) Act 1966 of Malaysia Housing Development (Control and Licensing) Regulations 1989 of Malaysia Trademarks Act 2019 of Malaysia

During the Reporting Period, no cases of non-compliance with any of the above laws and regulations were noted.

No recalled products were recorded during the Reporting Period.

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We maintain service quality through our day-to-day property management procedures, established tenant communication channels, compliant-handling mechanisms, and periodic reviews of service issues raised by tenants. Complaints relating to our services may be lodged through various channels, including phone, email, and instant messaging. When complaints or incidents arise, responsible personnel review the underlying causes, implement corrective action where necessary, and monitor the progress of resolution. Over the years, the complaints received were primarily related to the repair and maintenance of our properties, and the majority of such cases were resolved by our in-house technicians. No material complaints relating to our products and services were received during the Reporting Period.

We are committed to ensuring that we do not infringe any intellectual property rights of others in the course of our operations. Appropriate licenses are obtained for all software installed on our computer systems. To prevent any risk of unintentional infringement of intellectual property rights, software may only be installed on our computer systems by authorised personnel.

We recognise the importance of consumer data and privacy protection. Visitors to buildings we manage may sometimes be requested to provide certain personal data for crime prevention purposes. Such personal data will not be retained for longer than necessary and can only be accessed by authorised persons (being designated property managers), who are also responsible for the implementation and monitoring of these measures.

6.3. ANTI-CORRUPTION

We are committed to upholding the highest ethical standard. We have formulated and implemented the required conducts of our employees as well as anti-fraud and whistleblowing policies to prevent, detect and report each and every form of bribery, extortion, fraud and money laundering. Any such fraudulent act is prohibited and we will not tolerate any fraudulent business activities. In particular, all directors and employees should avoid conflict of personal interest relating to their professional duties and are required to declare any conflict of interest by disclosure form to ensure appropriate assurance for us in matters of conflict of interest, professional and scientific integrity, and to protect the Group from regulatory and reputational risk.

Our whistleblowing procedures apply to all parties including internal as well as external informers. Any complaint of suspected misconduct, malpractice, or impropriety may be made either verbally or in writing on a confidential basis to the audit committee of the Company; all issues will be handled promptly and fairly. In cases of suspected corruption or other criminal offences, a report may be made to the appropriate authority. We promise that whistleblowers will not be dismissed or mistreated due to the reporting. Investigation work for whistleblowing reports will be handled with strict confidentiality under any circumstances to preserve anonymity.

To ensure that our employees are aware of their regulatory obligations and the possible consequences of non-compliance, we provide anti-corruption training and encourage employees to study publicly available anti-corruption materials, such as those available on the website of The Hong Kong Business Ethics Development Centre. This initiative was designed to enhance awareness and understanding of anti-corruption policies and practices across the organisation. The training sessions aimed to equip employees with the necessary skills to identify and address potential corruption risks effectively.

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It is our commitment to comply with all laws and regulations relating to bribery, extortion, fraud and money laundering, which include and without limitation to:

Country/region	Laws/regulations
Hong Kong	<ul style="list-style-type: none"> • Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong)
Mainland China	<ul style="list-style-type: none"> • Unfair Competition Law of the PRC • The Criminal Law of the PRC • The Company Law of the PRC • The Bidding Law of the PRC • The Interim Provisions on Prohibiting Commercial Bribery • Anti-corruption Law of the PRC
Malaysia	<ul style="list-style-type: none"> • Malaysian Anti-Corruption Commission Act 2009 • Penal Code of Malaysia • Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 of Malaysia • Competition Act 2010 of Malaysia • Companies Act 2016 of Malaysia

There were no concluded legal cases regarding corrupt practices brought against us or our employees during the Reporting Period.

7. COMMUNITY INVESTMENT

We recognise the importance of engaging with the wider community in fulfilling our corporate social responsibility. In this regard, we will continue to explore opportunities to identify suitable partners and support community and environmental programmes that are aligned with our mission and values. During the Reporting Period, we demonstrated our commitment by making a donation of HK\$80,000.

We believe the most effective way to serve the community is by creating positive impact through our investment portfolio and generating shared value for both the community and our stakeholders. We will continue to incorporate ESG factors into our assessment and selection of future investment projects.

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APPENDIX 1 HONG KONG STOCK EXCHANGE ESG REPORTING CODE CONTENT INDEX TABLE

Part C: General Disclosure and KPIs

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Remarks
A. Environmental Aspect		
A1: Emissions		
General Disclosure	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4.1 EMISSIONS
KPI A1.1	The types of emissions and respective emissions data.	4.1 EMISSIONS
KPI A1.2	Repealed 1 January 2025	N/A
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Due to our business nature, we do not generate hazardous waste in our ordinary course of business.
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Due to our business nature, we do not generate significant amount of non-hazardous waste in our ordinary course of business.
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	4.1 EMISSIONS
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Due to our business nature, we do not generate hazardous waste or significant amount of non-hazardous waste in our ordinary course of business.
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	4.2 USE OF RESOURCES
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	4.2 USE OF RESOURCES

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Remarks
KPI A2.2	Water consumption in total and intensity.	4.2 USE OF RESOURCES
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.2 USE OF RESOURCES
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	4.2 USE OF RESOURCES
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to our business nature, we do not use packaging material in our ordinary course of business.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	4.3 THE ENVIRONMENT AND NATURAL RESOURCES
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4.3 THE ENVIRONMENT AND NATURAL RESOURCES
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	5.1 EMPLOYMENT
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	5.1 EMPLOYMENT
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	5.1 EMPLOYMENT

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Remarks
Aspect B2: Health and Safety		
General Disclosure	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	5.2 HEALTH AND SAFETY
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years, including the reporting year.	5.2 HEALTH AND SAFETY
KPI B2.2	Lost days due to work injury.	5.2 HEALTH AND SAFETY
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	5.2 HEALTH AND SAFETY
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.3 DEVELOPMENT AND TRAINING
KPI B3.1	The percentage of employees trained by gender and employee category.	5.3 DEVELOPMENT AND TRAINING
KPI B3.2	The average training hours completed per employee by gender and employee category.	5.3 DEVELOPMENT AND TRAINING
Aspect B4: Labour Standards		
General Disclosure	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5.4 LABOUR STANDARDS

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Remarks
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.4 LABOUR STANDARDS
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	5.4 LABOUR STANDARDS
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.1 SUPPLY CHAIN MANAGEMENT
KPI B5.1	Number of suppliers by geographical region.	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Due to our business nature and according to the materiality assessment carried out, these KPI is considered immaterial within the reporting boundary of this ESG Report for the Reporting Period.
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.1 SUPPLY CHAIN MANAGEMENT
Aspect B6: Product Responsibility		
General Disclosure	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	6.2 PRODUCT RESPONSIBILITY
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to our business nature, we do not sell or ship products in our ordinary course of business.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	6.2 PRODUCT RESPONSIBILITY

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Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Remarks
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.2 PRODUCT RESPONSIBILITY
KPI B6.4	Description of quality assurance process and recall procedures.	Due to our business nature, we do not have products subject to quality assurance process and recall procedures in our ordinary course of business.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	6.2 PRODUCT RESPONSIBILITY
Aspect B7: Anti-corruption		
General Disclosure	Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	6.3 ANTI-CORRUPTION
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	6.3 ANTI-CORRUPTION
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	6.3 ANTI-CORRUPTION
KPI B7.3	Description of anti-corruption training provided to directors and staff.	6.3 ANTI-CORRUPTION
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	7. COMMUNITY INVESTMENT
KPI B8.1	Focus areas of contribution.	7. COMMUNITY INVESTMENT
KPI B8.2	Resources contributed to the focus areas.	7. COMMUNITY INVESTMENT

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Part D: Climate Related Disclosure

Climate Disclosures Requirements	Section/Remarks
(I) Governance	
<p>Paragraph 19</p> <p>An issuer shall disclose information about:</p> <p>(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:</p> <p>(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;</p> <p>(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;</p> <p>(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;</p> <p>(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and</p> <p>(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:</p> <p>(i) whether the role is delegated to a specific management level position or management-level committee and how oversight is exercised over that position or committee; and</p> <p>(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.</p>	<p>4.4 Climate Change – Governance</p> <p>The Group has not yet incorporated climate-related performance indicators into its remuneration policy. We will explore the feasibility of enhancing our remuneration policies.</p>

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Climate Disclosures Requirements	Section/Remarks
(II) Strategy	
Climate-related risks and opportunities	
<p>Paragraph 20</p> <p>An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:</p> <ul style="list-style-type: none"> (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making. 	<p>4.4 Climate Change – Strategy</p>
Business model and value chain	
<p>Paragraph 21</p> <p>An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain. Specifically, the issuer shall disclose:</p> <ul style="list-style-type: none"> (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and (b) a description of where in the issuer’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets). 	<p>4.4 Climate Change – Strategy</p> <p>Since data availability and quantification methods continue to develop or evolve, we will continue to monitor and, where feasible, describe the concentration of climate-related risks and opportunities across our business model and value chain.</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate Disclosures Requirements	Section/Remarks
Strategy and decision-making	
<p>Paragraph 22</p> <p>An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:</p> <p>(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:</p> <p>(i) current and anticipated changes to the issuer’s business model, including its resource allocation, to address climate-related risks and opportunities;</p> <p>(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);</p> <p>(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer’s transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and</p> <p>(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and</p> <p>(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).</p>	<p>4.4 Climate Change – Strategy</p>
<p>Paragraph 23</p> <p>An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).</p>	<p>4.4 Climate Change – Strategy</p>

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Climate Disclosures Requirements	Section/Remarks
Financial position, financial performance and cash flows	
Current financial effect	
<p>Paragraph 24</p> <p>An issuer shall disclose qualitative and quantitative information about:</p> <ul style="list-style-type: none"> (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements. 	<p>4.4 Climate Change – Strategy</p> <p>We have identified major climate-related risks and opportunities and disclosed their current and/or anticipated qualitative financial effects. Given the high level of measurement uncertainty arising from data limitations and evolving climate science and methodologies, the resulting quantitative financial effects may not provide meaningful insights. We will continue to review the feasibility of disclosing such data as our business operations evolve.</p> <p>No significant risk of a material adjustment within the next annual reporting period.</p>
Anticipated financial effect	
<p>Paragraph 25</p> <p>The issuer shall provide qualitative and quantitative disclosures about:</p> <ul style="list-style-type: none"> (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: <ul style="list-style-type: none"> (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities. 	<p>4.4 Climate Change – Strategy</p> <p>We have identified major climate-related risks and opportunities and disclosed their current and/or anticipated qualitative financial effects. Given the high level of measurement uncertainty arising from data limitations and evolving climate science and methodologies, the resulting quantitative financial effects may not provide meaningful insights. We will continue to review the feasibility of disclosing such data as our business operations evolve.</p>

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Climate Disclosures Requirements	Section/Remarks
Climate resilience	
<p data-bbox="240 422 400 454">Paragraph 26</p> <p data-bbox="240 476 1102 717">An issuer shall disclose information that enables an understanding of the resilience of the issuer’s strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer’s identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer’s circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:</p> <ul style="list-style-type: none"> <li data-bbox="240 745 1102 804">(a) the issuer’s assessment of its climate resilience as at the reporting date, which shall enable an understanding of: <ul style="list-style-type: none"> <li data-bbox="320 832 1102 944">(i) the implications, if any, of the issuer’s assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; <li data-bbox="320 972 1102 1030">(ii) the significant areas of uncertainty considered in the issuer’s assessment of its climate resilience; and <li data-bbox="320 1058 1102 1149">(iii) the issuer’s capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; <li data-bbox="240 1177 1102 1235">(b) how and when the climate-related scenario analysis was carried out, including: <ul style="list-style-type: none"> <li data-bbox="320 1263 1102 1709">(i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); <li data-bbox="320 1737 1102 1774">(ii) the key assumptions the issuer made in the analysis; and <li data-bbox="320 1802 1102 1839">(iii) the reporting period in which the climate-related scenario analysis was carried out. 	<p data-bbox="1129 476 1385 534">4.4 Climate Change – Strategy</p>

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Climate Disclosures Requirements	Section/Remarks
(III) Risk Management	
<p>Paragraph 27</p> <p>An issuer shall disclose information about:</p> <ul style="list-style-type: none"> (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: <ul style="list-style-type: none"> (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period; (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process. 	<p>4.4 Climate Change – Risk Management</p>

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Climate Disclosures Requirements	Section/Remarks
Climate-related transition risks	
<p>Paragraph 30</p> <p>An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.</p>	<p>Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.</p>
Climate-related physical risks	
<p>Paragraph 31</p> <p>An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.</p>	<p>Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.</p>
Climate-related opportunities	
<p>Paragraph 32</p> <p>An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.</p>	<p>Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.</p>

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Climate Disclosures Requirements	Section/Remarks
Capital deployment	
<p>Paragraph 33</p> <p>An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.</p>	<p>Reasonable and supportable information was not available at the reporting date without undue cost or effort. We will explore the feasibility of disclosing such metrics in the future.</p>
Internal carbon prices	
<p>Paragraph 34</p> <p>An issuer shall disclose:</p> <p>(a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and</p> <p>(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;</p> <p>or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.</p>	<p>Internal carbon pricing is currently not part of our decision-making. We will explore the use of internal carbon pricing in the future.</p>
Remuneration	
<p>Paragraph 35</p> <p>An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).</p>	<p>The Group has not yet incorporated climate-related performance indicators into its remuneration policy. We will explore the feasibility of enhancing our remuneration policies.</p>

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Climate Disclosures Requirements	Section/Remarks
Industry-based metrics	
<p>Paragraph 36</p> <p>An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.</p>	<p>The Group is committed to further enhancing its capabilities to measure, monitor and disclose relevant sustainability metrics across its investment property portfolio and property development activities. We acknowledge the importance of these sector-relevant metrics in assessing climate-related and broader ESG performance, and we will continue to refine our reporting framework and data governance processes to enable more comprehensive, transparent and decision-useful disclosures in future reports.</p>
Climate-related targets	
<p>Paragraph 37</p> <p>An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:</p> <ul style="list-style-type: none"> (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); 	<p>4.4 Climate Change – Metrics and Targets</p>

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Climate Disclosures Requirements	Section/Remarks
<p>(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and</p> <p>(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.</p> <p>Paragraph 38</p> <p>An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:</p> <p>(a) whether the target and the methodology for setting the target has been validated by a third party;</p> <p>(b) the issuer’s processes for reviewing the target;</p> <p>(c) the metrics used to monitor progress towards reaching the target; and</p> <p>(d) any revisions to the target and an explanation for those revisions.</p> <p>Paragraph 39</p> <p>An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer’s performance.</p> <p>Paragraph 40</p> <p>For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:</p> <p>(a) which greenhouse gases are covered by the target;</p> <p>(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;</p> <p>(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;</p> <p>(d) whether the target was derived using a sectoral decarbonisation approach; and</p>	<p>4.4 Climate Change – Metrics and Targets</p> <p>We will explore the feasibility of having our targets validated by a third party.</p> <p>4.4 Climate Change – Metrics and Targets</p> <p>4.4 Climate Change – Metrics and Targets</p> <p>At present, the targets were not derived using a sectoral decarbonisation approach for target setting.</p>

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Climate Disclosures Requirements	Section/Remarks
<p>(e) the issuer’s planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:</p> <ul style="list-style-type: none"> (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset). 	<p>We will explore the feasibility of purchasing carbon credits to offset GHG emissions in our operations.</p>
Applicability of cross-industry metrics and industry-based metrics	
<p>Paragraph 41</p> <p>In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).</p>	<p>4.4 Climate Change – Metrics and Targets</p>

PROPERTY PORTFOLIO OF THE GROUP

A. Properties for Investment/own use

No.	Property	Use	Group's Effective Holding	Gross Floor Area (Approx. sqft)	Gross Floor Area attributable to the Group (Approx. sqft)	Lease Term
Hong Kong						
1	Ground Floor of Block 1B, Pine Villas, Nos.118 & 118A Castle Peak Road, Castle Peak Bay, Tuen Mun, New Territories, Hong Kong	Residential	75%	1,833	1,375	Up to 30 June 2047
2	Flat B on 7th Floor, Rose Mansion, No. 1 Prat Avenue, Kowloon, Hong Kong	Residential	100%	890	890	150 years from 25 December 1898
3	Multifield Centre, No. 426 Shanghai Street, Kowloon, Hong Kong	Commercial	75%	46,351	34,763	150 years from 25 December 1887
4	Ground Floor, 1st to 3rd Floor, 5th Floor, Air-conditioning Plant Room on 6th Floor, Office Unit 01 on 7th Floor (including exclusive lavatory), Office Units 01 to 03 and 05 to 10 on 20th and 21st Floor and the roof, Multifield Plaza, No. 3 Prat Avenue, Kowloon, Hong Kong	Commercial	100%	61,269	61,269	150 years from 25 December 1898 and 24 June 1889 respectively
5	M Place, No. 54 Wong Chuk Hang Road, Hong Kong	Industrial	100%	142,134	142,134	75 years from 10 May 1965 renewable for a further term of 75 years
6	Shop No. 2 on Ground Floor, Goldfield Building, Nos.42, 43 and 44 Connaught Road West and Nos. 200 and 202 Wing Lok Street, Hong Kong	Commercial	69%	1,300	897	999 years from 25 June 1871 and 9 April 1901 respectively
7	Flat B on the 30th Floor of Tower 6 and Private Cars Car Park No. 58 on Car Park Level 2, Bel-Air on the Peak of Island South, No. 68 Bel-Air Peak Avenue, Hong Kong	Residential/ Car Park	75%	913	685	50 years from 22 May 2000

PROPERTY PORTFOLIO OF THE GROUP

No.	Property	Use	Group's Effective Holding	Gross Floor Area (Approx. sqft)	Gross Floor Area attributable to the Group (Approx. sqft)	Lease Term
8	Flat E, 18th Floor, Block H-9, Fu Yip Yuen, Chi Fu Fa Yuen, No. 9 Chi Fu Road, Hong Kong	Residential	75%	518	389	75 years from 19 October 1976 renewable for a further term of 75 years
9	Flat H, 18th Floor, Block H-14, Fu Chun Yuen, Chi Fu Fa Yuen, No. 14 Chi Fu Road, Hong Kong	Residential	75%	518	389	75 years from 19 October 1976 renewable for a further term of 75 years
10	Flat H, 21st Floor, Block H-12, Fu Yar Yuen, Chi Fu Fa Yuen, No. 12 Chi Fu Road, Hong Kong	Residential	75%	518	389	75 years from 19 October 1976 renewable for a further term of 75 years
11	Units 1 to 3, 5, 6, 21 to 23 and 25 to 28 on 19th Floor, Pacific Link Tower, Southmark, No. 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	Commercial	75%	11,439	8,579	A term from 17 December 1991 to 30 June 2047
12	Units 1 to 3, 5, 6, 21 to 23 and 25 to 28 on 20th Floor, Pacific Link Tower, Southmark, No. 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	Commercial	75%	11,438	8,579	A term from 17 December 1991 to 30 June 2047
13	Units 1 to 3, 5, 6, 21 to 23 and 25 to 28 on 25th Floor, Pacific Link Tower, Southmark, No. 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	Commercial	69%	11,438	7,892	A term from 17 December 1991 to 30 June 2047
14	Car Parking Space (Private Carpark) No. P101 on 1st Floor and Nos. P201 and P202 on 2nd Floor, Southmark, No. 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	Car Park	75%	N/A	N/A	A term from 17 December 1991 to 30 June 2047
15	Car Parking Space (Private Carpark) Nos. P229 and P230 on 2nd Floor, Southmark, No. 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	Car Park	75%	N/A	N/A	A term from 17 December 1991 to 30 June 2047

PROPERTY PORTFOLIO OF THE GROUP

No.	Property	Use	Group's Effective Holding	Gross Floor Area (Approx. sqft)	Gross Floor Area attributable to the Group (Approx. sqft)	Lease Term
16	Multi-storey Lorry Park of Ground Floor to Lower Ground 5 (G/F to LG1-5/F (Inclusive)), Southmark, No. 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	Car Park	69%	N/A	N/A	A term from 17 December 1991 to 30 June 2047
17	Flat A (Including the Bay Window, the Balcony, the Utility Platform thereof and the Air-Conditioning Plant Room Appertaining thereto) on the 12th Floor, Tower 2, Larvotto, No. 8 Ap Lei Chau Praya Road, Hong Kong	Residential	75%	2,423	1,817	A term from 25 January 1995 to 30 June 2047
18	Flat A (Including the Balcony thereof) on the 12th Floor, Tower 8, Larvotto, No. 8 Ap Lei Chau Praya Road, Hong Kong	Residential	75%	1,317	988	A term from 25 January 1995 to 30 June 2047
19	Flat A (Including the Balcony thereof) on the 21st Floor, Tower 8, Larvotto, No. 8 Ap Lei Chau Praya Road, Hong Kong	Residential	100%	1,317	1,317	A term from 25 January 1995 to 30 June 2047
20	Flat B (Including the Balcony thereof) on the 21st Floor, Tower 8, Larvotto, No. 8 Ap Lei Chau Praya Road, Hong Kong	Residential	69%	1,315	907	A term from 25 January 1995 to 30 June 2047
21	Flat A (Including the Bay Window, the Balcony, the Utility Platform thereof and the Air-Conditioning Plant Room Appertaining thereto) on the 30th Floor, Tower 1 and Car Parking Space No. 16 on the Ground Floor, Larvotto, No. 8 Ap Lei Chau Praya Road, Hong Kong	Residential/ Car park	75%	2,545	1,909	A term from 25 January 1995 to 30 June 2047
22	Car Parking Space No. 1071 on 1st Floor, Larvotto, No. 8 Ap Lei Chau Praya Road, Hong Kong	Car Park	75%	N/A	N/A	A term from 25 January 1995 to 30 June 2047
23	Whole of 4th, 5th, 8th and 9th Floor, Units B1 and B2 on 2nd and 14th Floor and Car Parking Space Nos. 1-4 and 10-21, Blue Box Factory Building, No. 25 (Formerly No. 15) Hing Wo Street, Hong Kong	Industrial/ Car Park	75%	90,800	68,100	75 years from 23 March 1970 renewable for a further term of 75 years

PROPERTY PORTFOLIO OF THE GROUP

No.	Property	Use	Group's Effective Holding	Gross Floor Area (Approx. sqft)	Gross Floor Area attributable to the Group (Approx. sqft)	Lease Term
The PRC						
24	Levels 1 and 2, Block B, Versailles de Shanghai, No. 1, Lane 123 Fahuazhen Road, Changning District, Shanghai, The PRC	Commercial	65%	6,276	4,079	A term from 26 February 1997 to 7 October 2062
25	Windsor Park, No. 2279 Hongqiao Road, Changning District, Shanghai, The PRC	Hotel Serviced Villa	82.02%	178,956	146,780	A term from 21 November 2000 to 7 November 2062
26	Windsor Court, No. 2290 Hongqiao Road, Changning District, Shanghai, The PRC	Hotel Serviced Apartment	100%	199,907	199,907	A term from 5 April 1997 to 7 November 2062
27	Windsor Place, Lane 2222 Jianhe Road, Changning District, Shanghai, The PRC	Hotel Serviced Villa	69%	448,758	309,643	A term from 23 June 1997 to 22 June 2067
28	The land located at North of Gangqian Road/ West of Santaishi Road, Qianshan, Zhuhai, Guangdong Province, The PRC	Commercial	100%	*396,210	*396,210	Up to 1 January 2044
29	Unit 1604, Block 2, Dong Fang Ao Jin Feng, No. 39 Qingluzhong Road, Jida, Zhuhai, Guangdong Province, The PRC	Residential	100%	2,080	2,080	A term from 30 November 1997 to 30 November 2067
30	Unit 2701, Block 3, Dong Fang Ao Jin Feng, No. 39 Qingluzhong Road, Jida, Zhuhai, Guangdong Province, The PRC	Residential	100%	2,847	2,847	A term from 30 November 1997 to 30 November 2067
31	Car Parking Space Nos. Y201, Y211 and Y212, Dong Fang Ao Jin Feng, No. 39 Qingluzhong Road, Jida, Zhuhai, Guangdong Province, The PRC	Car Park	100%	N/A	N/A	A term from 30 November 1997 to 30 November 2067

PROPERTY PORTFOLIO OF THE GROUP

No.	Property	Use	Group's Effective Holding	Gross Floor Area (Approx. sqft)	Gross Floor Area attributable to the Group (Approx. sqft)	Lease Term
32	House No. 98, (Hua Fa Shi Ji Cheng) No. 376 Changsheng Road, Xiangzhou District, Zhuhai, Guangdong Province, The PRC	Residential	100%	4,183	4,183	A term from 7 January 2005 to 7 January 2075
33	House No. 100, (Hua Fa Shi Ji Cheng) No. 376 Changsheng Road, Xiangzhou District, Zhuhai, Guangdong Province, The PRC	Residential	100%	4,211	4,211	A term from 7 January 2005 to 7 January 2075
34	No. 17, Lane 1, No. 1218 Zhu Feng Main Road, Jingan Town, Doumen District, Zhuhai, Guangdong Province, The PRC	Residential	100%	3,410	3,410	A term from 18 April 2004 to 18 April 2074
35	Units A to F on Level 16, Tower II, Innotect Tower, No. 239 Nanjing Road, Heping District, Tianjin, The PRC	Residential	75%	8,620	6,465	A term from 25 May 1992 to 24 May 2062
36	Unit No. 7-10-I on Level 10 of Block No. 7, No. 68 Xinzhong Street, Dongcheng District, Beijing, The PRC	Residential	75%	1,132	849	Up to 1 November 2063

PROPERTY PORTFOLIO OF THE GROUP

No.	Property	Use	Group's Effective Holding	Gross Floor Area (Approx. sqft)	Gross Floor Area attributable to the Group (Approx. sqft)	Lease Term
Malaysia						
37	A freehold land held under individual title Geran (Grant) No.333413, Lot No.119239, Mukim Dengkil (Dengkil Sub-district), Daerah Sepang (Sepang District), Negeri Selangor (Selangor State), Malaysia	Commercial	100%	*977,578	*977,578	Freehold
38	A freehold land held under individual title Geran (Grant) No.333412, Lot No.119238, Mukim Dengkil (Dengkil Sub-district), Daerah Sepang (Sepang District), Negeri Selangor (Selangor State), Malaysia	Commercial	100%	*136,606	*136,606	Freehold

B. Property under development

No.	Property	Use	Group's Effective Holding	Gross Site area (Approx. sqft)	Floor Area attributable to the Group (Approx. sqft)	Stage of Completion	Estimated date of completion
39	Development Rights over all parcel of that freehold residential land Held under H.S. (D) 43128, PT 58748 Mukim of Dengkil, District of Sepang, State of Selangor, Malaysia	Residential	100%	*2,393,606	2,684,723	Foundation work	December 2030

Notes:

N/A – Not Applicable

* – Site Area