

# 2025

Annual Report



**Planetree**  
INTERNATIONAL  
梧桐國際

梧桐國際發展有限公司  
Planetree International Development Limited

*(Incorporated in Bermuda with limited liability)*  
Stock code: 613

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Cheung Ting Kee (*Vice Chairman*)  
Ms. Cheung Ka Yee  
Mr. Dai Bin (*resigned on 21 April 2026*)  
Mr. Lam Hiu Lo  
Mr. Wong Kin Chun, Gilbert

### Non-Executive Director

Dr. Chuang Henry Yueheng (*Chairman*)

### Independent Non-Executive Directors

Mr. Chan Sze Hung  
Mr. Chung Kwok Pan  
Mr. Ma Ka Ki  
Mr. Zhang Shuang

## COMMITTEES

### Audit Committee

Mr. Ma Ka Ki (*Chairman*)  
Mr. Chan Sze Hung  
Mr. Chung Kwok Pan

### Nomination Committee

Mr. Chan Sze Hung (*Chairman*)  
Ms. Cheung Ka Yee  
Mr. Chung Kwok Pan  
Mr. Ma Ka Ki

### Remuneration Committee

Mr. Ma Ka Ki (*Chairman*)  
Ms. Cheung Ka Yee  
Mr. Chung Kwok Pan

## AUTHORISED REPRESENTATIVES

Ms. Cheung Ka Yee  
Mr. Man Wai Chuen

## COMPANY SECRETARY

Mr. Man Wai Chuen

## EXTERNAL AUDITOR

Forvis Mazars CPA Limited

## PRINCIPAL BANKERS

Morgan Stanley Bank Asia Limited  
The Hongkong and Shanghai Banking  
Corporation Limited  
Standard Chartered Bank (Hong Kong) Limited

## LEGAL ADVISERS

Conyers Dill & Pearman

## REGISTERED OFFICE

Clarendon House, 2 Church Street,  
Hamilton HM 11, Bermuda

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

23/F, China United Centre, 28 Marble Road,  
North Point, Hong Kong  
Tel: 3198 0238  
Fax: 2520 6103  
Email: [investors@planetreeintl.com](mailto:investors@planetreeintl.com)

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited  
Clarendon House, 2 Church Street  
Hamilton HM 11, Bermuda

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

## WEBSITE

<http://www.planetreeintl.com>

## HKEX STOCK CODE

613

# INTRODUCTION

Dear Shareholders,

On behalf of the board of directors (the “**Board**”) of Planetree International Development Limited (the “**Company**”), I am pleased to present the annual report of the Company for the year ended 31 December 2025.

During 2025, Hong Kong’s economy recorded a more solid recovery, with real gross domestic product growth accelerating to approximately 3.5% year-on-year, supported by improving external demand and a gradual recovery in domestic consumption. Hong Kong continued to strengthen its position as an international financial centre and a major offshore Renminbi business hub, benefiting from active cross-boundary financial activities and improved market sentiment.

The external sector remained a key growth driver. Goods exports rebounded on the back of stronger regional trade flows and demand for electronics-related products, while exports of services were supported by financial services, transport and travel-related activities. Inbound tourism continued to recover, providing support to the retail, hospitality and transportation sectors, and private consumption showed improvement during the year.

Notwithstanding the overall economic improvement, challenges persisted. The property market remained under pressure, with elevated supply continuing to weigh on both residential and commercial segments. Transaction volumes stayed subdued, and prices and rentals remained soft across most market segments. Global uncertainties, geopolitical tensions and evolving trade policies continued to pose risks to the outlook.

Hong Kong’s role as a highly open financial hub was reflected in continued cross-border capital flows and a solid current account surplus. The linked exchange rate system continued to operate effectively, contributing to monetary stability amid volatile global financial conditions.

Looking ahead, fiscal 2026 is expected to present both opportunities and challenges. The Group will continue to strengthen its financial services-related activities and adopt a prudent and conservative approach towards investments, with a focus on risk management and long-term sustainability.

On behalf of the Board, I would like to express my sincere appreciation to our shareholders, business partners and employees for their continued support.

By order of the Board  
**Planetree International Development Limited**  
**Dr. Chuang Henry Yueheng**  
*Chairman*

Hong Kong, 30 March 2026

# MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

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

## REVIEW OF RESULTS

During the year ended 31 December 2025 under review (the “**Year**”), the Group recorded a negative total revenue of approximately HK\$17.9 million compared to a positive total revenue of approximately HK\$81.9 million in the year ended 31 December 2024 (the “**Previous Year**”). Excluding the net loss on disposal of financial assets at fair value through profit or loss (“**FVPL**”) for approximately HK\$77.8 million, the Group’s revenue during the Year would be approximately HK\$59.9 million. The Group recorded a consolidated profit for the Year of approximately HK\$115.8 million (2024: a loss of approximately HK\$212.7 million). After allocating a loss attributable to non-controlling interests of approximately HK\$61.9 million (2024: approximately HK\$15.0 million), a profit attributable to shareholders (the “**Shareholders**”) of the Company for the Year was approximately HK\$177.6 million (2024: a loss of approximately HK\$197.7 million).

The profit for the Year is primarily attributable to the following factors:

- (i) a net unrealized fair value gain on financial assets at FVPL of approximately HK\$147.2 million;
- (ii) a reversal of impairment loss on margin loan receivables of approximately HK\$36.7 million;
- (iii) a share of profit from associates of approximately HK\$131.2 million;
- (iv) a net realized loss on disposal of financial assets at FVPL of approximately HK\$77.8 million; and
- (v) a net fair value loss on investment properties of HK\$94.0 million.

Apart from the consolidated profit for the Year in the amount of approximately HK\$115.8 million mentioned above, the Group also recorded other comprehensive expense of approximately HK\$6.0 million for the Year (2024: approximately HK\$97.5 million). Other comprehensive income in the Year was attributable to: (i) a fair value change on equity investments measured at fair value through other comprehensive income of approximately HK\$51.5 million (2024: other comprehensive expense of approximately HK\$71.5 million); and (ii) a share of other comprehensive expense of associates of approximately HK\$57.4 million (2024: approximately HK\$26.0 million).

The basic and diluted profit per share for the Year were HK18.63 cents and HK18.63 cents respectively, whereas the basic and diluted loss per share of HK20.91 cents and HK20.91 cents respectively were recorded for the Previous Year.

## FINAL DIVIDEND

The Board resolved not to recommend the payment of a final dividend for the Year (2024: Nil). No interim dividend was declared for the Year and the financial year 2024.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

During the Year, Hong Kong economy showed signs of economic recovery. During the Year, the Hang Seng Index rose by about 28.6% from 19,933 points to 25,630 points, thanks to positive market sentiment and strong performance in the technology and financial sectors. These indicators suggested improved liquidity and investor confidence in Hong Kong's financial markets.

The principal activities of the Group are classified into the following business segments:

### (1) Financial services – operations licensed under SFO

The Group has been engaging in the provision of dealing in securities (including the provision of margin loans to clients), dealing in futures contracts and asset management services with Type 1, Type 2 and Type 9 licences granted under the Securities and Futures Ordinance (the “SFO”) for years. It has further stepped into the businesses for advising on securities, advising on futures contracts, the provision of automated trading services and securities margin financing services with Type 4, Type 5, Type 7 and Type 8 licenses under the SFO. To further expand this segment, the Group has successfully obtained a licence to conduct Type 3 (leveraged foreign exchange trading) regulated activity under the SFO since June 2025. During the Year, margin loan interest income dropped to approximately HK\$11.1 million (2024: approximately HK\$45.5 million). The decrease in margin loan interest income was mainly due to the lower average margin loan interest rate and reduced margin loan amounts lent to clients during the Year when compared to the Previous Year. The Group's fee and commission income together with other income and gains (other than Type 6 regulated activity mentioned below) during the Year reached approximately HK\$8.5 million (2024: approximately HK\$2.9 million).

The Group has also engaged in Type 6 regulated activity, i.e. advising on corporate finance, under the SFO. The Group's revenue from such services increased to approximately HK\$6.1 million (2024: approximately HK\$4.7 million). The increase in revenue for the Year was mainly as a result of more clients requiring financial advisory services under recovering stock market conditions.

Overall, the segment revenue of approximately HK\$25.8 million was 51.4% lower than the corresponding figure of approximately HK\$53.1 million for the Previous Year. Notwithstanding this drop in segment revenue, the segment profit increased from approximately HK\$12.1 million for the Previous Year to approximately HK\$54.7 million for the Year, mainly due to the reversal of impairment loss on margin loan receivables.

The Group, through its subsidiaries, is licensed by the Securities and Futures Commission (the “SFC”) to engage in a full suite of regulated activities under the SFO, including Type 1, Type 2, Type 3, Type 4, Type 5, Type 6, Type 7, Type 8 and Type 9 regulated activities. The Board expects that a more comprehensive profile of licences under the SFO will create a synergy effect favourable to the Group's development of the integrated financial services business.

## MANAGEMENT DISCUSSION AND ANALYSIS

### (2) Credit and lending services – operations licensed under MLO

The Group conducts its money lending business with money lenders licence held by the Group under the Money Lenders Ordinance (the “MLO”). The Group’s clientele primarily consists of niche customers including corporations and high net-worth individuals. These clients have been mostly acquired through business referrals and introductions from the Company’s senior management, business partners or clients. Besides in compliance with all rules and regulations imposed under the MLO, the Group has also formulated internal money lending policy to guide its money lending team in conducting the money lending operations. The loan terms were arrived at after considering a combination of factors including prevalent market interest rates, the financial strength of the borrower, the collaterals offered and past credit history of the borrower with the Group and adjusted, if necessary, by arms-length negotiations with the borrower. The related internal control procedures are strictly complied with during the Year.

During the Year, interest income from credit and lending services increased from approximately HK\$3.2 million in the Previous Year to approximately HK\$10.7 million. The increase was primarily as a result of the increase in loans granted during the Year. Loan receivables with a total principal amount and accrued interest of approximately HK\$413.4 million remain outstanding, of which the amounts of loans receivable due from the largest borrower and the five largest borrowers in aggregate accounted for approximately 22% and 86% respectively. Additionally, the balance of loan and interest receivables increased from approximately HK\$182.3 million as at the end of the Previous Year to approximately HK\$413.4 million as at the end of the Year. There was a segment profit of approximately HK\$9.9 million during the Year when compared to the segment profit of approximately HK\$2.6 million during the Previous Year.

The Company retained an independent professional valuer to conduct impairment assessment on the outstanding loans for each reporting period end date, the allowances for impairment loss of approximately HK\$0.6 million were provided on the outstanding loans receivable as at 31 December 2025 (31 December 2024: approximately HK\$1.0 million).

### (3) Other financial services

To diversify the Group’s financial services, the Group has also carried on the business of providing corporate advisory related services in Hong Kong since October 2020. For the Year, the segment revenue amounted to approximately HK\$15.6 million (2024: approximately HK\$14.9 million) and segment profit amounted to approximately HK\$3.8 million (2024: approximately HK\$3.4 million). Overall, performance remained steady, mainly reflecting consistent demand from key customers and the maintenance of cost efficiency during the Year.

### (4) Property investment and leasing

During the Year, segment revenue was approximately HK\$9.9 million (2024: approximately HK\$10.5 million) and segment loss was approximately HK\$101.5 million (2024: approximately HK\$103.9 million). While the rental revenue remained stable, the segment loss was mainly due to the fair value loss on investment properties of HK\$94.0 million for the Year as a result of the sluggish local commercial property market. As at 31 December 2025, the Group held four commercial properties in Hong Kong for leasing to independent third-party tenants for rental income with a total fair value at HK\$313.5 million (2024: HK\$407.5 million).

# MANAGEMENT DISCUSSION AND ANALYSIS

## (5) Tactical and strategic investment

The Group recorded a negative segment revenue of approximately HK\$77.6 million (2024: positive revenue of approximately HK\$0.3 million), mainly due to a loss of approximately HK\$104.5 million attributable to the Group's disposal of certain listed securities during the Year for funding the working capital of a subsidiary as disclosed in the Company's announcement dated 10 November 2025. The segment profit was approximately HK\$199.6 million for the Year (2024: a loss of approximately HK\$86.8 million) mainly due to (i) share of profit of associates (one of which is principally engaged in holding listed equity investments) amounted to approximately HK\$131.2 million (2024: a loss of approximately HK\$46.0 million); and (ii) net fair value gain on the financial assets at FVPL at approximately HK\$147.2 million (2024: a loss of approximately HK\$37.9 million).

The Company has been actively exploring investment opportunities to safeguard long-term sustainable development and generate enhanced returns for its shareholders. In this connection, the Group has sought operational and capital cooperation with selected business partners. In the second half of 2025, the Company announced two subscription transactions with strategic alliance partners as follows:

- (a) Planetree (BVI) Capital Limited ("**PCL**") was an indirect wholly-owned subsidiary of the Company and the holding company of all SFC-licensed corporations covering a full suite of Type 1 to Type 9 regulated activities. In October 2025, PCL issued 850 new shares of PCL in exchange for 1,600,000,000 consideration shares issued by Hao Tian International Construction Investment Group Limited ("**Hao Tian**") (stock code: 1341.HK). Details of Hao Tian's subscription were disclosed in the announcements dated 10 November 2025 and 4 December 2025.
- (b) In November 2025, the Company entered into a share swap agreement and a strategic cooperation agreement with Oshidori International Holdings Limited (stock code: 0622.HK) ("**Oshidori**"). In February 2026, the Company issued 189,105,535 new shares in exchange for 760,250,187 new shares issued by Oshidori. Details of Oshidori's subscription were disclosed in the announcements dated 3 November 2025 and 24 February 2026.

Completion of the above two subscriptions has not only boosted the Group's assets but also enabled the Group to leverage the partners' expertise to explore more business opportunities in the financial services segment.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OUTLOOK AND STRATEGY

The recent geopolitical tensions have triggered a sharp increase in oil prices, fueling concerns over inflation and interest rate hikes that could weigh on the economic outlook. While the full impact remains to be seen, the Company will continue to explore investment opportunities to ensure long-term growth and enhance returns for its shareholders.

As Hong Kong continues to solidify its position as a leading global hub for the virtual asset ecosystem, we remain committed to aligning our long-term growth with the region's evolving regulatory landscape. Throughout the Year, the Securities and Futures Commission (the "SFC") and other authorities have further refined the frameworks governing market integrity, risk management and investor protection.

In response to these developments, the Group has reached a high state of operational readiness. We are currently optimizing our internal governance, technological infrastructure, and compliance protocols to ensure they meet the highest global standards. Our focus remains on building a resilient and secured foundation that prioritizes institutional-grade risk management and robust consumer safeguards.

By proactively enhancing our capabilities, we have positioned the organization to capture emerging opportunities within the regulated digital asset space. We believe this disciplined approach ensures we are prepared to act decisively as the market matures, while maintaining our commitment to a measured and transparent growth strategy. We are optimistic about the long-term prospects of the virtual-asset sector in Hong Kong and are committed to progressing in a measured and transparent manner. Any material developments will be communicated to shareholders in accordance with regulatory requirements and our disclosure policies.

To the best of the Board's knowledge, the Company may well be the only non-bank listed company with subsidiaries licensed by the SFC to engage in Type 1 through Type 9 regulated activities under the SFO. To seize fintech opportunities and support business growth, the Company looks to reinforce the Group's integrated financial services and expand into innovative technology-driven financial services areas like cryptocurrency financing, investment and trading.

While it takes more time for the Group to finalize the AI chip business development, the Board believes that the Group's focus on fintech-related services and co-operation with the strategic alliance partners to develop financial services will create substantial long-term shareholder value.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

The Group recorded a negative total revenue of approximately HK\$17.9 million for the Year, representing a reduction of approximately HK\$99.8 million from the Previous Year. Financial services income including those from other financial services aggregated to approximately HK\$38.9 million (2024: approximately HK\$67.9 million). Interest income from the Group's credit and lending services increased to approximately HK\$10.7 million (2024: approximately HK\$3.2 million). Rental income remained stable at approximately HK\$10.1 million (2024: approximately HK\$10.5 million). The revenue from tactical and strategic business recorded a negative revenue of approximately of HK\$77.6 million (2024: positive revenue of approximately HK\$0.3 million).

### Results

The Group recorded a consolidated profit for the Year of approximately HK\$115.8 million (2024: a loss of approximately HK\$212.7 million). The Group also recorded other comprehensive expense of approximately HK\$5.96 million for the Year (2024: approximately HK\$97.5 million). In the aggregate, the Group recorded total comprehensive income for the Year of approximately HK\$109.8 million (2024: total comprehensive expense of approximately HK\$310.2 million).

### Net Asset Value

As at 31 December 2025, the consolidated net asset value of the Group was approximately HK\$2,075.2 million (2024: approximately HK\$1,596.9 million). The consolidated net asset value per share of the Group was approximately HK\$2.16 (2024: approximately HK\$1.68). The Group's total assets and total liabilities were approximately HK\$2,323.1 million (2024: approximately HK\$1,866.3 million) and approximately HK\$247.9 million (2024: approximately HK\$269.4 million) respectively.

### Capital Structure

The Group's capital expenditure and investments were mainly funded from cash on hand, internally-generated funds and bank borrowings. During the Year, the Company completed the acquisition of the entire issued share capital of Warpdrive Technology Limited by issuing 15,000,000 new shares at the price of HK\$0.5 each, details of which are disclosed, *inter alia*, in the Company's announcements dated 8 May 2025 and 9 June 2025.

The Group persistently adopts conservative treasury policies in cash and financial management. Cash is generally placed in short-term deposits mostly denominated in Hong Kong dollars. The Group does not use any financial instruments for hedging purpose.

### Liquidity and Financial Resources

The Group's cash and cash equivalents (excluding trust and segregated accounts), being mainly denominated in Hong Kong dollars, was approximately HK\$369.7 million as at 31 December 2025 (31 December 2024: approximately HK\$39.3 million). The financial assets at FVPL (classified under current assets) in aggregate were approximately HK\$98.6 million as at 31 December 2025 (31 December 2024: approximately HK\$60.9 million). The liquidity of the Group remained strong with a current ratio of 5.0 as at 31 December 2025 (31 December 2024: 3.9). The Group had bank borrowings in the sum of approximately HK\$200.7 million as at 31 December 2025 (31 December 2024: approximately HK\$227.9 million). The Group did not have any available short-term revolving banking facilities as at 31 December 2025 (31 December 2024: Nil).

# MANAGEMENT DISCUSSION AND ANALYSIS

## Capital commitments

The Group did not have any capital commitments in respect of the acquisition of property and equipment as at 31 December 2025 (31 December 2024: Nil).

## Exposure to Fluctuation in Exchange Rates and Related Hedges

As the Group's major source of income, expenses, major assets and bank deposits were denominated in Hong Kong dollars, the Group's exposure to fluctuation in foreign exchange rates was minimal. The Group did not have any related hedging instruments.

## Gearing Ratio

As at 31 December 2025, the gearing ratio of the Group, as measured by dividing the interest-bearing borrowings to total equity, was 9.7% (2024: 14.3%). The decrease in gearing ratio was attributable to the increase in total equity.

## Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 December 2025 (2024: Nil).

## Charges on Group Assets

As at 31 December 2025, the Group pledged its investment properties with carrying value of approximately HK\$284.5 million (2024: approximately HK\$359.8 million) as security for general banking facilities granted to the Group.

## Significant Investments

An investment with carrying value of 5% or more of the total assets of the Group is considered as a significant investment of the Group.

### *Green River Associates Limited*

The Group treated the equity interest in Green River Associates Limited ("**Green River Marshall**") incorporated in Marshall Islands as an investment in associate. Green River Marshall primarily engages in securities investment, is a strategic partner of the Group in developing the tactical and strategic investment business.

### *Oshidori International Holdings Limited*

The Group treated the equity interest in Oshidori incorporated in Bermuda as financial assets at FVPL and Designated FVOCI. Oshidori's shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with stock code: 0622.HK. Oshidori principally engages in investment holdings, tactical and/or strategical investments (including property investments), provision of financial services including the SFC regulated activities; and provision of credit and lending services regulated under the MLO.

# MANAGEMENT DISCUSSION AND ANALYSIS

## *Zaotos Capital Limited*

The Group treated the equity interest in Zaotos Capital Limited (“**Zaotos Capital**”) incorporated in British Virgin Islands as financial assets at FVPL. Zaotos Capital principally engages in securities trading and investments, provision of finance and financial services business in Hong Kong.

The above three significant investments represent attractive value stock pick with potential for a higher return as long-term investments, the Company continues to review its investment strategy on them from time to time with a view to maximize the shareholders’ return.

The particulars of the above significant investments with a value of 5% or more of the Group’s total assets as at 31 December 2025 are set out below:

Name of investee	Number of shares held as at 31 December 2025	Investment cost as at 31 December 2025 <i>HK\$'000</i>	Carrying amount as at 31 December 2025 <i>HK\$'000</i>	Realised gain/(loss) recognised during the Year <i>HK\$'000</i>	Unrealised gain recognised during the Year <i>HK\$'000</i>	Approximate	Approximate	Dividend income recognised during the Year <i>HK\$'000</i>
						% to the Group's total assets as at 31 December 2025	% of shareholding in investee as at 31 December 2025	
Green River Marshall	144	368,004	339,890	8,705	56,731	14.6	46.6	1,249
Oshidori	172,995,000	130,964	129,746	–	100,856	5.6	2.8	–
Zaotos Capital	305	134,470	125,000	–	21,130	5.4	11.2	–

Save as disclosed above and elsewhere in this annual report, there was no other significant investment held, nor were there any material acquisitions or disposals of subsidiaries, associates or joint ventures during the reporting period under review (2024: Nil). There was no present plan authorised by the Board for material investments or acquisition of material capital assets as at the date of this annual report.

As at 31 December 2025, the Group held a diversified portfolio of financial assets at FVPL and Designated FVOCI (comprising equity investments in thirteen listed companies in Hong Kong) with a total carrying value of HK\$478.1 million (2024: approximately HK\$209.1 million). Other than Green River Marshall, Oshidori and Zaotos Capital disclosed above, each of the equity investments in the said portfolio accounted for less than 5% of the Group’s total assets as at 31 December 2025 and therefore was not considered as a significant investment held by the Group.

## SIGNIFICANT EVENTS SINCE THE END OF THE REPORTING PERIOD

Details of events after reporting period as at 31 December 2025 are set out in note 40 of the Notes to the consolidated financial statements.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OTHER INFORMATION

### Corporate Governance

The Company adopted and has complied with the code provisions as set out in the Corporate Governance Code under Appendix C1 Part 2 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) throughout the Year. The Board will continually review the Company’s corporate governance framework to ensure best corporate governance practices.

### Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transaction by the Directors and the relevant employees of the Group. Following specific enquiry by the Company, each Director confirmed that throughout the Year, they have complied with the required standards set out in the Model Code.

### Environmental, Social and Governance (the “ESG”) Performance

The Board is committed to achieving sustainable development and protection of the environment and engaging the ESG considerations as an integral part of the business operations and investment of the Company. The Company’s strategy in the ESG management can be achieved by adopting eco-friendly management practices, making efficient use of resources, and promoting green awareness within the Group. The Company strives to promote awareness on environmental protection and optimises efficient use of energy in daily operation by encouraging employees to recycle office supplies, plus a series of measures to develop practices to promote energy-saving and emission reduction. The Company will further enhance the ESG management by participating in community engagement and ensuring our business development will take into consideration the communities’ interest. The Company has complied with all the applicable environmental laws and regulations that have a significant impact on the Company. Details of the ESG practice of the Group can be found in the Company’s ESG report (the “**ESG Report**”). The ESG Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the Listing Rules. The ESG Report for the Year is available on the Company’s website ([www.planetreeintl.com](http://www.planetreeintl.com)) and the Stock Exchange’s website ([www.hkexnews.hk](http://www.hkexnews.hk)).

### Human Resources Practices

The Group’s remuneration policy is to ensure fair and competitive packages based on business needs and industry practice. The Company aims to provide incentives to the Directors, senior management and employees to perform at their highest levels as well as to attract, retain and motivate the very best people. Remuneration will be determined by taking into consideration factors such as market and economic situation, inflation, employment conditions elsewhere in the Group and salaries paid by comparable companies. In addition, performance-based assessments such as individual’s potential and contribution to the Group, time commitment and responsibilities undertaken will all be considered.

There were 40 work forces (inclusive of all the Directors) working for the Group as at 31 December 2025. The Group provides staff benefits including mandatory provident fund, medical insurance and discretionary training subsidy.

# MANAGEMENT DISCUSSION AND ANALYSIS

## APPRECIATION

The Board would like to take this opportunity to extend our gratitude and sincere appreciation to the management team and all staff for their diligence and dedication throughout the Year.

By order of the Board  
**Planetree International Development Limited**  
**Ms. Cheung Ka Yee**  
*Executive Director*

Hong Kong, 30 March 2026

# CORPORATE GOVERNANCE REPORT

The board (the “**Board**”) of the directors (the “**Director(s)**”) of Planetree International Development Limited (the “**Company**”) is committed to an ongoing enhancement of effective and efficient corporate governance practices. The Board recognises that good corporate governance practices are essential in bringing up the success of the Company, upholding accountability and transparency, and balancing the interests of shareholders (the “**Shareholder(s)**”), investors and employees of the Company as a whole.

## CORPORATE GOVERNANCE PRACTICE

The Company has adopted and complied with the code provisions as set out in the Corporate Governance Code under Appendix C1 Part 2 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) throughout the year ended 31 December 2025 (the “**Year**”).

## CORPORATE CULTURE

The Group remains committed to its core philosophy of delivering sustainable returns to shareholders while fostering an environment where employees can grow alongside the Company. At the same time, the Group pursues long-term sustainability in a pragmatic manner, responding proactively to market changes and maintaining a focused approach to development that creates lasting value for all stakeholders. The Board cultivates a strong corporate culture that is fully aligned with the Group’s purpose, values, and strategy as defined and established by the Board itself. In turn, the Group’s management actively promotes these values and culture across all levels of staff through clear communication, effective engagement, and regular updates on the Group’s strategic direction and business developments. Every employee contributes to reinforcing and strengthening this culture. All staff are expected to conduct the Group’s affairs with integrity and accountability, and in full compliance with legal and ethical principles. The Group’s corporate culture and values are embedded in its day-to-day practices, as well as in its documented policies and guidelines. The Board is confident that the Group’s purpose, values, and strategic direction remain aligned with its corporate culture. Policies and practices are periodically reviewed to ensure their continued consistency with the Group’s objectives.

## DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transaction by the Directors and the relevant employees of the Group. Following specific enquiry by the Company, each Director confirmed that throughout the Year, they have complied with the required standards set out in the Model Code.

## DIRECTORS’ INTERESTS

The interests and short positions of Directors of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as at 31 December 2025 and as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were contained in the section headed “Directors’ and Chief Executive’s Interests” of the report of the directors on page 42.

## STRATEGIC PLANNING

The corporate strategy of the Group focuses on the development of the financial services business for long-term growth. In addition, the Group aims to strike a balance between maintaining sound financial and management capabilities and enhancing the shareholder’s return.

# CORPORATE GOVERNANCE REPORT

## THE BOARD

### A. Board Composition

The Company is headed by an effective Board which is responsible for promoting the success of the Company, and balancing the long-term interests of shareholders and stakeholders. At the date of this report, the Board comprises ten Directors, including five executive Directors, one non-executive Director and four independent non-executive Directors (the “INEDs”). More than one-third of the Board consists of INEDs which complied with Rule 3.10 and 3.10A of the Listing Rules. Such balanced composition of executive and non-executive Directors ensures a strong independent element on the Board and provides adequate check and balance to safeguard the interest of shareholders and the Company as a whole. Members of the Board come from different backgrounds and possess diverse range of professional expertise and experience, collectively have a balanced mix of skill, competence and personal qualities relevant to the business of the Group and therefore would be able to discharge the responsibilities efficiently and effectively. They are experienced personnel with academic or professional qualifications either in accounting, legal or business management and at least one of whom has appropriate professional qualification in accounting or related financial management expertise.

#### *Chairman and Chief Executive Officer*

Pursuant to the Code Provision C.2.1 of the Appendix C1, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. As at 31 December 2025, Dr. Chuang Henry Yueheng (“**Dr. Chuang**”) was the Chairman and Mr. Cheung Ting Kee (“**Mr. Cheung**”) was the Vice Chairman of the Board respectively. As the chief executive officer of the Company (the “**Chief Executive Officer**”) has not been determined by the mutual consensus of the Board, the Chief Executive Officer has therefore not been appointed. The responsibilities of the Chief Executive Officer have then been delegated to the executive Directors (the “**Executive Board**”) who are collectively responsible for day-to-day operations and business development generally. In this regard, there is clear segregation of duties between the roles and functions of Chairman and Chief Executive Officer to ensure the balances of power between the Board and the Group’s management as well as their independence and accountability, thereby in compliance with Part 2 of the Appendix C1 - Corporate Governance Code.

Dr. Chuang is the leader of the Board and he oversees the Board so that it acts in the best interests of the Group. Dr. Chuang is responsible for approving and deciding the agenda of each Board meeting, taking into account, where appropriate, matters proposed by other directors for inclusion in the agenda. The Executive Board has the overall responsibility for the vision and direction in the development of the business of the Company and undertakes and performs the responsibilities and functions of the Chief Executive Officer.

The Executive Board is responsible for formulation and successful implementation of Company’s policies, and assumes full accountability to the Board for all operations of the Group. Working with the executive management team, the Executive Board ensures smooth operations and development of the Group and maintains a persistent dialogue with all the Directors to keep them fully informed of all significant business developments and issues. The Executive Board is also in charge of setting up and maintaining an effective executive team to back up its role.

# CORPORATE GOVERNANCE REPORT

## *Non-Executive Director*

Dr. Chuang Henry Yueheng has been appointed as a non-executive director with effect from 1 February 2024. Appointment of the non-executive director(s) is subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in conformity with the bye-law 87 of the bye-laws of the Company (the “**Bye-Laws**”). As such, the Company considers that adequate measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the Corporate Governance Code.

## *Independent Non-Executive Directors*

During the Year, the Board fulfilled the requirements of the Listing Rules in regard to the appointment of at least three INEDs which representing one-third of the Board with two of whom possessing appropriate professional qualifications or accounting or related financial management expertise. The Company has received written confirmation from each of the INED of their independence to the Group. The Group considered all INED satisfied with the independence guidelines set out in Rule 3.13 of the Listing Rules. All of them are not connected with any Directors or substantial shareholders of the Company. The Company is of the view that all INEDs are independent of the Company.

## **B. Board Diversity**

For sake of achieving diversity on the Board, the Board has approved and adopted a board diversity policy (the “**Board Diversity Policy**”) and revised the terms of reference of the nomination committee of the Company (the “**Nomination Committee**”) to ensure the appropriate implementation of the Board Diversity Policy. The Board Diversity Policy was made with a view to achieving sustainable and balanced development of the Company, through the invitation and selection of different talents to join the Board taking into accounts the importance of Board diversity. The Company is committed to establishing procedures of candidates’ selection based on a range of diversity perspectives including gender, age, cultural background, ethnicity, educational background, professional experience, skills and knowledge. The final decision will be based on merit and contribution that the nominated candidates will bring to the Board.

As at the date of this report, the Board comprises Directors with gender, diverse background and experience. The Board has a balanced composition for its executive Directors being in possession of extensive industrial expertise and experience in the operation of Group’s business and the INEDs contributing their independent opinions and judgements, which facilitate an effective decision-making process for the Board. The composition of the Board is reviewed by the Nomination Committee from time to time.

The Company’s Board Diversity Policy was rolled out in place. As at the date of this report, the Board comprises ten Directors, one of which is female.

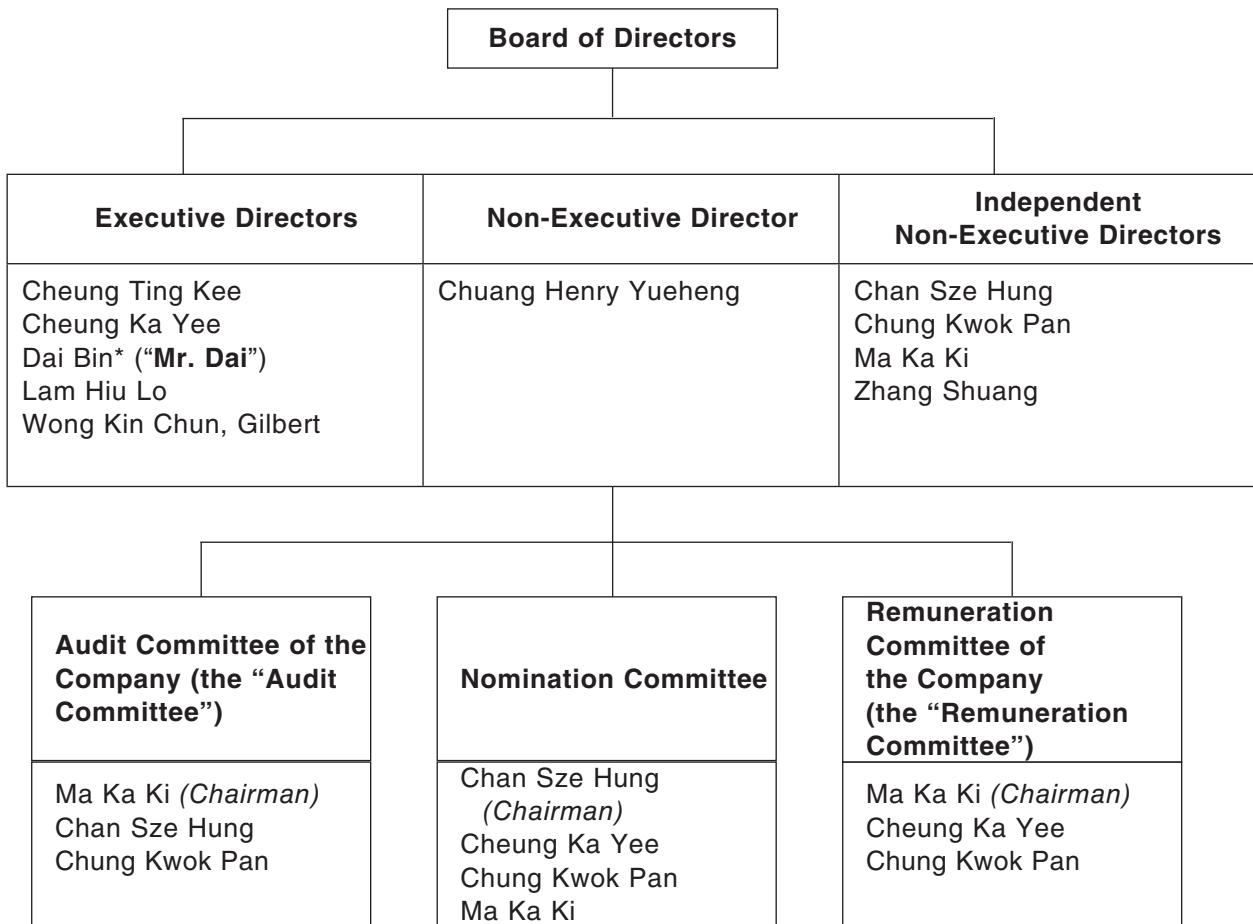
As at the date of this report, the Board has one female Director and has achieved gender diversity on board level. The Board also recognises the importance of diversity at the workforce level. As at the date of this report, the Group had a total of 40 employees, of which 25 were male and 15 were female. The gender ratio of the Group’s workforce (including senior management) was approximately 62.5% male to 37.5% female respectively.

# CORPORATE GOVERNANCE REPORT

As the plans for the Group in terms of gender diversity in workforce, the Group will persistently review internal records on gender diversity, identify proper female candidates for relevant positions within the Company, and ensure that there is gender diversity when recruiting staff at the middle level and training female staff for the purpose of promoting them to the senior management or directorship of the Company, so as to maintain the balance of gender diversity in near future.

At a meeting held on 30 March 2026, the Nomination Committee reviewed the Board composition and resolved that the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board was appropriate and thereby achieving the measurable objectives of the Board Diversity Policy and complied with the Listing Rules. Save as disclosed herein, none of the Directors have any relationship (including financial, business, family or other material/relevant relationship) between each other. The list of Directors and their biographical details are set out in the section headed “Profiles of Directors and Senior Management” of this report.

The following chart illustrates the current Board composition including Board Committees:



\* Mr. Dai has resigned as an executive Director effective 21 April 2026.

# CORPORATE GOVERNANCE REPORT

## C. Board Delegation

The Board steers the Company's business direction. The executive Directors undertake full accountability to the Board for day-to-day management and operation of the Group. Directions as to the powers delegated to management are clearly identified. The Board shall review the delegation arrangement periodically to ensure it remains appropriate to meet with the Company's need.

The Board has reserved the following functions to the Board, or prior approval from the Board is required if the management is dealing with the following functions:

1. To formulate long-term corporate strategy and business development plans;
2. To declare an interim dividend, a final dividend or to declare or recommend other distribution;
3. To supervise and monitor performance of management;
4. To review the effectiveness of the risk management and internal control systems of the Group;
5. To be responsible for the appointment, removal or re-appointment of Directors, senior management and external auditors, and determine the remuneration of Directors and senior management based on the recommendations of the Remuneration Committee; and
6. To recommend members of the Company for winding up of the relevant members, if consider appropriate.

## D. Board Committees

The Board delegated authorities to three Board committees to deal with matters, and specific written terms of reference were clearly set out to enable them to perform their functions properly. Board committees are required, unless restricted by laws and regulations, to report to the Board on their decisions or recommendations on a regular basis.

### 1. **Audit Committee**

Detailed information on the works and duties of the Audit Committee is contained in the Report of the Audit Committee in this report.

### 2. **Nomination Committee**

Members of the Nomination Committee during the Year and up to the date of this report were:

Mr. Chan Sze Hung (Chairman)

Ms. Cheung Ka Yee (*appointed from 15 August 2025*)

Mr. Chung Kwok Pan

Mr. Ma Ka Ki

The Nomination Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice at the Company's expense if considered necessary. The major roles and functions of the Nomination Committee are set out in its terms of reference which are published on websites of the Company and the Stock Exchange.

## CORPORATE GOVERNANCE REPORT

On 26 August 2013, the Company adopted the Board Diversity Policy which was then amended by the resolutions of the Board on 30 November 2018 to take effect on 1 January 2019, which aims to set out the approach to achieve diversity on the Board. The Nomination Committee is responsible for monitoring the implementation and recommending any revisions that may be required to ensure effectiveness of the Policy. In addition, the Nomination Committee will discuss, review and agree annually on measurable objectives for implementing diversity on the Board. Moreover, the Board also adopted the director nomination policy on 13 March 2014 which was then amended by the resolutions of the Board on 30 November 2018 to take effect on 1 January 2019 (the “**Director Nomination Policy**”). The Board will review these policies periodically to keep them up to date and in compliance with the Listing Rules, all applicable laws and regulatory obligations and requirements.

Board Diversity Policy and Director Nomination Policy were adopted to maintain the Board with a diversity of directors and with a nomination process of candidates respectively.

The work of the Nomination Committee during the year included, *inter alia*, the following issues:

1. to review the terms of reference of the Nomination Committee and evaluate the Directors’ skills, qualifications, knowledge and experiences;
2. to review the composition of the Board in accordance with the measurable objective of the Board Diversity Policy; and
3. to review the Director Nomination Policy to achieve the selection, appointment and re-appointment of the Directors.

The number of Nomination Committee meetings held during the Year and record of individual attendance of members, on a named basis, at meetings held during the Year was set out in section headed “Directors’ Attendance and Time Commitment” in this report.

### *Director Nomination Policy*

The Board adopted the Director Nomination Policy setting out the key nomination criteria and principles of the Company for nomination of Directors. The Nomination Committee is responsible for, *inter alia*, reviewing the structure, size and composition (including gender, balance of skills, knowledge, experience and diversity of perspectives) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company’s corporate strategy. It shall identify individuals suitably qualified to become Board member(s) and select or make recommendations to the Board on the selection of individuals nominated for directorships and assess the independence of the INEDs. In identifying suitable candidates, the Nomination Committee shall consider the candidates on merit and contribution the candidate will bring to the Board with due regard to the Board Diversity Policy. It has to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors in particular the Chairman of the Board and the Chief Executive Officer. The Nomination Committee shall take into account the challenges and opportunities facing the Company and therefore, what skills and expertise are needed on the Board in future.

# CORPORATE GOVERNANCE REPORT

## *Nomination procedures*

The Nomination Committee is delegated by the Board to identify suitable candidates and evaluate potential candidates based on the Board Diversity Policy.

Once opportunity for Board appointment is identified, there will be scheduled interviews with the suitable candidate. Results of the interviews will be put forward to the Nomination Committee for consideration. The recommendations of the Nomination Committee will be put forward to the Board for consideration and approval.

In case of re-appointments of members of the Board at the AGM, the Nomination Committee will review the profile of the members of the Board who have offered themselves for re-appointment to consider their suitability in light of the strategy of the Company as well as the structure, size and composition of the Board at that time. The Nomination Committee will then make recommendations for the Board's consideration and the Board will, at its discretion, make recommendations to the shareholders.

At a meeting of the Nomination Committee held on 30 March 2026, the following matters were discussed, reviewed and approved:

- 2.1 the structure, size, composition and diversity of the Board, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- 2.2 to assess the independence of INEDs by reference to the independent criteria set out in Rule 3.13 of the Listing Rules; and
- 2.3 the Director Nomination Policy and the Board Diversity Policy and their implementation.

The Nomination Committee considers that the current composition of the Board is characterised by diversity after taking into account its own business model and specific needs, whether considered in terms of professional background or skills.

Attendance of individual Directors at the meeting of the Nomination Committee is set out in the section headed "Directors' Attendance and Time Commitment" in this report.

# CORPORATE GOVERNANCE REPORT

### 3. *Remuneration Committee*

Members of the Remuneration Committee during the Year and up to the date of this report were:

Mr. Ma Ka Ki (*Chairman*)  
Ms. Cheung Ka Yee  
Mr. Chung Kwok Pan

The company secretary of the Company (the “**Company Secretary**”) serves as the secretary of the Remuneration Committee and minutes of the meetings have been sent to members within a reasonable time after the meetings. The major roles and functions of the Remuneration Committee are set out in its terms of reference which are published on the websites of the Company and the Stock Exchange.

Pursuant to the amendments to Chapter 17 of the Listing Rules which effected on 1 January 2023, the terms of reference of the Remuneration Committee were amended and approved by the Board on 30 December 2022.

In dealing with remuneration packages of Directors, no member of the Remuneration Committee was involved in deciding his/her own remuneration packages. The Board reviews the remuneration policy (the “**Remuneration Policy**”) annually to ensure remuneration packages offered by the Company remain fair and competitive based on business needs and industry practice to attract and retain Directors to run the Company successfully without paying more than necessary. The Company aims to provide incentives to the Directors, senior management and employees to perform at their highest level as well as to attract, retain and motivate the very best people. Remuneration will be determined by taking into consideration factors such as market and economic situation, inflation, employment conditions elsewhere in the Group and salaries paid by comparable companies. In addition, performance-based assessments such as individual’s potential and contribution to the Group, time commitment and responsibilities undertaken will all be considered. The Remuneration Committee considered the remuneration proposals of Directors, and taking into consideration other relevant factors including corporate goals and objectives of the Company in recommending remuneration of Directors. The Company has provided sufficient resources for them to perform duties and they have access to professional advice if considered necessary.

## CORPORATE GOVERNANCE REPORT

At a meeting of the Remuneration Committee held on 30 March 2026, the following matters, *inter alia*, were discussed, reviewed and approved:

- 3.1 2026 Remuneration Policy of the Group including the status of the Company's share schemes under Chapter 17 of the Listing Rules;
- 3.2 management's remuneration proposal with reference to the Company's corporate goals and objectives;
- 3.3 to make recommendation to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, and compensation payable for loss or termination of their office or appointment (if any); and
- 3.4 to make recommendation to the Board on the remuneration of non-executive Directors.

Attendance of individual Directors at the meeting of the Remuneration Committee is set out in the section headed "Directors' Attendance and Time Commitment" in this report. Information relating to the remuneration of each Director for 2025 is set out in note 11 of the Notes to the Consolidated Financial Statements in this report.

#### 4. **Corporate Governance Functions**

The Board does not have a corporate governance (the "**Corporate Governance**") committee. However, the Corporate Governance functions as set out in Appendix A.2.1 of the Corporate Governance Code are performed by the Board. On 30 March 2026, the Board has conducted a meeting to transact the following corporate governance matters:

- 4.1 to review the Company's policies and practices on corporate governance;
- 4.2 to review the training and continuous professional development of Directors and senior management;
- 4.3 to review the Company's policies and practices in compliance with legal and regulatory requirements;
- 4.4 to review the employee's handbook and Code of Conduct; and
- 4.5 to review the Company's compliance with the Corporate Governance Code and applicable disclosure in the Corporate Governance Report.

# CORPORATE GOVERNANCE REPORT

## E. Directors' Attendance and Time Commitment

The members of the Board meet regularly to review and discuss the overall strategy, operational and financial performance of the Company. Normally four regular meetings of the full Board will be held at quarterly intervals and special ad hoc Board meetings will be convened when necessary to deal with everyday matters which require the Board's prompt decision. In addition, the Company has established various Board committees under the Board and members of the committees have met at least annually to conduct business of the committees. All Directors are experienced personnel with academic or professional qualifications either in accounting, legal or business management, and who have given the Board and Board committees the benefits of their skills, expertise, background and qualifications through regular attendance and active participation. All of the Directors have attended the general meeting. The Directors have developed a balanced understanding of the views of Shareholders in general.

During the year of 2025, the attendance record of Directors at Board meetings, Board committee meetings and general meeting are set out hereunder:

	Number of meetings attended/held					
	Board Meetings	Audit Committee Meetings	Remuneration Committee Meetings	Nomination Committee Meetings	General Meeting	Chairman and INED Meetings
Number of meetings held	6	2	1	1	1	1
<b>Executive Directors</b>						
Cheung Ting Kee	6/6	N/A	N/A	N/A	1/1	1/1
Cheung Ka Yee	6/6	N/A	1/1	0/0	1/1	N/A
Dai Bin ( <i>appointed from 21 July 2025</i> )*	4/4	N/A	N/A	N/A	N/A	N/A
Lam Hiu Lo	5/6	N/A	N/A	N/A	1/1	N/A
Wong Kin Chun ( <i>appointed from 22 August 2025</i> )	3/3	N/A	N/A	N/A	N/A	N/A
<b>Non-Executive Director</b>						
Chuang Henry Yueheng	4/6	N/A	N/A	N/A	1/1	1/1
<b>Independent Non-Executive Directors</b>						
Chan Sze Hung	5/6	2/2	N/A	1/1	1/1	1/1
Chung Kwok Pan	6/6	2/2	1/1	1/1	1/1	1/1
Ma Ka Ki	4/6	2/2	1/1	1/1	1/1	1/1
Zhang Shuang	5/6	N/A	N/A	N/A	1/1	1/1

Each Director is aware of his/her obligation to give sufficient time and attention to the affairs of the Company and should not accept the appointment if he/she cannot do so. Upon reviewing (i) the attendance rates of each Director in general meeting, Board meetings and their respective Board committee meetings; (ii) written confirmation of Directors regarding the number and nature of offices held in public companies or organisations and other significant commitments pursuant to Appendix C.1.5 of the Corporate Governance Code; and (iii) written confirmation of Directors to give sufficient time and attention to the affairs of the Company throughout the terms of their appointments, the Board is of the view that all Directors have spent sufficient time in performing their responsibilities during the Year under review.

\* Mr. Dai has resigned as an executive Director effective 21 April 2026.

## CORPORATE GOVERNANCE REPORT

### F. Induction and Continuous Professional Development of Directors

Every Director is required to keep abreast of his/her responsibilities as a Director and of the conduct, business activities and development of the Company. In-house briefings on regulatory updates and relevant continuous professional development seminars have been provided at the Company's expense. Every newly appointed Director had received a comprehensive, formal and tailored induction on the first occasion of his/her appointment, and subsequently further briefings and continuous professional development will be arranged if necessary, to ensure each Director has a proper understanding of the Company's operation and business and that he is fully aware of his/her responsibilities under statute and common law, the Listing Rules and all other applicable regulations and governance.

The Company acknowledges that Directors' training is an ongoing process. During the Year under review, all Directors had been updated on the latest developments of the Listing Rules, Companies Ordinance or other applicable laws and regulations related to Directors' duties and responsibilities. In addition, the company secretarial department has arranged training courses and encouraged Directors to attend courses at the Company's expense. Directors have provided records of training to the company secretarial department. All Directors confirmed that they have complied with the Corporate Governance Code by attending various continuous professional development seminars held by external professional firms, in-house briefings or reading materials relevant to the Directors' duties and responsibilities.

### G. Supply of and Access to Information

The management has supplied the Board and Board Committees with adequate information in a timely manner to enable the Board to make informed decisions and to perform their duties and responsibilities as Director of the Company.

Generally, notice of Board meetings together with the proposed agenda are given to all Directors at least 14 days before each regular Board meeting and Directors are given an opportunity to include matters they wish to discuss in the agenda. Agendas and accompanying Board papers are provided to Directors at least 3 days before the intended date of a Board or Board committee meetings.

Minutes of the Board/Board Committee meetings with details of matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed, after circulation for comments by Directors, are kept by the Company Secretary or a duly appointed secretary of the relevant meeting and are open for inspection by Directors if necessary.

All Directors have access to the advices and services of the Company Secretary to ensure necessary Board procedures and all applicable rules and regulations are followed. All Directors are regularly updated on governance and regulatory matters. Directors, upon reasonable request, may have access to independent professional advice in appropriate circumstances at the Company's expenses.

The Company has arranged appropriate insurance cover in respect of legal action against Directors.

The Board is fully aware that, if a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will not be dealt with by way of written resolution or by a committee (except for an appropriate Board committee set up for that purpose pursuant to a resolution passed in a Board meeting) but a Board meeting will be held. INEDs who, and whose associates, have no material interest in the transaction will be present at such Board meeting.

# CORPORATE GOVERNANCE REPORT

## ACCOUNTABILITY AND AUDIT

### A. Directors' Responsibility for Financial Reporting

The Directors acknowledge the responsibility for preparing the accounts of the Group to present a balanced, clear and understandable assessment in the Company's annual and interim reports and other financial disclosures in accordance with the Listing Rules and other statutory requirements and applicable accounting standards, so as to give a true and fair view of the state of affairs of the Company. As at 31 December 2025, the Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. The Directors also ensure the timely publication of the financial statements of the Group. During the Year, in strict compliance with relevant provisions, the Company published the 2025 interim report and the 2024 annual report.

Management undertakes to provide sufficient explanation and information to the Board to enable it to make an informed assessment of financial and other information put before the Board for approval. In addition, management provides all members of the Board with monthly financial updates which give a balanced and understandable assessment of the Group's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties under the relevant requirements of the Listing Rules.

In preparing the financial statements for the Year, the Board:

1. adopted Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants;
2. selected suitable accounting policies and applied them consistently;
3. made prudent and reasonable judgments and estimates; and
4. prepared the accounts on a going concern basis.

### B. External Auditor and their Remuneration

The auditor's acknowledgment of reporting responsibilities is set out in the Independent Auditor's Report of this annual report. The independence of auditors is monitored by the Audit Committee and disclosed in the Report of the Audit Committee. Apart from providing audit services to the Group on annual consolidated financial statements, the auditor also provided non-audit services such as tax compliance services and services relating to the preparation of the internal control review and enterprise risk assessment, all appointments are in line with the Company's policy on use of external auditors for non-audit services.

# CORPORATE GOVERNANCE REPORT

During the Year under review, the remuneration paid/payable for services to the external auditor is as follows:

<b>Services rendered</b>	<b>Fees paid/ payable (HK\$)</b>
Audit fee	1,460,000
Non-audit fees ( <i>Note</i> )	300,000
	<hr/>
Total	1,760,000
	<hr/> <hr/>

*Note: Non-audit fees include fee of HK\$270,000 for services relating to the interim financial report.*

## C. Risk Management and Internal Control Systems

The Board acknowledges the responsibility of establishing, maintaining and operating a sound and effective risk management and internal control systems, and reviews its effectiveness periodically. An annual review on the effectiveness of the Group's risk management and internal control systems has been conducted by the Board and reviewed by the Audit Committee. The Board is of the view that the risk management and internal control systems of the Group for the Year under review is sound and effective. The management is responsible for designing, implementing and monitoring the Group's risk management framework and internal control systems, identifying and evaluating the Group's key existing and potential risks, and determining their respective control measures and/or mitigation strategies, so as to ensure the effectiveness of the risk management & internal control systems.

The Group has engaged an independent external internal control consultant to assess the Group's overall internal controls for the Year and to give recommendations to make any enhancement or any improvement. The risk management and internal control systems are constantly reviewed by the Board for the Year.

It was reported that there were no significant deficiencies or material weaknesses in relation to the Group's internal controls. The Board is of the view that the internal control measures of the Group are adequately and effectively monitoring its business operations for the Year. The Board expects that a review of the risk management and internal control systems will be performed annually.

# CORPORATE GOVERNANCE REPORT

The risk management and internal control on the credit and lending services operation of the Group under the Money Lenders Ordinance (“MLO”) is summarised as follows:

(1) **Internal control procedures for credit and lending services**

To monitor the credit status of borrowers, the management of money lending department and credit control team review the loan portfolio of the Group regularly and conduct comprehensive review over the credit policies and control procedures annually to ensure the Group’s interests are well-protected. The Company has put in place clear credit policies, guidelines and controls procedures covering the entire life cycle of money lending operation, which are summarised as follows:

– Loan application                      Upon receipt of loan application from potential borrower, a series of know-your-client (the “KYC”) procedures are performed by our credit control team. The KYC procedures include interviewing the applicants to understand their financial needs and repayment abilities, inspecting supporting documents to verify their information submitted, performing background checks and on-site visiting. The credit control team summarises the results of the KYC procedures and reports to the management of money lending department for recommendations of approval.

– Loan approval                         With reference to the application information and the KYC result, the credit control team makes recommendations to the management of money lending department in terms of approvability, credit limit, interest rate and length of loan period. Factors being taken into account in considering the loan application include:

- 1) the financial strength of the applicant, namely, their assets, liabilities and annual income;
- 2) the past repayment records of the applicant;
- 3) prevalent market interest rates; and
- 4) the availability of guarantee or provision of collateral.

If the management of money lending department approved the loan application, a set of loan documents together with the loan agreement are prepared and arranged among the borrower, the guarantor (if any) and the Group. Once the loan is properly documented and executed, the borrower can request for a loan drawdown in accordance with the loan agreement.

– Loan monitoring and repayment collection                      The management of money lending department monitors and reviews the loan portfolio regularly. A loan summary is prepared by the credit control team which indicates changes and maturity of each loan.

In response to the mature loans, the credit control team reminds the borrowers of the repayment schedules via phone calls, email or text messages. In case of overdue loans or default, the management of money lending department determines the follow up actions including issuance of demand letter, seize of collateral, requesting guarantor for repayment and commencement of legal proceeding if necessary.

## CORPORATE GOVERNANCE REPORT

### (2) *Top five borrowers*

The following table sets out the top five borrowers and the principal terms of loans under money lending business:

	Interest rate, term, maturity and securities obtained	2025 Carrying amount HK\$'000	Percentage to the total gross carrying amount	2024 Carrying amount HK\$'000	Percentage to the total gross carrying amount
Gross:					
Customer 1	4% per annum, 1-year ending on 16 Nov 2026	90,444	21.9%	17,610	9.6%
Customer 2	4% per annum, 1-year ending on 18 Nov 2026, unsecured	85,401	20.6%	14,350	7.9%
Customer 3	4% per annum, 6-Months ending on 6 May 2026 and 29 Jun 2026, unsecured	70,535	17.1%	14,344	7.9%
Customer 4	4% per annum, 225 days ending on 3 Jul 2026, unsecured	61,934	15.0%	13,193	7.2%
Customer 5	5% per annum, 1-year ending on 16 Jun 2026, unsecured	46,221	11.2%	13,054	7.2%
Others		58,832	14.2%	109,747	60.2%
Total gross carrying amount		413,367	100%	182,298	100%

# CORPORATE GOVERNANCE REPORT

## (3) Expected Credit Loss (the “ECL”) of Loan Receivables

	Internal credit rating for 2025 balance	Note	2025 Amount of allowance HK\$'000	Percentage to the total allowance	2024 Amount of allowance HK\$'000	Percentage to the total allowance
Less: Allowance for impairment loss						
Customer 1	Performing	1	(25)	4.1%	(187)	19.0%
Customer 2	Performing	2	(23)	3.7%	(152)	15.5%
Customer 3	Performing	3	(20)	3.2%	(153)	15.5%
Customer 4	Performing	4	(17)	2.8%	(14)	1.4%
Customer 5	Performing	5	(13)	2.1%	(14)	1.4%
Others	Performing/ not performing		(518)	84.1%	(465)	47.2%
Total allowance			(616)	100%	(985)	100.0%
Total net carrying amount			412,751		181,313	

## (4) Basis of Assessment of ECL

ECL assessment on receivables is performed in accordance with HKFRS 9 to estimate the ECL of the loan receivables. In valuing the ECL under HKFRS 9, probability-weighted loss default (the “PLD”) model is adopted. The PLD model involves the following four key parameters:

- (i) Probability of default (the “PD”);
- (ii) Loss given default (the “LGD”);
- (iii) Exposure at default (the “EAD”); and
- (iv) Discount factor (the “DF”).

In this model, the ECL is derived by summing the ECL of all the expected default events within a specific period. The ECL for each possible event is calculated as the product of the four parameters above.

# CORPORATE GOVERNANCE REPORT

Internal credit rating	Year-end status of recoverability	Length of assessment
Performing	<b>Normal credit quality</b> – the loans that have not had a significant increase in credit risk nor any past-due amounts.	12-month ECL
Underperforming	<b>Significant increases in credit risk</b> – the loans that have had a significant increase in credit risk since initial recognition through information developed internally or external resources.	Lifetime ECL – not credit-impaired
Not performing	<b>Credit impaired</b> – the loans that have past due or it has become probably that the borrower will enter into bankruptcy or reorganisation.	Lifetime ECL – credit-impaired

**(5) General collaterals, guarantees obtained and comments over the movement in the total provision for ECL**

As at 31 December 2025, loan receivables (net of loss allowance) of HK\$412,751,000 are unsecured.

There were no events which indicated any significant concerns in their repayment abilities, except one of them has been assessed as not performing due to overdue.

*Notes:*

- As at 31 December 2025, the cumulative ECL amount of HK\$25,000 is based on EAD of HK\$90,444,000, PD of 0.05%, LGD of 59.9% or recovery rate of 40.1% and discount factor of 0.97. The loan was newly granted in 2025 and no comparison with prior year is made.
- As at 31 December 2025, the cumulative ECL amount of HK\$23,000 is based on EAD of HK\$85,401,000, PD of 0.05%, LGD of 59.9% or recovery rate of 40.1% and discount factor of 0.97. The loan was newly granted in 2025 and no comparison with prior year is made.
- As at 31 December 2025, the cumulative ECL amount of HK\$20,000 is based on EAD of HK\$70,535,000, PD of 0.05%, LGD of 59.9% or recovery rate of 40.1% and discount factor of 0.98. The loans were newly granted in 2025 and no comparison with prior year is made.
- As at 31 December 2025, the cumulative ECL amount of HK\$17,000 is based on EAD of HK\$61,934,000 PD of 0.05% LGD of 59.9% or recovery rate of 40.1% and discount factor of 0.97. The loan was newly granted in 2025 and no comparison with prior year is made.
- As at 31 December 2025, the cumulative ECL amount of HK\$13,000 is based on EAD of HK\$46,221,000, PD of 0.05%, LGD of 59.9% or recovery rate of 40.1% and discount factor of 0.98. The loan was newly granted in 2025 and no comparison with prior year is made.

# CORPORATE GOVERNANCE REPORT

## COMPANY SECRETARY

Mr. Man Wai Chuen (“**Mr. Man**”) has served as the Company Secretary with effect from 1 June 2024. The Company Secretary supports the Board by ensuring an unimpeded flow of information within the Board and that policies and procedures formulated by the Board are followed. The Company Secretary is responsible for advising the Board on governance matters and facilitates induction and professional developments of the Directors. The appointment and dismissal of the Company Secretary are subject to the Board’s approval in accordance with the Bye-Laws. All members of the Board have access to the advice and services of the Company Secretary. Mr. Man has duly complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

## SHAREHOLDERS’ RIGHTS

Set out hereunder is a summary of Shareholders’ rights as required to be disclosed pursuant to Appendix C1 Part 1 Section K of the Corporate Governance Code, which are subject to the Bye-Laws, Companies Act 1981 of Bermuda and applicable legislation and regulations.

### Procedures to Convene a Special General Meeting

Every year, an annual general meeting will be held by the Company. Further, the Board may, whenever it thinks fit, call general meetings known as special general meetings.

Shareholders who wish to convene a special general meeting or put forward proposals at any general meeting, including the proposal to nominate a person for election as a Director, should follow the applicable procedures described below.

1. Shareholders holding at the date of deposit of the requisition not less than one-tenth (1/10) of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Company, to require a special general meeting to be called by the Board for transaction of any business specified in such requisition.
2. The requisition must state the purposes of such meeting, and must be signed by the requisitionists and deposited at the Company’s registered office in Bermuda at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda (the “**Registered Office**”), and may consist of several documents in like form each signed by one or more requisitionists. To ensure that the requisition is received by the Company at the earliest opportunity, a copy of the signed requisition may also be deposited at the Company’s principal place of business in Hong Kong at 23/F., China United Centre, 28 Marble Road, North Point, Hong Kong (the “**Principal Place of Business**”), marked for the attention of the Board or the company secretary.
3. If Directors do not within twenty-one (21) days from the date of deposit of requisition proceed duly to convene a special general meeting to be held within two (2) months after the deposit of the requisition, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a meeting and be repaid by the Company for any reasonable expenses incurred, provided that any meeting so convened by the requisitionists shall not be held after the expiration of three (3) months from the said date of deposit of the requisition.

## CORPORATE GOVERNANCE REPORT

4. Other than an adjourned meeting,
  - 4.1 a special general meeting at which the passing of a special resolution is to be considered shall be called by notice of not less than fourteen (14) clear days.
  - 4.2 any special general meeting may be called by shorter notice than that specified in sub-paragraph 4.1 above if it is so agreed by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent (95%) in nominal value of the shares giving that right.

### Procedures to Put Forward Proposals at General Meetings

1. Any number of Shareholders representing not less than one-twentieth (1/20) of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the general meetings of the Company; or not less than one hundred (100) Shareholders, shall (unless otherwise resolved by the Company) at their own expense have the right, by written requisition to the Company: (a) to require notice of any resolution which may properly be moved and is intended to be moved at the next annual general meeting to be given to Shareholders; and/or (b) to request for circulation to Shareholders any statement of not more than one thousand (1000) words with respect to the matter referred to in any proposed resolution or the business to be dealt with at any general meeting.
2. The requisition must be signed by the requisitionists in a single document or in separate copies prepared for the purpose. A copy of the signed requisition, accompanied by a sum reasonably sufficient to meet the Company's expenses, must be deposited at the Company's Registered Office: (a) in the case of a requisition requiring notice of a resolution, not less than six (6) weeks before the annual general meeting unless an annual general meeting is called for a date six (6) weeks or less after the copy has been deposited, in which case the copy shall be deemed to have been properly deposited though not deposited within the time required; and (b) in the case of any other requisition, not less than one (1) week before the general meeting. To ensure that the requisition is received by the Company at the earliest opportunity, a copy of the signed requisition may also be deposited at the Company's Principal Place of Business in Hong Kong, marked for the attention of the Board or the Company Secretary.

### Procedures to Propose a Person for Election as a Director

Detailed information and procedures for Shareholders to propose a person for election as a Director are set out on the Company's website [www.planetreintl.com](http://www.planetreintl.com).

### Communication with Shareholders

The Board recognises the importance of good communications with Shareholders and the investment community, and the value of providing current and relevant information in a timely and appropriate manner. The Board has formulated the shareholder communication policy of the Company (the "**Shareholder Communication Policy**"), aiming to ensure Shareholders and investment community are provided with ready, equal and timely access to current and relevant information of the Company, in order to enable the Shareholders to have a better understanding on the financial and business operation of the Company, as well as to exercise their rights in a timely and informed manner. In addition, the Board adopted the inside information policy of the Company which sets out guidelines for identifying, assessing and broadly disseminating inside information of the Group to the public in a timely and equal manner in accordance with the Listing Rules, laws and regulations applicable to the Company. In compliance with Code Provision F.1.1 of the Corporate Governance Code, the Board adopted the dividend policy (the "**Dividend Policy**") which aims to maximise interests of Shareholders and at the same time, maintains a strong balance sheet for investment opportunities and sustainable development of the Group in the future. The Board will review these policies regularly to ensure their effectiveness.

# CORPORATE GOVERNANCE REPORT

The Board endeavors to maintain an on-going dialogue with Shareholders, general meetings of the Company provide the best opportunity for communication between the Board and Shareholders. Shareholders are encouraged to participate in general meetings or, if they are unable to attend meetings, to appoint proxies to attend and vote at the meetings on their behalf. At the annual general meeting held on 19 June 2025, a separate resolution was proposed by the chairman in respect of each substantially separate issue. The Company complied with the required notice periods for general meetings under the applicable laws, rules and regulations. The chairman of the Board, the chairman of the Audit Committee, Remuneration Committee and Nomination Committee, and representative from the external auditors attended the aforesaid annual general meeting to answer questions of Shareholders. Poll voting has been used for passing all resolutions at annual general meetings since 29 April 2005. Details of the poll voting procedures are clearly explained at the commencement of the meetings. The poll results are posted on the websites of the Company and the Stock Exchange on the same day of the poll.

In addition, information may also be communicated to Shareholders and the investment community through the following methods:

1. periodic disclosure through financial reports of the Company, including but not limited to interim and annual reports, financial statements, results announcement etc.;
2. disclosure of information through circulars, announcements, notice of meetings and any other special notices whenever necessary in accordance with the Listing Rules;
3. the Company's website at <http://www.planetreeintl.com> and the Stock Exchange's website at [www.hkex.com.hk](http://www.hkex.com.hk); and
4. Shareholders may put enquires to the Board either by email at [investors@planetreeintl.com](mailto:investors@planetreeintl.com) or by sending letters to the Company's Principal Place of Business in Hong Kong at 23/F, China United Centre, 28 Marble Road, North Point, Hong Kong.

The Company has reviewed the implementation and effectiveness of the Shareholder Communication Policy during the Year and with reference to the Shareholders' participation and feedback in the meetings, the Company considered the Shareholders' Communication Policy described above effective during the Year.

## INVESTOR RELATIONS

There is no change to the Company's constitutional documents during the Year. A copy of the Company's latest constitutional documents is available on both the websites of the Company and the Stock Exchange's website at [www.hkex.com.hk](http://www.hkex.com.hk).

# CORPORATE GOVERNANCE REPORT

## DIVIDEND POLICY

The Board adopted the Dividend Policy on 30 November 2018 to take effect from 1 January 2019. The Dividend Policy aims to maximise interests of Shareholders and maintains a strong balance sheet for investment opportunities and sustainable development of the Group in the future.

Pursuant to the Dividend Policy, dividends proposed or declared, recommended or not recommended, the form, frequency and dividend amount are to be determined by the Board by taking into account various factors including the following:

1. Any restrictions or requirements under Companies Act 1981 of Bermuda, other applicable laws and regulations and the Bye-Laws of the Company;
2. The liquidity, cash flow and general financial position of the Group;
3. The current and future commitments, business strategy, capital needs forecast and capital structure target of the Group for the current and future development plans;
4. Any banking or other funding covenants by which the Group is bound from time to time; and
5. Any other factors the Board may deem appropriate and/or relevant.

The Dividend Policy will be reviewed periodically to keep it up to date and in compliance with applicable laws, rules and regulations.

## RELATED PARTY TRANSACTIONS

Details of the significant related party transactions are provided under note 33 of the Notes to the Consolidated Financial Statements in this report.

# REPORT OF THE AUDIT COMMITTEE

## AUDIT COMMITTEE

Members of the Audit Committee during the Year and up to the date of this report were:

Mr. Ma Ka Ki (*Chairman*)  
Mr. Chan Sze Hung  
Mr. Chung Kwok Pan

The composition of the Audit Committee comprises INEDs with diversified industry experience, such as accounting, legal, commercial or management sectors. The chairman has appropriate professional qualifications and experiences in accounting matters. The Audit Committee met regularly since its establishment and full minutes of the meeting of the Audit Committee were kept by the Company Secretary. Draft and final version of minutes of the Audit Committee meetings were sent to all members for comments and record within a reasonable time.

The Audit Committee is delegated by the Board to provide independent oversight of the Group's financial reporting process, relationship with external auditors, risk management and internal control systems of the Group. The Audit Committee held two meetings in 2025 and members' attendance records are disclosed in the section headed "Directors' Attendance and Time Commitment" of the Corporate Governance Report. The Audit Committee was effective in fulfilling its roles in 2025 and significant matters which were reviewed and discussed by the Audit Committee include the followings:

### 1. Review of Financial Results

In the financial reporting process, the Audit Committee reviewed the respective work of management including the following:

- 1.1 review and discuss with management and external auditor the unaudited consolidated financial statements of the Group for the six months ended 30 June 2025 and recommend to the Board for approval;
- 1.2 review and discuss with the management and external auditor the audited consolidated financial statements of the Group for the year ended 31 December 2025 and recommend to the Board for approval;
- 1.3 review the 2025 interim report and 2025 annual report; and to consider any significant financial reporting judgments contained in them; and
- 1.4 consider and discuss with management any significant or unusual items that may need to be reflected in the 2025 annual report and any matters that have been raised by the Company's staff responsible for accounting and financial reporting function, compliance officer or auditors (if any).

## REPORT OF THE AUDIT COMMITTEE

### 2. Review of Risk Management & Internal Control Systems

The Audit Committee received from, and discussed with management (i) Report on the effectiveness of the risk management of the Group performed by external independent professional consultant; and (ii) Report on the effectiveness of the internal control system of the Group. The Audit committee has:

- 2.1 reviewed on the effectiveness of the risk management and internal control systems of the Group, covering all material controls, including financial, operational and compliance control, and risk management functions. The annual review had, in particular, considered the adequacy of resources, staff qualifications and experience, training programmes and budgets of the Company's accounting and financial reporting function;
- 2.2 considered major investigation findings on risk management and internal control matters and management's response to these findings (if any);
- 2.3 reviewed the financial and accounting policies and practices of the Group; and
- 2.4 reviewed if any employees have raised concerns about any possible improprieties in financial reporting, internal control or other matters.

### 3. Review the Independence of External Auditor

The Audit Committee reviewed and considered the relationship of the external auditor in the following aspects:

- 3.1 to consider the terms of engagement of Forvis Mazars CPA Limited, the Company's external auditor;
- 3.2 to consider the independence and objectivity of external auditor by reference to the Letter of Independence issued by Forvis Mazars CPA Limited; and the effectiveness of the audit process in accordance with applicable standards;
- 3.3 to make recommendations to the Board on the re-appointment of the external auditors; and
- 3.4 to review the Policy on Engaging External Auditors to Supply Non-audit Services.

### 4. Review of Internal Audit Function

The Audit Committee reviewed the internal audit function of the Group and the scope of work performed by external independent professional consultant to carry out the internal audit function during the Year including the followings aspects:

- 4.1 to review the internal control manual at corporate level to determine the main features of risk management and internal control systems;
- 4.2 to review strategies, policies, procedures and guidelines authorised by the Board from which operational activities and related internal controls are identified;
- 4.3 to meet with appropriate process owners/managers to identify business objectives, related risks and key controls for each process;
- 4.4 to review relevant plan, budget and management reports for each process to understand how management monitors the effectiveness of internal controls;

## REPORT OF THE AUDIT COMMITTEE

- 4.5 to review financial, operational and administrative information, documents and records for each process to ascertain that the related transactions are properly reflected in the accounting books and records and related assets are safeguarded;
- 4.6 to walk through selected procedures and inspect related documents with responsible personnel; and
- 4.7 to review the co-ordination between the internal and external auditors, adequacy of resources, standing and effectiveness of the internal audit function.

## REPORT OF THE DIRECTORS

The board (the “**Board**”) of directors (the “**Directors**”) of Planetree International Development Limited (the “**Company**”) is pleased to present the report of Directors together with the audited consolidated financial statements of the Group for the year ended 31 December 2025 (the “**Year**”).

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company is incorporated in Bermuda and its head office and principal place of business in Hong Kong is situated at 23<sup>rd</sup> Floor, China United Centre, 28 Marble Road, North Point, Hong Kong.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 38 of the Notes to the Consolidated Financial Statements.

There were no significant changes in the nature of the Group’s principal activities during the Year, except for focusing on development of the financial services business during the Year.

### RESULTS AND STATE OF AFFAIRS

The results of the Company and its subsidiaries (the “**Group**”) for the Year and the state of affairs of the Group at that date are set out in the consolidated financial statements on pages 56 to 148.

### BUSINESS REVIEW

A fair review of business and a discussion and analysis on the performance of the Group during the Year are set out in the section headed “Business Review” of the management discussion and analysis of this annual report (the “**Management Discussion and Analysis**”). Discussion and analysis on particulars of important events affecting the Company that have occurred since the end of the Year, and an indication of likely future development in the Company’s business are set out in the sections headed “Outlook and Strategy” and “Significant Events Since the End of the Reporting Period” of the Management Discussion and Analysis. In addition, an analysis using financial key performance indicators is set out in the section headed “Financial Review” of the Management Discussion and Analysis.

### Environmental, Social and Governance (the “ESG”) Performance

The Company is committed to achieving sustainable development and protection of the environment and engaging ESG considerations as an integral part of our business operations and investment. The Company’s strategy in the ESG management can be achieved by adopting eco-friendly management practices, making efficient use of resources, and promoting green awareness within the Company. The Company strives to promote awareness on environmental protection and optimises efficient use of energy in daily operation by encouraging employees to recycle office supplies, plus a series of measures to develop practices to promote energy-saving and emission reduction. The Company will further enhance the ESG management by participating in community engagement and ensuring our business development will take into consideration the communities’ interest. The Company has complied with all the applicable environmental laws and regulations that have a significant impact on the Company. Details of the ESG practice of the Company are set out in the ESG Report of this annual report (the “**ESG Report**”) which is prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the Rules (the “**Listing Rules**”) governing the Listing of the Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

### Compliance with Regulations

The Company complies with the relevant laws and regulations that have a significant impact on the Company including Companies Act 1981 of Bermuda, the Companies Ordinance (to the extent applicable to the Group), as well as the Listing Rules and the Securities and Futures Ordinance (the “**SFO**”) for, among other things, the disclosure of information and corporate governance practice.

# REPORT OF THE DIRECTORS

## Relationship with Employees, Customers, Suppliers and Others

The Company actively manages its relationships with employees, customers, investors, regulators, members of the communities in which we operate, and other stakeholders whose actions can affect the Company's performance and value.

## DIVIDEND

The Board resolved not to recommend the payment of a final dividend for the Year (2024: Nil). No interim dividend was declared for the financial years of 2025 and 2024.

## RESERVES

Particulars of movement in the reserves of the Company and the Group during the Year are set out in note 39(b) of the Notes to the Consolidated Financial Statements and the Consolidated Statement of Changes in Equity respectively.

## DISTRIBUTABLE RESERVES

As at 31 December 2025, there were no distributable reserves available to the Company's shareholders (2024: nil). In addition, the Company's share premium account, in the amount of HK\$947,300,000 (2024: HK\$918,950,000), may be distributed in the form of fully paid bonus shares.

## BANK BORROWING

There was bank borrowing of the Group for HK\$200,674,000 as at 31 December 2025 (2024: HK\$227,890,000). The movement of bank borrowing of the Group for the Year is set out in note 26 of the Notes to the Consolidated Financial Statements.

## SEGMENT INFORMATION

An analysis of the segment performance of the Group for the Year is set out in note 6 of the Notes to the Consolidated Financial Statements.

## FIVE YEAR FINANCIAL SUMMARY

A summary of the published results, assets and liabilities of the Group for the past five financial years, as extracted from the audited financial statements, is set out on page 150. This summary does not form part of the audited financial statements.

## PROPERTY AND EQUIPMENT

Particulars of the property and equipment of the Group and any movement thereof during the Year are set out in note 14 of the Notes to the Consolidated Financial Statements.

## INVESTMENT PROPERTIES

The Group's investment properties as at 31 December 2025 were revalued by an independent professional valuer. The drop in fair value arising on the revaluation, which has been debited directly to the Consolidated Statement of Comprehensive Income, amounted to HK\$94,000,000. Details of the investment properties of the Group and any movement thereof during the Year are set out in note 15 of the Notes to the Consolidated Financial Statements, and Particulars of Properties on page 149 which does not form part of the audited financial statements.

## PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 38 of the Notes to the Consolidated Financial Statements.

# REPORT OF THE DIRECTORS

## SHARE CAPITAL

Particulars of the Company's share capital and any movement thereof during the Year are set out in note 28 of the Notes to the Consolidated Financial Statements.

## PRE-EMPTIVE RIGHTS

There are no pre-emptive rights provisions in Companies Act 1981 of Bermuda or the Bye-Laws of the Company (the "**Bye-Laws**").

## EQUITY-LINKED AGREEMENTS

Other than the share incentive schemes of the Company as disclosed below, no equity-linked agreements were entered into by the Company during the Year or subsisted at the end of the Year.

## DONATIONS

No charitable donation was made by the Group during the Year (2024: HK\$300,000).

## DIRECTORS

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

### Executive Directors

Mr. Cheung Ting Kee

Ms. Cheung Ka Yee

Mr. Dai Bin (*appointed from 21 July 2025\**) ("**Mr. Dai**")

Mr. Lam Hiu Lo ("**Mr. Lam**")

Mr. Wong Kin Chun, Gilbert (*appointed from 22 August 2025*) ("**Mr. Wong**")

### Non-Executive Director

Dr. Chuang Henry Yueheng

### Independent Non-Executive Directors

Mr. Chan Sze Hung

Mr. Chung Kwok Pan

Mr. Ma Ka Ki ("**Mr. Ma**")

Mr. Zhang Shuang ("**Mr. Zhang**")

Mr. Lam, Mr. Wong, Mr. Ma and Mr. Zhang will retire at the forthcoming annual general meeting of the Company (the "**AGM**") and have offered themselves for re-election at the AGM. The biographical details of the Directors and senior management are set out in the section headed "Profiles of Directors and Senior Management" of this annual report.

## CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive Directors to be independent.

## CHANGE IN INFORMATION OF DIRECTORS

During the Year and up to the date of this report, changes in the information and composition of the Board disclosed pursuant to Rules 13.51B of the Listing Rules are set below:–

Mr. Dai\* and Mr. Wong were appointed as an executive Director of the Company since 21 July 2025 and 22 August 2025 respectively.

\* *Mr. Dai has resigned as an executive Director effective 21 April 2026.*

## REPORT OF THE DIRECTORS

Save as disclosed herein, upon specific enquiry by the Company and confirmations from Directors, there is no change in information of Directors which are required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

### EMOLUMENTS OF DIRECTORS AND THE FIVE HIGHEST PAID EMPLOYEES

Particulars of Directors' emoluments and the five highest paid employees of the Group are set out in note 11 of the Notes to the Consolidated Financial Statements respectively.

### MANAGEMENT CONTRACTS

No contract concerning management and/or administration of the whole or any substantial part of the business of the Company was entered into or existed during the Year.

### DIRECTORS' SERVICE CONTRACTS

No Director has a service contract with the Company that is not determinable by the Company within one year without compensation (other than statutory compensation).

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

There were no transaction, arrangement or contract of significance in relation to the Group's business to which the Company or any of its holding companies or any of its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisting during or at the end of the Year.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

Pursuant to Rule 8.10 of the Listing Rules, during the Year and up to the date of this annual report, none of Directors and their associates had any interest in business which competed or was likely to compete, directly or indirectly, with the principal business of the Group.

### CONNECTED TRANSACTIONS

During the Year, the Group did not enter into any transactions which need to be disclosed as connected transactions (including continuing connected transactions) in accordance with the requirements of the Listing Rules.

### RELATED PARTY TRANSACTIONS

During the Year, the Group entered into certain transactions with parties regarded as "related parties" under the applicable accounting principles. Save as disclosed in the announcements of the Company dated 19 January 2024 and 13 September 2024 regarding connected transactions in relation to tenancy agreements for the year ended 31 December 2024, none of these related transactions were subject to the reporting requirements under Chapter 14A to the Listing Rules for the Year. Details of these transactions are disclosed in note 33 of the Notes to the Consolidated Financial Statements.

### MAJOR CUSTOMERS AND SUPPLIERS

In 2025, revenue to the Group's five largest customers accounted for 22% of the total revenue (before deduction of net loss on disposal of financial assets at fair value through profit or loss) for the Year whereas revenue to the largest customer included therein amounted to 6%. There was no purchase from suppliers by the Group during the Year.

None of Directors, their associates or any shareholders who, to the knowledge of Directors, own more than 5% of the issued shares, had any interest in any of the five largest customers.

## REPORT OF THE DIRECTORS

### MANDATORY PROVIDENT FUND

The Group operates a defined contribution Mandatory Provident Fund Scheme (the “MPF Scheme”) for all of its employees. Under the MPF Scheme, the Group has only made mandatory contributions, which are fully and immediately vested in the employees; therefore, there were no forfeited contributions during the Year. Further particulars of the MPF Scheme are set out in note 2 of the Notes to the Consolidated Financial Statements.

### CORPORATE GOVERNANCE

The Company’s principal corporate governance practice is set out in the corporate governance report in this annual report.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of Directors, the Company has maintained the prescribed amount of public float during the Year and up to the date of this annual report as required under the Listing Rules.

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

### PERMITTED INDEMNITY PROVISIONS

The Bye-Laws provide that each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of duties of his or her office or otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors.

Such permitted indemnity provisions have been in force throughout the Year under review and is currently in force at the time of approval of this report.

### DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS

As at 31 December 2025, the interests and short positions of each of the Directors or chief executive of the Company in the shares, underlying shares of the Company, as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Appendix C3 to the Listing Rules are set below:–

#### Long positions in the shares of the Company

Name	Capacity	Number of shares held	Percentage of the number of issued shares
Dai Bin	Beneficial owner	15,000,000	1.56%

# REPORT OF THE DIRECTORS

## SHARE OPTION SCHEME

On 21 May 2015, a share option scheme was approved and conditionally adopted by the Company (the “**Share Option Scheme**”), whereby the Board may, at its absolute discretion and on such terms as it may think fit, grant options to any officer, employee (full-time or part-time), director or proposed director of and business consultant, professional or other advisers to any member of the Eligible Group (as defined in the Share Option Scheme). From 1 January 2023, the Company relied on the transitional arrangements provided for the existing Share Option Schemes and complied with the new Chapter 17 accordingly (effective from 1 January 2023). The total number of Shares available for grant under the Share Option Scheme was 93,352,767 Shares as at the beginning and nil as at the end of the Year. No service provider sublimit was set under the Share Option Scheme.

During the Year, no share options were granted, exercised, cancelled or lapsed under the Share Option Scheme and there were no share options with respect to the Share Option Scheme and any other option schemes of the Company outstanding at the beginning and at the end of the Year. As no share options were granted during the Year, the number of Shares that may be issued in respect of options granted under the Share Option Scheme during the Period divided by the weighted average number of Shares in issue for the Year was nil.

The Share Option Scheme lapsed since 21 May 2025.

## SHARE AWARD SCHEME

On 8 May 2020, the Company adopted a share award scheme (the “**Share Award Scheme**”). The maximum number of awarded shares that may be issued pursuant to the Share Award Scheme would be 10% of the issued share capital of the Company at the date of adoption of the Share Award Scheme (the “**Share Award Scheme Mandate Limit**”), being 93,052,767 shares of the Company. Subject to the Share Award Scheme Mandate Limit, the maximum number of awarded shares that may be granted in any financial year would be 3% of the issued shares of the Company (the “**Annual Limit**”). The Annual Limit is the maximum number of awarded shares which can be issued from the date of general meeting of the Company approving the Annual Limit to the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by its Bye-Laws or any applicable law to be held; and (c) the revocation or variation of the approval by members of the Company in general meeting. No service provider sublimit was set under the Share Award Scheme.

As no approval for refreshing the Annual Limit was sought by the Company at the annual general meeting held on 28 June 2023, no share award is available for grant under the Share Award Scheme since then, as at the beginning and at the end of the Year. The Company may not grant share awards until adoption of a new share award scheme in compliance with Chapter 17 of the Listing Rules.

During the Year, no share award was granted, vested, cancelled or lapsed under the Share Award Scheme to any Directors or other grantees and there were no unvested awarded shares granted under the Share Award Scheme at the beginning and at the end of the Year. As no share awards were granted during the Year, the number of Shares that may be issued in respect of awards granted under the Share Award Scheme during the Year divided by the weighted average number of Shares in issue for the Period was nil.

## REPORT OF THE DIRECTORS

On 26 March 2025, the Board resolved to terminate the Share Award Scheme in accordance with the terms of the Share Award Scheme. Such early termination shall not affect any subsisting rights of selected grantees as no awards remain unvested or which have vested but not yet been issued to a selected grantee immediately prior to termination. Upon early termination of the Share Award Scheme on 26 March 2025, the Company or any of its principal subsidiaries have no other scheme involving issue of new shares as at 31 December 2025 and at the date of this annual report.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections headed "Directors' and Chief Executive's Interests", "Share Option Scheme" and "Share Award Scheme" above, at no time during the Year under review, was the Company or any of its subsidiaries or its holding company, a party to any arrangement to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of Directors, or any of their associates, had any interests in or was granted any rights to subscribe for shares, or had exercised any such rights.

### INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, the following persons had interests or short positions in the shares or underlying shares which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO; or as otherwise notified to the Company and the Stock Exchange:

#### Long positions in the shares of the Company:

Name	Capacity	Number of Shares held	Percentage of the number of issued Shares
Ms. Lo Ki Yan Karen	Interest of controlled corporations	628,263,640	54.65%
	Beneficial owner	5,271,800	0.46%
		<u>633,535,440</u>	<u>55.11%</u>
Future Capital Group Limited <sup>*note 1</sup>	Beneficial owner	628,263,640	54.65%
Oshidori International Holdings Limited ("Oshidori")	Interest of controlled corporations	201,906,935	21.02%
Win Wind Capital Limited <sup>note 2</sup>	Interest of controlled corporations	201,906,935	21.02%
Smart Jump Corporation (incorporated in Marshall Islands) <sup>note 2</sup>	Interest of controlled corporations	201,906,935	21.02%
Smart Jump Corporation (incorporated in Cayman Islands) <sup>note 2</sup>	Interest of controlled corporations	201,906,935	21.02%
Smart Jump Corporation (incorporated in British Virgin Islands) <sup>note 2</sup>	Beneficial owner	4,016,000	0.42%
Kenson Investment Limited <sup>note 2</sup>	Beneficial owner	197,890,935	20.60%
Mr. Hung Hon Man	Beneficial owner	66,919,800	6.97%

\*Note 1: Future Capital Group Limited (a company incorporated in the British Virgin Islands) is wholly-owned by Ms. Lo Ki Yan Karen.

Note 2: Win Wind Capital Limited, Smart Jump Corporation (incorporated in Marshall Islands), Smart Jump Corporation (incorporated in Cayman Islands), Smart Jump Corporation (incorporated in British Virgin Islands) and Kenson Investment Limited are wholly owned subsidiaries of Oshidori.

The interest disclosed by the Oshidori Group included an interest related to the share swap agreement entered into between the Company and Oshidori on 3 November 2025. The Company subsequently completed the allotment and issue of 189,105,535 shares to the Oshidori Group on 26 February 2026.

## REPORT OF THE DIRECTORS

Save as disclosed above, as at 31 December 2025, the Company has not been notified of any other relevant interests or short positions in the shares or underlying shares that were recorded in the register required to be kept by the Company under section 336 of the SFO; or as otherwise notified to the Company and the Stock Exchange.

### AUDITOR

The financial statements for the Year have been audited by Forvis Mazars CPA Limited, Certified Public Accountants, who will retire at the AGM, being eligible, offer themselves for reappointment at the AGM. A resolution for re-appointment of Forvis Mazars CPA Limited as auditor of the Company and to authorise Directors to fix their remuneration will be proposed at the AGM.

By order of the Board

**Ms. Cheung Ka Yee**  
*Executive Director*

Hong Kong, 30 March 2026

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

**Dr. Chuang Henry Yueheng**, aged 70, was appointed as a Non-executive Director and the Chairman of the Company on 1 February 2024. He holds Master Degrees in Petroleum Engineering and Business Administration from the University of Southern California. Dr. Chuang received an Honorary Doctorate degree from Dubna University of Russia in 2007 in recognition of his achievements in the field of petroleum engineering. Dr. Chuang studied under the late Professor George Chilingar (“**Dr. Chilingar**”), one of the foremost experts in the field of petroleum engineering, and was his assistant for many years. Dr. Chuang assisted in the research and editing of many books authored by Dr. Chilingar, several of which were dedicated to Dr. Chuang. In addition to years of field experience in the energy industry, Dr. Chuang also has more than 25 years of experience in corporate finance and development.

Dr. Chuang is the brother-in-law of the controlling shareholder of the Company, Ms. Lo Ki Yan Karen.

**Cheung Ting Kee**, aged 56, has been appointed as an executive director and the vice chairman of the Company with effect from 27 June 2022 and 1 May 2024 respectively. He has over 29 years of working experience in the securities industry including equity research, equity sales, fund management and corporate finance. Mr. Cheung is currently the sole director and a responsible officer of Akron Corporate Finance Limited, an indirect subsidiary of the Company, which is a Hong Kong company licensed to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “**SFO**”). Mr. Cheung is a holder of a Bachelor Degree of Business Administration and a Master Degree in Professional Accounting. He is a fellow member of the Institute of Certified Management Accountants, Australia.

Mr. Cheung is an independent non-executive director of Yue Da International Holdings Limited (stock code: 0629.HK), the shares of which are listed on the Main Board of the Stock Exchange, since July 2015.

**Cheung Ka Yee**, aged 44, was appointed an executive director of the Company in April 2019. She is also a member of remuneration committee and nomination committee, and a director of certain subsidiaries of the Company. She holds a Master’s degree in Mathematics from the California State University in the United States of America. Ms. Cheung has around 15 years of experience in property investment and property leasing. She was previously a director of a private investment company principally engaged in securities investment in Hong Kong. Ms. Cheung was an executive director of Mason Group Holdings Limited (formerly known as Willie International Holdings Limited, stock code: 273.HK), a company formerly listed on the Stock Exchange, from July 2013 to April 2016.

**Dai Bin**, aged 48, has been appointed as an executive Director from 21 July 2025 and resigned on 21 April 2026. He holds a master’s degree in business administration from Zhejiang University. He has over 20 years of experience in the telecommunications and electronics industry, specializing in marketing and supply chain management. Mr. Dai has held management positions at reputable companies including Eastern Communications Company Limited, Shenzhen Eternal Asia Supply Chain Management Company Limited and Shanghai Maker Technology Limited. He is skilled in R&D management, supply chain management, and technological innovation. Mr. Dai holds 15,000,000 ordinary shares of the Company (within the meaning of Part XV of the SFO), representing approximately 1.30% of the issued ordinary share capital. He is also the sole director of Warpdrive Technology Limited, a wholly-owned subsidiary of the Company. In compliance with the Listing Rule 3.09D, Mr. Dai obtained the legal advice on 20 July 2025 and confirmed he understood his obligations as a director of the Company.

**Lam Hiu Lo**, aged 64, was appointed an executive director of the Company in 1993. He is mainly responsible for business development and investment of the Group. He is an independent non-executive director of EVA Precision Industrial Holdings Limited (stock code: 0838.HK), the shares of which are listed on the Main Board of the Stock Exchange, since January 2013.

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

**Wong Kin Chun, Gilbert**, aged 64, has been appointed as an executive Director from 22 August 2025. He holds a master's degree in business administration from the University of Western Sydney, a professional diploma in financial planning from The University of Hong Kong and a certificate in business administration from the University of East Asia. Mr. Wong has over 28 years of experience in the financial services industry. Prior to joining the Company, he served as a managing director and responsible officer of a private corporation licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities under the SFO, from June 2022 to August 2025. Throughout his career, Mr. Wong has served as a responsible officer licensed by the SFC to oversee Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, and has held senior executive roles at various financial institutions. Mr. Wong has extensive experience in developing and obtaining SFC licences for a virtual asset trading platform engaged in Type 7 (providing automated trading services) regulated activity under the SFO. Mr. Wong has been appointed as the managing director of Planetree (BVI) Capital Limited, an indirect subsidiary of the Company and the holding company of all SFC-licensed corporations. In compliance with the Listing Rule 3.09D, Mr. Wong obtained the legal advice on 22 August 2025 and confirmed he understood his obligations as a director of the Company.

**Chan Sze Hung**, aged 73, was appointed an independent non-executive director of the Company in April 2019. He is also the chairman of nomination committee and a member of audit committee of the Company. He graduated from the University of Hong Kong with a degree in law. He is now a consultant of Chan, Lau and Wai, a firm of solicitors in Hong Kong. He has over 40 years' experience in the legal profession. During the period from June 2012 to June 2016, Mr. Chan was an independent non-executive director of China Touyun Tech Group Limited (currently known as Touyun Biotech Group Limited, stock code: 1332.HK) of which the shares are listed on the Stock Exchange.

**Chung Kwok Pan**, aged 62, was appointed as an independent non-executive director, a member of the audit committee, remuneration committee and nomination committee of the Company in April 2020.

He has been responsible for the business management of Chungweiming Knitting Factory Limited since early 1988. He formed Hong Kong Carbon Trading Centre Co., Ltd (“**HKCTC**”) in early 2022 as the Founder & CEO. HKCTC helps all kinds and sizes of industrial companies in how to reduce the carbon emission in order to help the World's climate change. Mr. Chung also has several social positions, including a member of the 5th and 6th Legislative Council of Hong Kong (Textile and Garment Sector), Honorary Life Chairman of Hong Kong Apparel Society, a member of Honorary General Committee of The Chinese Manufacturers' Association of Hong Kong, an advisor of New Territories General Chamber of Commerce, Chairman of Fashion Industry Training Advisory Committee, Education Bureau of the Hong Kong Special Administrative Region and a member of Carbon Market Opportunities Working Group of Financial Services Development Council. He was also a member of the 9th Guangdong Provincial Committee of the Chinese People's Political Consultative Conference in 2005. He is appointed to be an adjunct Professor in the Department of Government and Public Administration at The Chinese University of Hong Kong from 1 August 2023 and adjunct Professor in the Department of Public and International Affairs of the College of Liberal Arts and Social Sciences of City University of Hong Kong from 1 September 2023. Mr. Chung obtained a Bachelor's degree in Quantity Surveying from Robert Gordon's Institute of Technology, Scotland (currently known as Robert Gordon University, Aberdeen) in July 1986 and a Master's degree in Business Administration from the University of Stirling, Scotland, United Kingdom in May 1988. He served as an independent non-executive director of SFund International Holdings Limited (previously known as “Hanbo Enterprises Holdings Limited, stock code: 1367.HK) from June 2014 to November 2016, and an independent non-executive director of Esprit Holdings Limited (stock code: 0330.HK) from July 2020 to February 2025. He has served as an independent non-executive director of High Fashion International Limited (stock code: 0608.HK) since July 2019. He also served as an independent non-executive director of Legendary Group Limited (formerly known as L&A International Holdings Limited, stock code: 8195.HK) since June 2021. These companies are listed on the Stock Exchange.

## PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

**Ma Ka Ki**, aged 45, has been appointed as an independent non-executive director, a member of the audit committee, remuneration committee and nomination committee of the Company, with effect from 1 October 2022. He has been appointed as the chairman of the audit committee and remuneration committee of the Company with effect from 1 November 2022. He holds a Bachelor's degree in Accounting and Information System with merit from the University of New South Wales, Australia. Mr. Ma is a member of both the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England & Wales. He is also a member of both the Hong Kong Chartered Governance Institute and the Chartered Governance Institute. He has over 15 years of experience in auditing and accounting sectors and has extensive experience in financial and corporate secretarial services.

During the period from February 2021 to September 2022, Mr. Ma was an independent non-executive director of Blue River Holdings Limited (stock code: 0498.HK), the shares of which are listed on the Main Board of the Stock Exchange. During the period from March 2018 to July 2020, Mr. Ma was an independent non-executive director of Celebrate International Holdings Limited ("**Celebrate International**") (previous stock code: 8212.HK), which was incorporated in the Cayman Islands with limited liability and was delisted from the GEM Board of the Stock Exchange on 8 July 2020. An order was granted by the High Court of Hong Kong to wind up Celebrate International, whose principal businesses were money lending and securities investment and trading, on 22 July 2020 upon petition of Citizens Money Lending Corporation Limited filed on 12 May 2020 for an outstanding sum of approximately HK\$27 million together with interests accrued as set out in its announcement. Mr. Ma resigned as the independent non-executive director of Celebrate International with effect from 29 July 2020. During the period from June 2016 to June 2018, Mr. Ma was an independent non-executive director of Oshidori International Holdings Limited (stock code: 0622.HK), the shares of which are listed on the Main Board of the Stock Exchange.

**Zhang Shuang**, aged 54, was appointed as an independent non-executive director of the Company in April 2020. Mr. Zhang graduated from Nanjing University (南京大學), majoring in natural resources management, in July 1994 and obtained a Master's degree in Science from James Madison University in the United States in May 2002. He has been chief executive officer of The Paradise International Foundation (桃花源生態保護基金會) since 2015. Mr. Zhang has been a project director of the China region at The Nature Conservancy (大自然保護協會) from 2005 to 2015. He was an independent non-executive director of ZhongAn Online P & C Insurance Co., Ltd. (stock code: 6060.HK), a company listed on the Stock Exchange, from November 2016 to November 2022.

# INDEPENDENT AUDITOR'S REPORT



## FORVIS MAZARS CPA LIMITED

富睿瑪澤會計師事務所有限公司

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To the members of  
**Planetree International Development Limited**  
*(incorporated in Bermuda with limited liability)*

## OPINION

We have audited the consolidated financial statements of Planetree International Development Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 56 to 148, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of 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, including material accounting policy information.

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

## 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, we do not provide a separate opinion on these matters.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (CONTINUED)

Key Audit Matters	How our audit addressed the key audit matters
<p><b><i>Loss allowance for expected credit loss (“ECL”) on loan and interest receivables from credit and lending business</i></b></p> <p>We identified the loss allowance for ECL on loan and interest receivables from credit and lending business as a key audit matter due to the application of significant judgement by the management in evaluating the recoverability and creditworthiness of the borrowers.</p> <p>Management assessed the impairment losses on loan and interest receivables with reference to valuations carried out by an independent professional valuer engaged by the Group, based on probability-weighted estimate of credit losses over the expected life of these receivables and whether there are any events or changes in circumstances indicate a detrimental impact on the estimated future cash flows of these balances.</p> <p>In particular, as detailed in note 35 to the consolidated financial statements, the Group has concentration of credit risk as the exposure of the largest borrower and the five largest borrowers represents 22% and 86% of the total loans to credit and lending borrowers as at 31 December 2025 respectively. As any impairment of such receivables will have a significant impact on the Group's financial position and financial performance, we consider impairment assessment of such receivables as a key audit matter.</p> <p>The carrying value of the loan and interest receivables from credit and lending business was approximately HK\$412,751,000 as at 31 December 2025, in respect of which loss allowance for ECL of HK\$616,000 has been made. Further details are set out in notes 4, 20 and 35 to the consolidated financial statements.</p>	<p>Our key audit procedures in relation to management's recoverability assessment of loan and interest receivables from credit and lending business included:</p> <ul style="list-style-type: none"> <li>• Understanding the established policies and procedures on credit risk management of loan and interest receivables from credit and lending business;</li> <li>• Assessing and evaluating the design and implementation of internal controls to related to the credit approval process, post approval credit management, loans and advances impairment and the identification of overdue or default receivables;</li> <li>• Assessing, on a sample basis, management's judgement over the ECL assessment and creditworthiness of the borrowers by assessing the available information, such as background information of the borrowers, market value of securities collateral, past collection history of borrowers, concentration risk of borrowers, the Group's actual loss experience, forward-looking information and subsequent settlement of the loan and interest receivables;</li> <li>• Assessing the competence, capabilities and objectivity of independent professional valuer who assisted the management to determine the ECL; and</li> <li>• Challenging the judgements and estimates made by management and independent professional valuer regarding the factors considered during ECL assessment.</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (CONTINUED)

### Key Audit Matters

### How our audit addressed the key audit matters

#### *Valuation of investment properties*

As at 31 December 2025, the Group's investment properties amounted to HK\$313,500,000, which were measured at fair value. The fair values of the investment properties as at 31 December 2025 were determined based on valuations assessed by an independent professional valuer.

We identified the valuation of investment properties as a key audit matter due to the significance of carrying amount and the application of significant judgement associated with determining the fair value.

Significant estimation is required to determine the fair values of the investment properties, which is influenced by market conditions at the end of the reporting period. Management engaged independent professional valuer to perform valuations on these investment properties at the end of the reporting period.

Related disclosures are included in notes 4 and 15 to the consolidated financial statements.

Our key audit procedures in relation to the assessment of the valuations of investment properties included:

- Understanding and assessing the design and implementation of the internal controls over the processes of fair value assessment;
- Obtaining and reviewing the valuation reports prepared by the independent professional valuer engaged by the Group;
- Assessing the competence, capabilities and objectivity of independent professional valuer who assisted the management to determine the valuations of investment properties;
- Discussing with the independent professional valuer to understand the valuation methodologies, the performance of the property market, and assessing the significant assumptions adopted and critical judgements of unobservable inputs used in the valuation of investment properties; and
- Challenging the judgements and estimates made by management and independent professional valuer regarding the factors considered during the valuation of investment properties.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (CONTINUED)

### Key Audit Matters

### How our audit addressed the key audit matters

#### ***Loss allowance for ECL on trade receivables from margin clients arising from the business of securities brokerage***

At 31 December 2025, the trade receivables from margin clients arising from the business of securities brokerage amounted to approximately HK\$316,335,000, net of loss allowance for ECL of approximately HK\$250,000.

Management assessed the provision for ECL of trade receivables from margin clients based on various inputs such as credit quality of clients, the collateral to margin receivables balance ratio, amount of shortfall of margin clients and pledged listed securities and forward-looking factors that are specific to the debtors and general economic conditions of the industry analysis.

We considered this matter to be a key audit matter due to the significance of the balance and the significant judgement in determining ECL on the trade receivables from margin clients.

Further details are set out in notes 4, 20 and 35 to the consolidated financial statements.

Our key audit procedures in relation to management's recoverability assessment of trade receivables from margin clients arising from the business of dealing in securities margin financing included:

- Understanding the established policies and procedures on credit risk management of trade receivables from margin clients;
- Assessing and evaluating the design and implementation of internal controls over the approval, recording and monitoring of trade receivables from margin clients and collateral shortfalls, the process for identification of impaired trade receivables from margin clients and the measurement of the ECL;
- Assessing and challenging management's judgement and estimates over the ECL assessment and considering the relevance and reasonableness of method adopted and key assumptions over the ECL assessment, and the relevance and accuracy of the source data used in the assessment;
- Checking, on a sample basis, the existence and accuracy of the recoverable amount of the securities collateral, to supporting documents and with reference to closing market price and adjustment for forward-looking factors that are specific to the debtors, securities collateral and general stock market conditions; and
- Assessing the appropriateness over ECL recognised with respect to the above shortfall, after taking into account other factors such as credit worthiness of the margin clients, past collection history and repayment subsequent to reporting period.

# INDEPENDENT AUDITOR'S REPORT

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include 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.

## RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are 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 (as amended), 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 HKSA's 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.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with HKSA's, 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.
- 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 or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, 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 and 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.

**Forvis Mazars CPA Limited**  
*Certified Public Accountants*  
Hong Kong, 30 March 2026

The engagement director on the audit resulting in this independent auditor's report is:

**Lam Ka Ki**  
Practising Certificate Number: P08258

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
<b>Revenue</b>			
Fee and commission income		6,104	1,082
Asset management service income		–	1,799
Corporate advisory service income		15,560	14,841
Financial advisory service income		6,108	4,730
Net loss on disposal of financial assets at fair value through profit or loss (“FVPL”)		(77,796)	–
Interest income from margin clients and loan receivables		21,848	48,709
Dividend income from financial assets at FVPL		216	267
Gross rental income		10,098	10,488
<b>Total revenue</b>	5	<b>(17,862)</b>	81,916
Other income and gains	5	149,936	685
Reversal of Impairment loss (Impairment loss) on loan receivables	35	369	(93)
Reversal of impairment loss (Impairment loss) on margin loan receivables	35	36,655	(35,544)
Reversal of impairment loss on other receivables	35	225	3,962
Depreciation of property and equipment and rights-of-use assets	14	(10,234)	(12,179)
Administrative expenses		(55,199)	(52,685)
Other losses, net	7	(110,379)	(136,325)
Finance costs	8	(10,463)	(15,552)
Share of result of associates	18	131,154	(46,022)
<b>Profit (Loss) before taxation</b>	9	<b>114,202</b>	(211,837)
Income tax credit (expense)	10	1,585	(890)
<b>Profit (Loss) for the year</b>		<b>115,787</b>	(212,727)

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
<b>Other comprehensive expense</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Fair value change on equity investments measured at fair value through other comprehensive income ("Designated FVOCI")	21	51,463	(71,472)
Share of other comprehensive expense of associates	18	(57,420)	(26,023)
<b>Total other comprehensive expense for the year</b>		<b>(5,957)</b>	<b>(97,495)</b>
<b>Total comprehensive income (expense) for the year</b>		<b>109,830</b>	<b>(310,222)</b>
<b>Profit (Loss) for the year attributable to:</b>			
Owners of the Company		177,641	(197,692)
Non-controlling interests	38	(61,854)	(15,035)
		<b>115,787</b>	<b>(212,727)</b>
<b>Total comprehensive income (expense) attributable to:</b>			
Owners of the Company		168,128	(295,187)
Non-controlling interests	38	(58,298)	(15,035)
		<b>109,830</b>	<b>(310,222)</b>
<b>Earnings (Loss) per share</b>			
Basic	13	<b>18.63</b>	<b>(20.91)</b>
Diluted		<b>18.63</b>	<b>(20.91)</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
<b>Non-current assets</b>			
Property and equipment	14	23,236	33,390
Investment properties	15	313,500	407,500
Intangible assets	16	12,567	12,617
Goodwill	17	6,115	6,115
Investment in associates	18	358,200	247,066
Designated FVOCI	21	153,291	98,820
Financial assets at FVPL	22	226,187	49,407
Other receivables	20	634	1,030
Other assets	19	3,230	3,205
		<b>1,096,960</b>	<b>859,150</b>
<b>Current assets</b>			
Trade, loan and other receivables	20	752,155	902,214
Financial assets at FVPL	22	98,598	60,889
Income tax recoverable		1,256	1,579
Bank balances – trust and segregated accounts	23	4,424	3,165
Bank balances and cash	23	369,696	39,300
		<b>1,226,129</b>	<b>1,007,147</b>
<b>Current liabilities</b>			
Trade and other payables	24	37,143	24,883
Lease liabilities – current portion	25	4,437	5,447
Interest-bearing borrowings	26	200,674	227,890
Income tax payable		957	636
		<b>243,211</b>	<b>258,856</b>
<b>Net current assets</b>		<b>982,918</b>	<b>748,291</b>
<b>Total assets less current liabilities</b>		<b>2,079,878</b>	<b>1,607,441</b>
<b>Non-current liabilities</b>			
Other payables	24	2,517	2,896
Lease liabilities – non-current portion	25	–	4,437
Deferred taxation	27	2,208	3,235
		<b>4,725</b>	<b>10,568</b>
<b>NET ASSETS</b>		<b>2,075,153</b>	<b>1,596,873</b>
<b>Capital and reserves</b>			
Share capital	28	96,053	94,553
Reserves		1,328,802	1,225,924
Equity attributable to owners of the Company		<b>1,424,855</b>	<b>1,320,477</b>
Non-controlling interests	38	650,298	276,396
<b>TOTAL EQUITY</b>		<b>2,075,153</b>	<b>1,596,873</b>

The consolidated financial statements on pages 56 to 148 were approved and authorised for issue by the Board of Directors on 30 March 2026 and are signed on its behalf by:

**Cheung Ting Kee**  
Director

**Cheung Ka Yee**  
Director

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the Company									
	Reserves							Total	Non-controlling interests	Total
	Share capital	Share premium	Contribution surplus	Property revaluation reserve	Investment revaluation reserve (non-recycling)	Retained earnings	Total reserves			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Note i)	(Note ii)	(Note iii)	(Note iv)						
At 1 January 2024	94,553	918,950	44,641	11,111	13,354	533,055	1,521,111	1,615,664	291,431	1,907,095
Loss for the year	-	-	-	-	-	(197,692)	(197,692)	(197,692)	(15,035)	(212,727)
Other comprehensive expense										
<i>Items that will not be reclassified to profit or loss</i>										
Fair value change on Designated FVOCI (Note 21)	-	-	-	-	(71,472)	-	(71,472)	(71,472)	-	(71,472)
Fair value change on Designated FVOCI reclassified to retained earnings upon disposal (Note 21)	-	-	-	-	3,099	(3,099)	-	-	-	-
Share of other comprehensive expense of an associate (Note 18)	-	-	-	-	(26,023)	-	(26,023)	(26,023)	-	(26,023)
Total other comprehensive expense for the year	-	-	-	-	(94,396)	(3,099)	(97,495)	(97,495)	-	(97,495)
Total comprehensive expense for the year	-	-	-	-	(94,396)	(200,791)	(295,187)	(295,187)	(15,035)	(310,222)
At 31 December 2024	94,553	918,950	44,641	11,111	(81,042)	332,264	1,225,924	1,320,477	276,396	1,596,873

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the Company									
	Reserves							Total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000 (Note i)	Contribution surplus HK\$'000 (Note ii)	Property revaluation reserve HK\$'000 (Note iii)	Investment revaluation reserve (non-recycling) HK\$'000 (Note iv)	Retained earnings HK\$'000	Total reserves HK\$'000			
At 1 January 2025	94,553	918,950	44,641	11,111	(81,042)	332,264	1,225,924	1,320,477	276,396	1,596,873
Profit (Loss) for the year	-	-	-	-	-	177,641	177,641	177,641	(61,854)	115,787
Other comprehensive expense <i>Items that will not be reclassified to profit or loss</i>										
Fair value change on Designated FVOCI (Note 21)	-	-	-	-	47,907	-	47,907	47,907	3,556	51,463
Fair value change on Designated FVOCI reclassified to retained earnings upon disposal (Note 21)	-	-	-	-	3,057	(3,057)	-	-	-	-
Share of other comprehensive expense of an associate (Note 18)	-	-	-	-	(57,420)	-	(57,420)	(57,420)	-	(57,420)
Total other comprehensive (expense) income for the year	-	-	-	-	(6,456)	(3,057)	(9,513)	(9,513)	3,556	(5,957)
Total comprehensive (expense) income for the year	-	-	-	-	(6,456)	174,584	168,128	168,128	(58,298)	109,830
Transactions with owners: Contribution and distribution										
Issue of consideration shares for acquisition of a subsidiary (Note 31)	1,500	28,350	-	-	-	-	28,350	29,850	-	29,850
	1,500	28,350	-	-	-	-	28,350	29,850	-	29,850
Change in ownership interests										
Changes in ownership interests in a subsidiary (Note 32(a))	-	-	-	-	-	(74)	(74)	(74)	(3,726)	(3,800)
Changes in ownership interests in subsidiaries that do not result in a loss of control (Note 32(b))	-	-	-	-	-	(93,526)	(93,526)	(93,526)	435,926	342,400
	-	-	-	-	-	(93,600)	(93,600)	(93,600)	432,200	338,600
At 31 December 2025	96,053	947,300	44,641	11,111	(87,498)	413,248	1,328,802	1,424,855	650,298	2,075,153

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

*Notes:*

- (i) Share premium represents the excess of the net proceeds or consideration from issuance of the Company's shares over their par value. The application of the share premium account is governed by Section 46(2) of the Companies Act 1981 of Bermuda (as amended).
- (ii) Contribution surplus represented the excess of the net asset values of the subsidiaries acquired over the nominal value of the Company's shares issued for their acquisitions at the time of the reorganisation in preparation for the listing of the Company's shares in 1993. Under the Bermuda Companies Act 1981 (as amended from time to time), the contributed surplus may be distributed to shareholders under certain circumstances.
- (iii) The property revaluation reserves comprise the net changes in fair value arising on the revaluation of properties held for own use upon transfer to investment properties.
- (iv) Investments revaluation reserve (non-recycling) comprises the accumulated net change in the fair value of Designated FVOCI that have been recognised in other comprehensive income, net of the amounts reclassified to retained earnings when those investments are disposed of.

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
<b>OPERATING ACTIVITIES</b>			
Profit (loss) before taxation		114,202	(211,837)
Depreciation of property and equipment and right-of-use assets	14	10,234	12,179
Amortisation of intangible assets	16	50	50
Impairment loss on technical service contract	7	16,390	–
Gain on termination of leases		–	(170)
(Reversal of impairment loss) impairment loss on loan and interest receivables	35	(369)	93
(Reversal of impairment loss) impairment loss on margin loan receivables	35	(36,655)	35,544
Reversal of impairment loss on other receivables	35	(225)	(3,962)
Gain on disposal of subsidiaries		–	(216)
Loss on disposal of property and equipment	14	–	188
Dividend income	5	(216)	(267)
Interest income	5	(22,726)	(48,888)
Interest expenses	8	10,463	15,552
Net fair value loss on investment properties	7	94,000	98,200
Net unrealised fair value (gain) loss on financial assets at FVPL	5	(147,206)	37,936
Share of result of associates	18	(131,154)	46,022
<i>Changes in working capital:</i>			
Other assets		(25)	–
Financial assets at FVPL		288,577	–
Trade, loan and other receivables		191,611	13,915
Bank balances – trust and segregated accounts		(1,259)	691
Trade and other payables		12,045	4,418
Cash generated from (used in) operations		397,737	(552)
Interest paid for margin financing		(76)	(708)
Income tax refund		1,202	2,350
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>398,863</b>	<b>1,090</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
<b>INVESTING ACTIVITIES</b>			
Interest received		18,819	40,091
Dividend received		216	267
Purchases of items of equipment and furniture	14	(80)	(68)
Proceeds from disposal of Designated FVOCI	21	63,356	30,347
Injection of fund to an associate	18	(37,400)	–
Purchase of Designated FVOCI	21	(66,364)	(45,053)
Net cash inflow arising from disposal of subsidiaries		–	7,984
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>		<b>(21,453)</b>	<b>33,568</b>
<b>FINANCING ACTIVITIES</b>			
Net cash outflow arising from acquisition of non-controlling interest		(3,800)	–
Repayment of interest-bearing borrowings	30(a)	(27,216)	(11,830)
Principal portion of lease payments	30(a)	(5,447)	(7,045)
Interest paid	30(a)	(10,551)	(15,000)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(47,014)</b>	<b>(33,875)</b>
<b>Net increase in cash and cash equivalents</b>		<b>330,396</b>	<b>783</b>
<b>Cash and cash equivalents at beginning of the reporting period</b>		<b>39,300</b>	<b>38,517</b>
<b>Cash and cash equivalents at end of the reporting period, represented by cash and bank balances</b>		<b>369,696</b>	<b>39,300</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 1. GENERAL

Planetree International Development Limited (the “Company”) is a limited liability company incorporated in Bermuda as an exempted company and its shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and principal place of business of the Company are disclosed in the corporate information section to the 2025 annual report of the Company. The immediate holding company and ultimate holding company of the Company is Future Capital Group Limited, a company incorporated in the British Virgin Islands with limited liability.

The Company and its subsidiaries (collectively, the “Group”) is principally engaged in (i) financial services with operations licensed under the Securities and Futures Ordinance (“SFO”), (ii) credit and lending services with operations under the Money Lenders Ordinance (the “MLO”), (iii) other financial services, (iv) property investment and leasing, and (v) tactical and strategic investment.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

## 2. PRINCIPAL ACCOUNTING POLICIES

### Basis of preparation

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

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the consolidated financial statements for the year ended 31 December 2024 except for the adoption of the following new/revised HKFRS Accounting Standards that are relevant to the Group and effective from the current year.

### Adoption of new/revised HKFRS Accounting Standards

#### *Amendments to HKAS 21: Lack of Exchangeability*

The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### **Basis of measurement**

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for investment properties, Designated FVOCI and financial assets at FVPL, which are measured at fair values as explained in the accounting policies set out below.

### **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### **Basis of consolidation *(continued)***

#### ***Changes in ownership interest***

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

#### **Subsidiaries**

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented in note 39 to the consolidated financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. The carrying amount of the investments is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associate is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

Unrealised profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

### Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property and equipment over their estimated useful lives from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum:

Leasehold improvements	Over the shorter of the lease terms and 20%
Furniture and fixtures	20%
Office equipment	20%
Yacht	10%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### **Property and equipment *(continued)***

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

If a property occupied by the Group as an owner-occupied property becomes an investment property measured at fair value, the Group accounts for such property in accordance with the policy stated under "Property and equipment" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation surplus or deficit. The revaluation surplus is recognised in profit or loss to the extent of impairment loss previously recognised in profit or loss, with the remaining surplus recognised in other comprehensive income as property revaluation reserves within equity. The revaluation deficit is recognised in other comprehensive income to reduce the property revaluation reserves to the extent of the amount previously recognised in property revaluation reserves, with the remaining deficit recognised in profit or loss.

The property revaluation reserves are derecognised upon the disposal of investment property.

### **Investment properties**

Investment properties are buildings that are held by owner or lessee, to earn rental income and/or for capital appreciation. These include properties held for a currently undetermined future use.

Investment properties are stated at fair value at the end of the reporting period. Any gain or loss arising from a change in fair value is recognised in profit or loss. The fair value of investment property is based on a valuation by an independent valuer who holds a recognised professional qualification and has recent experience in the location and category of property being valued. The fair value is based on market value, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties have each acted knowledgeably, prudently and without compulsion.

An Investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year in which the item is derecognised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Intangible assets

#### *Trading rights and licenses*

The amount represented trading rights that confer eligibility on the Group to trade on the Stock Exchange and The Hong Kong Futures Exchange Limited. The trading rights and licenses have no foreseeable limit to the period over which the Group can use to generate cash flows. As a result, the trading rights are considered by the management of the Group as having indefinite useful lives because they are expected to contribute to net cash inflows indefinitely. The trading rights will not be amortised until its useful life is determined to be finite.

#### *Country club membership*

The useful lives of country club membership is assessed to be indefinite. Club membership with indefinite useful life is tested for impairment annually either individually or at the cash-generating unit level. Such intangible asset is not amortised. The useful life of club membership with indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

#### *Golf club membership*

The useful lives of membership of golf club is assessed to be definite. Membership with finite life is subsequently amortised over the useful economic life of 10 years and assessed for impairment whenever there is an indication that the membership may be impaired. The amortisation period and the amortisation method for membership with a finite useful life are reviewed at least at each financial year end.

### Financial instruments

#### *Financial assets*

##### *Recognition and derecognition*

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

##### *Classification and measurement*

Financial assets (except for trade receivables without a significant financing component which are initially measured at their transaction price) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) Designated FVOCI; or (iii) measured at FVPL.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Financial instruments *(continued)*

#### Financial assets *(continued)*

##### Classification and measurement *(continued)*

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model.

Derivatives embedded in a hybrid contract in which a host is an asset within the scope of HKFRS 9 are not separated from the host. Instead, the entire hybrid contract is assessed for classification.

- 1) Financial assets measured at amortised cost  
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:
  - (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
  - (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Group's financial assets at amortised cost include trade, loan and other receivables, other assets, bank balances – trust and segregated accounts and bank balances and cash.

- 2) Designated FVOCI  
Upon initial recognition, the Group may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 applies in other comprehensive income. The classification is determined on an instrument-by-instrument basis.

These equity investments are subsequently measured at fair value and are not subject to impairment. Dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other gains or losses are recognised in other comprehensive income and shall not be subsequently reclassified to profit or loss. Upon derecognition, the cumulative gain or loss is transferred directly to accumulated profits or losses.

The Group's Designated FVOCI include listed equity securities not held for trading.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Financial instruments *(continued)*

#### Financial assets *(continued)*

##### Classification and measurement *(continued)*

#### 3) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which does not include any dividend or interest earned on the financial assets. Dividend or interest income is presented separately from fair value gain or loss.

A financial asset is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

The Group's financial assets mandatorily measured at FVPL include profit guarantee receivable, listed and unlisted equity securities.

#### Financial liabilities

##### Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

##### Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade and other payables and interest-bearing borrowings. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Financial instruments *(continued)*

#### *Impairment of financial assets and other items under HKFRS 9*

The Group recognises loss allowances for expected credit loss (“ECL”) on financial assets that are measured at amortised cost to which the impairment requirements apply in accordance with HKFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

#### *Measurement of ECL*

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral
- (iv) industry of debtors
- (v) geographical location of debtors

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument’s credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument, except in the case of debt investment measured at FVOCI, the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Financial instruments *(continued)*

#### *Impairment of financial assets and other items under HKFRS 9 (continued)*

##### *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria.

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### *Assessment of significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, 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. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. In particular, the following information is taken into account in the assessment:

- the debtor's failure to make payments of principal or interest on the due dates;
- an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- actual or expected changes in the technological, market, economic or legal environment that have or may have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

##### *Simplified approach of ECL*

For trade receivables other than margin clients and loan and interest receivables, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Financial instruments *(continued)*

#### *Impairment of financial assets and other items under HKFRS 9 (continued)*

##### *Low credit risk*

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

As detailed in note 35 to the consolidated financial statements, bank balances are determined to have low credit risk.

##### *Credit-impaired financial asset*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower.
- (b) a breach of contract, such as a default or past due event.
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- (e) the disappearance of an active market for that financial asset because of financial difficulties.
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

##### *Write-off*

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds, net of direct issue costs.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### **Cash equivalents**

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### **Revenue recognition**

#### ***Rental income***

Rental income under operating leases is recognised when the assets are let out and on the straight-line basis over the lease term. Variable lease payments that depend on an index or a rate are initially measured using the index or rate at the commencement date and subsequently adjusted when such index or rate changes. Such payments are recognised as income on the straight-line basis over the lease term. Other variable lease payments are recognised as income in the period in which the event or condition that triggers those payments occurs.

#### ***Dividend income***

Dividend income from financial assets is recognised when the Group's rights to receive dividend is 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.

#### ***Revenue from contracts with customers within HKFRS 15***

##### ***Nature of goods or services***

The nature of the goods or services provided by the Group is securities brokerage, financial, consultancy and corporate financial services.

##### ***Identification of performance obligations***

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Revenue recognition *(continued)*

#### *Revenue from contracts with customers within HKFRS 15 (continued)*

##### *Timing of revenue recognition*

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Revenue or income arising commission income for broking business is recorded as income at a point in time on a trade date basis.

Asset management and corporate advisory service income are recognised over time when the relevant services have been rendered.

Financial advisory services income is recognised at a point in time when services are rendered.

For revenue recognised over time under HKFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the output method (i.e. based on the direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract) to measure the progress towards complete satisfaction of the performance obligation because the method provides a faithful depiction of the Group's performance and reliable information is available to the Group to apply the method. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Revenue recognition *(continued)*

#### Interest income

- Interest income from margin clients is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rate applicable.
- Other interest income from financial assets is recognised using the effective interest method.

For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

#### Net gain or loss on disposal of financial assets at FVPL

Net gain or loss on disposal of financial assets at FVPL is recognised on date of disposal which represented differences between the net proceeds received and the carrying amount of the financial asset.

#### Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars, which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### Impairment of non-financial assets other than goodwill

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property and equipment, intangible assets and Company's investments in subsidiaries and associates may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit). In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whether there is an indication that those assets may be impaired.

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

#### Borrowing costs

Borrowing costs incurred, are recognised as an expense in the period in which they are incurred.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Leases

The Group assesses whether a contract is, or contains, a lease at inception of the contract. 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.

### *As lessee*

The Group applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the Group; and
- (d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option – in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Office premises	1-2 years
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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### **Leases *(continued)***

#### ***As lessee (continued)***

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset, if any, during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate;
- (c) amounts expected to be payable under residual value guarantees;
- (d) exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Group will be reasonably certain to exercise a purchase option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Group remeasures the lease liability using a revised discount rate.

The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

#### ***As lessor***

The Group classifies each of its leases as either a finance lease or an operating lease at the inception date of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases.

The Group accounts for each lease component within a lease contract as a lease separately from non-lease components of the contract. The Group allocates the consideration in the contract to each lease component on a relative stand-alone price basis.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### **Leases *(continued)***

#### ***As lessor – operating lease***

The Group applies the derecognition and impairment requirements in HKFRS 9 to the operating lease receivables.

### **Employee benefits**

#### ***Short term employee benefits***

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

#### ***Retirement benefit costs***

Payment to defined contribution retirement benefit scheme and the Mandatory Provident Fund Scheme are recognised as expenses when employees have rendered service entitling them to the contributions.

#### ***Long service payments***

The Group's net obligation in respect of long service payments under the Employment Ordinance is the amounts of future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including those retirement scheme benefits.

### **Share-based payment transactions**

#### ***Equity-settled transactions***

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of review, with a corresponding adjustment to the reserve within equity.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described above.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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 in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### **Business combinations and goodwill *(continued)***

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

### **Related parties**

A related party is a person or entity that is related to the Group.

- (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.
- (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 holding company, 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. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
  - (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 holding company 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.

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 and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

### Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's chief operating decision makers, who are the executive directors of the Company, for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individual material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

## 3. FUTURE CHANGES IN HKFRS ACCOUNTING STANDARDS

At the date of authorisation of the consolidated financial statements, the HKICPA has issued the following new/revised HKFRS Accounting Standards that are relevant to the Group and are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>[1]</sup>
Annual Improvements to HKFRS Accounting Standards	Volume 11 <sup>[1]</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>[1]</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>[2]</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>[2]</sup>
Amendments to HKAS 21	Translation to Hyperinflationary Presentation Currency <sup>[2]</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>[3]</sup>

[1] Effective for annual periods beginning on or after 1 January 2026

[2] Effective for annual periods beginning on or after 1 January 2027

[3] The effective date to be determined

The application of HKFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statement of comprehensive income and consolidated statement of cash flows and disclosures in the future financial statements.

Excepted as described above, the directors do not anticipate that the adoption of the new and amendments HKFRS Accounting Standards in future periods will have any material impact on the results of the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

### Key sources of estimation uncertainty

#### *Provision for ECL on loan and interest receivables, trade and other receivables*

The measurement of impairment losses under HKFRS 9 requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, such as risks of default, losses given default and value of collateral, changes in which can result in different levels of allowances.

The Group's ECL calculations on loan and interest receivables, trade and other receivables are based on assumptions about risk of default and losses given default. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on credit risks of the debtors or comparable companies in the market, existing market conditions as well as forward looking estimates (such as gross domestic product and market volatility) at the end of each reporting period. It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

At 31 December 2025, the carrying amount of the Group's loan and interest receivables, trade and other receivables amounted to HK\$412,751,000 (2024: HK\$181,313,000), HK\$330,708,000 (2024: HK\$552,653,000) and HK\$5,511,000 (2024: HK\$163,549,000) respectively. Net impairment losses of HK\$616,000 (2024: HK\$985,000), HK\$1,295,000 (2024: HK\$37,950,000) and HK\$Nil (2024: HK\$225,000) have been recognised for the Group's loan and interest receivables, trade and other receivables as at 31 December 2025 respectively. Further details, including the key assumptions and inputs used for ECL calculations, of the Group's loan and interest receivables and trade receivables are set out in notes 20 and 35 to the consolidated financial statements.

#### *Estimation of fair value of investment properties*

The fair values of the Group's investment properties are assessed by management based on the property valuation performed by independent professional valuer on an open market, existing use basis. The assumptions adopted in the property valuation are based on market conditions existing at each reporting date, with reference to comparable sales transactions.

#### *Estimation of fair value of unlisted equity securities and profit guarantee receivable*

The fair values of the Group's unlisted financial assets at FVPL and profit guarantee receivable have been valued based on the valuation from management and an independent professional valuer. The valuation requires the Group to make some estimation on observable market data and a number of significant unobservable inputs associated with the investments and the profit guarantee. As at 31 December 2025, the Group has unlisted financial assets at FVPL and profit guarantee receivable of approximately HK\$217,503,000 (2024: HK\$49,407,000) and HK\$13,460,000 (2024: n/a) respectively. Details of the valuation techniques, key assumption and inputs used in the valuation are set out in note 36 to the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 5. REVENUE, OTHER INCOME AND GAINS

	2025 HK\$'000	2024 HK\$'000
<b>Revenue from contracts with customers within HKFRS 15</b>		
Fee and commission income	6,104	1,082
Financial advisory service income	6,108	4,730
	<u>12,212</u>	<u>5,812</u>
Revenue recognised at point in time	12,212	5,812
Asset management service income	–	1,799
Corporate advisory service income	15,560	14,841
	<u>15,560</u>	<u>16,640</u>
Revenue recognised over time	15,560	16,640
	<u>27,772</u>	<u>22,452</u>
<b>Revenue from other sources</b>		
Net loss on disposal of financial assets at FVPL (note)	(77,796)	–
Interest income from:		
– margin clients	11,124	45,464
– loan receivables	10,724	3,245
	<u>21,848</u>	<u>48,709</u>
Dividend income from financial assets at FVPL	216	267
Gross rental income	10,098	10,488
	<u>(45,634)</u>	<u>59,464</u>
<b>Total revenue</b>	<u>(17,862)</u>	<u>81,916</u>
<b>Other income and gains</b>		
Interest income on:		
– bank deposits	836	103
– others	42	76
	<u>878</u>	<u>179</u>
Gain on disposal of subsidiaries	–	216
Gain on termination of leases	–	170
Net unrealised fair value gain on financial assets at FVPL	147,206	–
Others	1,852	120
	<u>149,058</u>	<u>506</u>
<b>Total other income and gains</b>	<u>149,936</u>	<u>685</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 5. REVENUE, OTHER INCOME AND GAINS *(continued)*

Note:

The amount represented the proceeds from the disposal of financial assets at FVPL of HK\$377,877,000 (2024: *n/a*) less relevant costs and carrying values of the investments sold of HK\$455,673,000 (2024: *n/a*).

## 6. SEGMENT INFORMATION

The operating segments and measurement of segment profit of the Group are determined based on the internal reports to executive directors, the Group's chief operating decision makers, for the purposes of resource allocation and performance assessment.

The Group's reportable and operating segments are as follows:

- (a) Financial services – operations licensed under the SFO, which engages in the provision of dealing in securities, dealing in futures contracts, leveraged foreign exchange trading, advising on securities, advising on future contracts, advising on corporate finance, providing automated trading services, securities margin financing and asset management business with Type 1, Type 2, Type 3, Type 4, Type 5, Type 6, Type 7, Type 8 and Type 9 licences granted under the SFO;
- (b) Credit and lending services – operations licensed under the MLO, which engages in the provision of money lending services for interest income with licences granted under the MLO;
- (c) Other financial services – engages in the provision of corporate advisory related services;
- (d) Property investment and leasing – engages in leasing of properties directly owned by the Group for rental income and/or capital appreciation potential; and
- (e) Tactical and strategic investment – engaged in trading and holding of debt and equity securities, which earns interest and dividend income from the relevant securities investments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 6. SEGMENT INFORMATION (continued)

### Segment revenue and results

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

For the year ended 31 December 2025

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Consolidated HK\$'000
<b>Revenue</b>						
Fee and commission income	6,104	–	–	–	–	6,104
Corporate advisory service income	–	–	15,560	–	–	15,560
Financial advisory service income	6,108	–	–	–	–	6,108
Interest income from margin clients and loan receivables	11,124	10,724	–	–	–	21,848
Net loss on disposal of financial assets at FVPL	–	–	–	–	(77,796)	(77,796)
Dividend income from financial assets at FVPL	–	–	–	–	216	216
Gross rental income	–	–	–	10,098	–	10,098
Total revenue	23,336	10,724	15,560	10,098	(77,580)	(17,862)
Other income and gains (loss)	2,430	–	63	(193)	147,206	149,506
<b>Segment revenue</b>	<b>25,766</b>	<b>10,724</b>	<b>15,623</b>	<b>9,905</b>	<b>69,626</b>	<b>131,644</b>
<b>Segment profit (loss)</b>	<b>54,674</b>	<b>9,904</b>	<b>3,750</b>	<b>(101,520)</b>	<b>199,602</b>	<b>166,410</b>
Unallocated other income and gains						430
Corporate and unallocated expenses, net						(52,638)
Profit before taxation						114,202
Income tax credit						1,585
<b>Profit for the year</b>						<b>115,787</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 6. SEGMENT INFORMATION *(continued)* Segment revenue and results *(continued)*

For the year ended 31 December 2024

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Consolidated HK\$'000
Revenue						
Fee and commission income	1,082	–	–	–	–	1,082
Asset management service income	1,799	–	–	–	–	1,799
Corporate advisory service income	–	–	14,841	–	–	14,841
Financial advisory service income	4,730	–	–	–	–	4,730
Interest income from margin clients and loan receivables	45,464	3,245	–	–	–	48,709
Dividend income from financial assets at FVPL	–	–	–	–	267	267
Gross rental income	–	–	–	10,488	–	10,488
Total revenue	53,075	3,245	14,841	10,488	267	81,916
Other income and gains	48	–	27	3	1	79
Segment revenue	<u>53,123</u>	<u>3,245</u>	<u>14,868</u>	<u>10,491</u>	<u>268</u>	<u>81,995</u>
Segment profit (loss)	<u>12,106</u>	<u>2,608</u>	<u>3,437</u>	<u>(103,879)</u>	<u>(86,751)</u>	<u>(172,479)</u>
Unallocated other income and gains						606
Corporate and unallocated expenses, net						<u>(39,964)</u>
Loss before taxation						(211,837)
Income tax expense						<u>(890)</u>
Loss for the year						<u><u>(212,727)</u></u>

Segment revenue includes revenue from financial services – operations licensed under the SFO, credit and lending services – operations licensed under the MLO, other financial services, property investment and leasing and tactical and strategic investment.

Segment results represent the profit earned or loss incurred by each segment without allocation of the central corporate expenses. The chief operating decision makers consider share of result of associates as segment results under tactical and strategic investment segment.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 6. SEGMENT INFORMATION *(continued)*

### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

At 31 December 2025

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Assets	584,471	438,689	9,872	324,901	812,359	152,797	2,323,089
Liabilities	(9,003)	(594)	(978)	(181,688)	(24,232)	(31,441)	(247,936)

At 31 December 2024

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Assets	729,846	189,068	14,473	413,861	456,477	62,572	1,866,297
Liabilities	(7,320)	(549)	(219)	(201,161)	(43,028)	(17,147)	(269,424)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than corporate assets including certain property and equipment, other receivables and bank balances and cash.
- all liabilities are allocated to operating and reportable segments other than corporate liabilities including certain other payables, lease liabilities, interest-bearing borrowings, income tax payable and deferred taxation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 6. SEGMENT INFORMATION (continued)

### Other segment information

For the year ended 31 December 2025

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>Amounts included in the measure of segment profit or segment assets:</b>							
Capital expenditure	(80)	-	-	-	-	-	(80)
Interest income included in other income and gains	780	-	-	-	-	98	878
Interest expenses	-	-	-	(8,710)	(1,340)	(413)	(10,463)
Reversal of impairment loss on loan and interest receivables	-	369	-	-	-	-	369
Reversal of impairment loss on margin loan receivables	36,655	-	-	-	-	-	36,655
Reversal of impairment loss on other receivables	225	-	-	-	-	-	225
Net fair value loss on investment properties	-	-	-	(94,000)	-	-	(94,000)
Depreciation of property and equipment and right-of-use assets	(379)	-	(44)	-	-	(9,811)	(10,234)
Amortisation of intangible assets	(50)	-	-	-	-	-	(50)
Share of result of associates	-	-	-	-	131,154	-	131,154
Impairment loss on technical service contract	-	-	-	-	-	(16,390)	(16,390)
Net unrealised fair value gain on financial assets at FVPL	-	-	-	-	147,206	-	147,206

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 6. SEGMENT INFORMATION (continued)

### Other segment information (continued)

For the year ended 31 December 2024

	Financial services – operations licensed under the SFO HK\$'000	Credit and lending services – operations licensed under the MLO HK\$'000	Other financial services HK\$'000	Property investment and leasing HK\$'000	Tactical and strategic investment HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit or segment assets:							
Capital expenditure	-	-	(68)	-	-	-	(68)
Interest income included in other income and gains	167	-	-	3	1	8	179
Interest expenses	-	-	-	(12,356)	(2,588)	(608)	(15,552)
Impairment loss on loan and interest receivables	-	(93)	-	-	-	-	(93)
Impairment loss on margin loan receivables	(35,544)	-	-	-	-	-	(35,544)
Reversal of impairment loss on other receivables	3,962	-	-	-	-	-	3,962
Gain on disposal of subsidiaries	-	-	-	-	-	216	216
Net fair value loss on investment properties	-	-	-	(98,200)	-	-	(98,200)
Depreciation of property and equipment and right-of-use assets	(612)	-	(72)	(5)	-	(11,490)	(12,179)
Amortisation of intangible assets	(50)	-	-	-	-	-	(50)
Share of result of associates	-	-	-	-	(46,022)	-	(46,022)
Loss on disposal of property and equipment	-	-	-	-	-	(188)	(188)
Gain on termination of leases	-	-	-	-	-	170	170
Net unrealised fair value loss on financial assets at FVPL	-	-	-	-	(37,936)	-	(37,936)

### Geographical information

The Group's operations are located in Hong Kong. Accordingly, the Group's revenue from external customers and all non-current assets (excluding financial assets) are located in Hong Kong.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 6. SEGMENT INFORMATION *(continued)*

### Information about major customers

Revenue from the customers individually accounted for 10% or more of the Group's revenue, excluding gain or loss from trades and holds of debt and equity securities, for the years ended 31 December 2025 and 2024 is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A *	N/A	12,471
Customer B *	N/A	11,383
Customer C *	N/A	8,957

\* Attributable to financial services – operations under SFO licences segment.

## 7. OTHER LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Exchange (gain) loss	(11)	1
Impairment loss on technical service contract (Note 31)	16,390	–
Loss on disposal of property and equipment	–	188
Net unrealised fair value loss on financial assets at FVPL	–	37,936
Net fair value loss on investment properties (Note 15)	94,000	98,200
	<b>110,379</b>	<b>136,325</b>

## 8. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on interest-bearing borrowings	9,974	14,236
Interest on margin account	76	708
Imputed interest on lease liabilities (Note 25)	413	608
	<b>10,463</b>	<b>15,552</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 9. PROFIT (LOSS) BEFORE TAXATION

This is stated after charging:

	2025 HK\$'000	2024 HK\$'000
Employee benefits expenses (including directors' emoluments)		
Salaries and other benefits	22,678	23,559
Retirement benefit scheme contributions	512	542
	<u>23,190</u>	<u>24,101</u>
Auditor's remuneration		
– Audit service	1,460	1,460
– Non-audit service	300	315
Amortisation of intangible assets		
– included in administrative expenses	50	50
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	984	2,965
	<u><u>984</u></u>	<u><u>2,965</u></u>

## 10. INCOME TAX (CREDIT) EXPENSE

For the years ended 31 December 2025 and 2024, under the two-tiered profits tax rates regime, the profits tax rate for the first HK\$2,000,000 assessable profits arising from Hong Kong of qualifying entities will be taxed at 8.25%, and assessable profits arising from Hong Kong above HK\$2,000,000 will be taxed at the rate of 16.5%. As only one of the subsidiaries in the Group is eligible to elect the two-tiered profits tax rates, profits of the remaining subsidiaries of the Group will continue to be taxed at a flat rate of 16.5%.

	2025 HK\$'000	2024 HK\$'000
<b>Current tax</b>		
Hong Kong Profits Tax		
Current year	592	1,646
Over-provision in prior year	(1,150)	(756)
	<u>(558)</u>	<u>890</u>
<b>Deferred taxation</b>		
Origination and reversal of temporary difference (Note 27)	(1,027)	–
	<u>(1,027)</u>	<u>–</u>
Income tax (credit) expense	<u><u>(1,585)</u></u>	<u><u>890</u></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 10. INCOME TAX (CREDIT) EXPENSE *(continued)*

### *Reconciliation of income tax (credit) expense*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit (loss) before taxation	<u>114,202</u>	<u>(211,837)</u>
Income tax at applicable tax rate 16.5% (2024: 16.5%)	18,843	(34,788)
Effect of two-tiered profits tax rates regime	(165)	(165)
Non-deductible expenses	23,447	31,020
Tax exempt revenue	(28,056)	(223)
Unrecognised tax losses	1,651	7,441
Unrecognised temporary differences	(713)	(153)
Utilisation of previously unrecognised tax losses	(15,733)	(2,244)
Over-provision in prior year	(1,150)	(756)
Others	<u>291</u>	<u>758</u>
Income tax (credit) expense for the year	<u>(1,585)</u>	<u>890</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' REMUNERATION

### (i) Directors' and Chief Executive's remuneration:

The emoluments paid or payable to each of the 9 (2024: 9) directors were as follows:

For the year ended 31 December 2025

	Directors' fees HK\$'000	Salaries, allowance and benefits-in-kind HK\$'000	Discretionary bonuses HK\$'000	Share-based payment HK\$'000 (Note 29)	Retirement scheme contributions HK\$'000	Total HK\$'000
<b>Executive directors:</b>						
Lam Hiu Lo	-	2,210	-	-	18	2,228
Cheung Ka Yee	-	780	-	-	18	798
Cheung Ting Kee (Chief Executive)	-	600	-	-	18	618
Dai Bin (Note (a))	-	205	-	-	8	213
Wong Kin Chun, Gilbert (Note (b))	-	324	-	-	7	331
<b>Non-executive directors:</b>						
Chuang Henry Yueheng (Note (c))	-	-	-	-	-	-
<b>Independent non-executive directors:</b>						
Chan Sze Hung	240	-	-	-	-	240
Zhang Shuang	240	-	-	-	-	240
Chung Kwok Pan	240	-	-	-	-	240
Ma Ka Ki	240	-	-	-	-	240
	<b>960</b>	<b>4,119</b>	<b>-</b>	<b>-</b>	<b>69</b>	<b>5,148</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' REMUNERATION (Continued)

### (i) Directors' and Chief Executive's remuneration (Continued):

For the year ended 31 December 2024

	Directors' fees HK\$'000	Salaries, allowance and benefits-in-kind HK\$'000	Discretionary bonuses HK\$'000	Share-based payment HK\$'000 (Note 29)	Retirement scheme contributions HK\$'000	Total HK\$'000
<b>Executive directors:</b>						
Lam Hiu Lo	-	2,380	-	-	18	2,398
Cheung Ka Yee	-	780	-	-	18	798
Cheung Ting Kee (Chief Executive)	-	600	-	-	18	618
Xing Shaonan (Note (d))	-	150	-	-	-	150
Mack Andrew Kar Lung (Note (e))	-	382	-	-	5	387
<b>Non-executive directors:</b>						
Chuang Henry Yueheng (Note (c))	-	-	-	-	-	-
<b>Independent non-executive directors:</b>						
Chan Sze Hung	240	-	-	-	-	240
Zhang Shuang	240	-	-	-	-	240
Chung Kwok Pan	240	-	-	-	-	240
Ma Ka Ki	240	-	-	-	-	240
	<u>960</u>	<u>4,292</u>	<u>-</u>	<u>-</u>	<u>59</u>	<u>5,311</u>

#### Notes:

- (a) Mr. Dai Bin was appointed as an executive director of the Company on 21 July 2025.
- (b) Mr. Wong Kin Chun, Gilbert was appointed an executive director of the Company on 22 August 2025.
- (c) Dr. Chuang Henry Yueheng was appointed as non-executive director of the Company on 1 February 2024.
- (d) Mr. Xing Shaonan was appointed and resigned as an executive director of the Company on 1 March 2024 and 1 May 2024 respectively.
- (e) Dr. Mack Andrew Kar Lung was appointed and resigned as an executive director of the Company on 1 May 2024 and 5 November 2024 respectively.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during both years. In addition, no emoluments were paid by the Group to any of the directors as an inducement to join, or upon joining the Group or as a compensation for loss of office for the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' REMUNERATION

(Continued)

### (ii) Employees' remuneration:

The five highest paid individuals of the Group included 3 (2024: 3) directors of the Company. Details of their emoluments are included in note 11 (i) above.

The emoluments of the remaining 2 (2024: 2) highest paid individual for the year are set out as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Salaries, allowances and benefits-in-kind	<b>2,394</b>	2,615
Contribution to retirement benefits schemes	<b>36</b>	36
	<b>2,430</b>	2,651

The emoluments of the individuals are within the following bands:

	<b>2025</b> <b>Number of</b> <b>employees</b>	2024 <i>Number of</i> <i>employees</i>
Below HK\$1,000,000	<b>1</b>	1
HK\$1,000,001 to HK\$1,500,000	–	–
HK\$1,500,001 to HK\$2,000,000	<b>1</b>	1
	<b>2</b>	2

During the years ended 31 December 2025 and 2024, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

## 12. DIVIDEND

The Board of Directors does not recommend the payment of a dividend for the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 13. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share is based on profit (loss) attributable to the owners of the Company and the weighted average number ordinary shares in issue during the year.

For the years ended 31 December 2025 and 2024, diluted earnings (loss) per share is the same as basic earnings (loss) per share. The Company did not have any dilutive potential ordinary shares during the years ended 31 December 2025 and 2024.

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

### Earnings (Loss)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit (Loss) for the year attributable to owners of the Company, for the purpose of basic earnings (loss) per share	<u>177,641</u>	<u>(197,692)</u>
Profit (Loss) for the year attributable to owners of the Company, for the purpose of diluted earnings (loss) per share	<u>177,641</u>	<u>(197,692)</u>

### Number of shares

	2025	2024
Weighted average number of ordinary shares in issue for the purpose of basic and diluted earnings (loss) per share	<u>953,294,798</u>	<u>945,527,675</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 14. PROPERTY AND EQUIPMENT

	Right-of-use assets – Office premises HK\$'000 (Note a)	Leasehold improvements HK\$'000	Furniture and fixtures HK\$'000	Office equipment HK\$'000	Yacht HK\$'000	Total HK\$'000
Reconciliation of carrying amount – year ended 31 December 2024						
At 1 January 2024	3,158	24	44	2,039	26,600	31,865
Additions	22,047	–	41	27	–	22,115
Disposal	–	–	–	–	(188)	(188)
Termination of leases	(8,223)	–	–	–	–	(8,223)
Depreciation	(7,157)	(8)	(16)	(757)	(4,241)	(12,179)
At 31 December 2024	<u>9,825</u>	<u>16</u>	<u>69</u>	<u>1,309</u>	<u>22,171</u>	<u>33,390</u>
Reconciliation of carrying amount – year ended 31 December 2025						
At 1 January 2025	9,825	16	69	1,309	22,171	33,390
Additions	–	–	–	80	–	80
Depreciation	(5,541)	(9)	(23)	(435)	(4,226)	(10,234)
At 31 December 2025	<u>4,284</u>	<u>7</u>	<u>46</u>	<u>954</u>	<u>17,945</u>	<u>23,236</u>
At 31 December 2024						
Cost	33,358	4,261	573	5,540	42,257	85,989
Accumulated depreciation	(23,533)	(4,245)	(504)	(4,231)	(20,086)	(52,599)
	<u>9,825</u>	<u>16</u>	<u>69</u>	<u>1,309</u>	<u>22,171</u>	<u>33,390</u>
At 31 December 2025						
Cost	11,083	4,261	573	5,620	42,257	63,794
Accumulated depreciation	(6,799)	(4,254)	(527)	(4,666)	(24,312)	(40,558)
	<u>4,284</u>	<u>7</u>	<u>46</u>	<u>954</u>	<u>17,945</u>	<u>23,236</u>

Notes:

- (a) The Group leases office premises for its daily operations with a lease term of 2 years (2024: 2 years).

The Group has recognised the following amounts for the year:

	2025 HK\$'000	2024 HK\$'000
Lease payments:		
Total cash outflow for leases (Note 30(a))	<u>5,860</u>	<u>7,653</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 15. INVESTMENT PROPERTIES

	Note	2025 HK\$'000	2024 HK\$'000
<b>Fair value</b>			
At the beginning of the reporting period		407,500	505,700
Change in fair value	7	(94,000)	(98,200)
At the end of the reporting period		<u>313,500</u>	<u>407,500</u>

At the end of the reporting period, the investment properties of HK\$313,500,000 (2024: HK\$407,500,000) are held with the remaining lease term of 35 to 100 years (2024: 36 to 101 years).

The Group's investment properties as at 31 December 2025 consist of four commercial properties (2024: four commercial properties) in Hong Kong.

The property interests in investment properties thereon (including the whole or part of undivided share in the underlying land) in Hong Kong of HK\$313,500,000 (2024: HK\$407,500,000) are held by the Group as the registered owner. Those property interests were acquired from the previous registered owners by making lump sum payments at the upfront (which may be financed by a mortgage). Except for the variable amounts to be charged by the government subsequently that are reviewed regularly with reference to the rateable values, for example, there are no ongoing payments to be made under the terms of the land lease.

The Group's investment properties were revalued on 31 December 2025 based on valuations performed by Ravia Global Appraisal Advisory Limited ("Ravia"), an independent professional valuer in Hong Kong which is a member of The Hong Kong Society of Financial Analysts Ltd, at HK\$313,500,000 (2024: HK\$407,500,000).

Certain of the Group's investment properties with an aggregate carrying value at the end of the reporting period of HK\$284,500,000 (2024: HK\$359,800,000) were pledged to secure banking facilities granted to the Group (Note 26).

### Leasing arrangement – as lessor

The Group leases its investment properties to third parties under operating leases with lease term of 2 to 5 years, certain of which had an initial non-cancellable lease term of 2 years (2024: 2 years) and certain leases provided the lessees with options to extend at the end of the term for 3 years (2024: 3 years).

The investment properties are subject to residual value risk. The lease contract, as a result, includes a provision on residual value guarantee based on which the Group has the right to charge the tenant for any damage to certain of the investment properties at the end of the lease, unless the loss or damage caused through the act, neglect, omission or negligence of the Group. Besides, the Group has purchased insurance to protect it against any loss that may arise from accidents or physical damages of the properties.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 15. INVESTMENT PROPERTIES *(continued)*

### Leasing arrangement – as lessor *(continued)*

Below is a maturity analysis of undiscounted lease payments to be received from the leasing of investment properties as at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Year 1	9,760	6,710
Year 2	6,360	5,160
Year 3	3,060	2,760
Year 4	2,070	2,760
Year 5	–	2,070
Undiscounted lease payments to be received	<b>21,250</b>	<b>19,460</b>

### 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 2025 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:				
Commercial properties	–	–	313,500	313,500
	<b>–</b>	<b>–</b>	<b>313,500</b>	<b>313,500</b>
	Fair value measurement as at 31 December 2024 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:				
Commercial properties	–	–	407,500	407,500
	<b>–</b>	<b>–</b>	<b>407,500</b>	<b>407,500</b>

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 (2024: Nil).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 15. INVESTMENT PROPERTIES (continued)

### Fair value hierarchy (continued)

Reconciliation of fair value measurement categorised within Level 3 of the fair value hierarchy:

	Commercial properties	
	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	407,500	505,700
Net fair value loss on investment properties	(94,000)	(98,200)
At the end of the reporting period	<b>313,500</b>	<b>407,500</b>

### Description of the valuation techniques and inputs used in Level 3 fair value measurement

The fair value of investment properties as at the end of the reporting period were revalued by Ravia, independent professional valuer in Hong Kong, which is a member of The Hong Kong Society of Financial Analysis Ltd., on the market value basis using direct comparison approach.

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties classified as Level 3 of the fair value hierarchy:

	Valuation techniques	Significant inputs	Weighted average
<b>As at 31 December 2025</b>			
Commercial properties	Direct comparison approach	Sales price (per square foot)	HK\$9,000 to HK\$13,000
	<b>Valuation techniques</b>	<b>Significant inputs</b>	<b>Weighted average</b>
<b>As at 31 December 2024</b>			
Commercial properties	Direct comparison approach	Sales price (per square foot)	HK\$14,000 to HK\$16,000

Under the direct comparison approach, fair value is determined by reference to comparable market transactions and adjusted for differences on location, physical and transaction attributes and is correlated to the estimated sales price.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 16. INTANGIBLE ASSETS

	Trading rights and licenses <i>HK\$'000</i>	Country club membership <i>HK\$'000</i>	Golf club membership <i>HK\$'000</i>	Technical service contract (Note 31) <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Reconciliation of carrying amount</b>					
At 1 January 2024	7,425	5,000	242	–	12,667
Amortisation	–	–	(50)	–	(50)
At 31 December 2024	7,425	5,000	192	–	12,617
At 1 January 2025	7,425	5,000	192	–	12,617
Addition	–	–	–	16,390	16,390
Amortisation and impairment	–	–	(50)	(16,390)	(16,440)
At 31 December 2025	7,425	5,000	142	–	12,567
At 31 December 2024					
Cost	7,425	5,000	400	–	12,825
Accumulated amortisation	–	–	(208)	–	(208)
Net carrying amount	7,425	5,000	192	–	12,617
At 31 December 2025					
Cost	7,425	5,000	400	16,390	29,215
Accumulated amortisation and impairment	–	–	(258)	(16,390)	(16,648)
Net carrying amount	7,425	5,000	142	–	12,567

Notes:

- Trading rights and licenses confer eligibility on the Group to trade on the Stock Exchange and the Hong Kong Future Exchange Limited. The Trading rights and licenses have no foreseeable limit to the period over which the Group can use to generate cash flows. As a result, trading rights and licenses are considered by the management of the Group as having indefinite useful life. The trading rights and licenses will not be amortised until its useful life is determined to be finite.
- The membership of Hong Kong Country Club has no foreseeable limit to the period over which the Group can use to generate cash flows. As a result, membership is considered by the management of the Group as having indefinite useful life. The membership will not be amortised until its useful life is determined to be finite.
- No impairment losses on trading rights and licenses and country club membership have been recognised for the year ended 31 December 2025.
- Golf club membership has a validity of 10 years and the Group has determined that this asset has a useful life of 10 years. It is tested for impairment where an indicator of impairment appears.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 17. GOODWILL

HK\$'000

### Reconciliation of carrying amount

At 1 January 2024, at 31 December 2024,  
1 January 2025 and 31 December 2025

**6,115**

At 31 December 2024 and 31 December 2025

Cost

**6,115**

Accumulated impairment losses

–

Net carrying amount

**6,115**

In October 2021, the Group acquired 100% equity interests in Briscoe Wong Advisory Limited (“Briscoe”) at a consideration of HK\$16,800,000. Briscoe, as a cash-generating unit, is engaged in provision of corporate advisory related services (the “Briscoe Business CGU”). The excess of the consideration transferred over the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed amounted to approximately HK\$6,115,000 and was recognised as a goodwill.

At 31 December 2025, the Group assessed the recoverable amount of the Briscoe Business CGU with reference to business valuation of Briscoe based on cash flow projection of Briscoe. The calculation uses cash flow projection based on the most recent financial budgets approved by the management that covering a 5-year period with reference to the financial information of the selected listed companies, which principal business being comparable to that of Briscoe. Cash flows beyond the 5-year period have been extrapolated using a 2% (2024: 2%) long-term growth rate.

The recoverable amount of the Briscoe Business CGU exceeded the carrying amount based on value-in-use calculation. Accordingly, no impairment on goodwill was recognised during the year ended 31 December 2025.

### Key assumptions and inputs used for the business valuation are as follows:

	2025	2024
Average growth rate	13.00%	14.00%
Long-term growth rate	2.00%	2.00%
Pre-tax discount rate	19.10%	20.62%

Management determined the average growth rate and long-term growth rate based on past performance and the expectation of market development. The discount rate used is pre-tax and reflects specific risks relating to the Briscoe Business CGU.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 17. GOODWILL (continued)

### Sensitivity of key assumptions

The management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the Briscoe Business CGU to exceed its recoverable amount.

## 18. INVESTMENT IN ASSOCIATES

	2025 HK\$'000	2024 HK\$'000
Share of net assets	<u>358,200</u>	<u>247,066</u>

Details of the associates at the end of the reporting period are as follows:

Name of associate	Principal place of business/ incorporation	Particular of issued share capital/ registered capital	Proportion of value of registered and paid-up capital indirectly held by the Company		Principal activities
			2025	2024	
Green River Associates Limited ("Green River Marshall")	Hong Kong/Marshall Islands	309 (2024: 255) ordinary shares of no par value	47%	48%	Investment holding
HEC Securities Company Limited ("HEC Securities")	Hong Kong/British Virgin Islands	164,230,000 (2024:154,380,000) ordinary shares of no par value	31%	33 %	Investment holding

Note:

- (a) On 25 July 2025, the Group subscribed for 22 new ordinary shares in Green River at a consideration of HK\$37,400,000. Green River also allotted 32 shares to independent third parties at consideration of HK\$54,400,000 and the subscription was completed on the same date. Upon completion of the subscription, the Group's equity interest in Green River Marshall decreased from 48% to 47%.
- (b) In April and September 2025, HEC Securities issued certain new shares to independent third party investors and the Group's equity interests in HEC Securities has been diluted from 33% to 31% accordingly.

The above associates are accounted for using the equity method in the consolidated financial statements.

### Relationship with associates

Green River Marshall and HEC Securities engaged in securities investment, are a strategic partner of the Group in developing the tactical and strategic investment business.

### Fair value of investments

The above associates are private companies and there is no quoted market price available for the investments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 18. INVESTMENT IN ASSOCIATES *(continued)*

### Financial information of associates

Summarised financial information of associates are set out below, which represents amounts shown in the associates' financial statements prepared in accordance with HKFRS Accounting Standards and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

<b>At 31 December 2025</b>	<b>Green River Marshall HK\$'000</b>	<b>HEC Securities HK\$'000</b>
<b>Gross amount</b>		
Current assets	346,216	195
Non-current assets	415,609	69,533
Current liabilities	(32,449)	(10,698)
	<u>729,376</u>	<u>59,030</u>
Group's ownership interests	<u>47%</u>	<u>31%</u>
<b>Group's share of equity and carrying amount of interest</b>	<u>339,890</u>	<u>18,310</u>
<b>Year ended 31 December 2025</b>	<b>Green River Marshall HK\$'000</b>	<b>HEC Securities HK\$'000</b>
<b>Gross amount</b>		
Revenue and other loss	72,921	(15)
Profit (loss) for the year	279,612	(65)
Other comprehensive income (expense) for the year	1,918	(187,987)
Total comprehensive income (expense) for the year	281,530	(188,052)
Group's ownership interests	<u>(note (a)) 47% – 48%</u>	<u>(note (b)) 31% – 33%</u>
<b>Group's share of:</b>		
Profit (loss) from operations for the year	131,175	(21)
Other comprehensive income (loss) for the year	894	(58,314)
Total comprehensive income (loss) for the year	<u>132,069</u>	<u>(58,335)</u>
Dividend received from the associates	<u>–</u>	<u>–</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 18. INVESTMENT IN ASSOCIATES *(continued)* Financial information of associates *(continued)*

	<b>Green River Marshall</b> <i>HK\$'000</i>	<b>HEC Securities</b> <i>HK\$'000</i>
<b>At 31 December 2024</b>		
<b>Gross amount</b>		
Current assets	254,205	184
Non-current assets	186,674	262,668
Current liabilities	(84,647)	(30,595)
	<u>356,232</u>	<u>232,257</u>
Group's ownership interests	<u>48%</u>	<u>33%</u>
<b>Group's share of equity and carrying amount of interest</b>	<u>170,421</u>	<u>76,645</u>
	<b>Green River Marshall</b> <i>HK\$'000</i>	<b>HEC Securities</b> <i>HK\$'000</i>
<b>Year ended 31 December 2024</b>		
<b>Gross amount</b>		
Revenue and other loss	(51,336)	(56)
Loss for the year	(89,673)	(9,463)
Other comprehensive expense for the year	(2,085)	(75,834)
Total comprehensive expense for the year	(91,758)	(85,297)
Group's ownership interests	<u>48%</u>	<u>33%</u>
Group's share of:		
Loss from operations for the year	(42,900)	(3,122)
Other comprehensive expense for the year	(998)	(25,025)
Total comprehensive expense for the year	<u>(43,898)</u>	<u>(28,147)</u>
Dividend received from the associates	<u>–</u>	<u>–</u>

### **Contingent liabilities of associates**

At the end of the reporting period, there are no contingent liabilities incurred by the Group in relation to its interest in associates.

## 19. OTHER ASSETS

At 31 December 2025 and 2024, other assets represent statutory and other deposits with various exchanges and clearing houses and except for stamp deposits placed in the Stock Exchange, all other deposits are non-interest bearing.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 20. TRADE, LOAN AND OTHER RECEIVABLES

	Note	2025 HK\$'000	2024 HK\$'000
<b>Trade receivables</b>			
Trade receivables arising from the business of securities brokerage	(a)		
– cash clients		2	–
– margin clients	(b)	316,585	571,368
– Hong Kong Securities Clearing Company Limited (“HKSCC”)	(c)	1,388	5,185
Trade receivables from futures clearing house arising from the business of dealing in futures contracts	(a)	3,570	3,555
		<u>321,545</u>	<u>580,108</u>
Less: Loss allowance	35	(250)	(36,905)
		<u>321,295</u>	<u>543,203</u>
Trade receivables from provision of corporate advisory service		6,595	9,196
Trade receivables from provision of financial advisory service		2,861	237
Trade receivables from provision of assets management service			
– from independent third parties		1,002	1,002
– from an associate		–	60
	(d)	<u>10,458</u>	<u>10,495</u>
Less: Loss allowance	35	(1,045)	(1,045)
		<u>9,413</u>	<u>9,450</u>
<b>Loan and interest receivables</b>			
Loan and interest receivables from independent third parties	(e)	413,367	182,298
Less: Loss allowance	35	(616)	(985)
		<u>412,751</u>	<u>181,313</u>
<b>Other receivables</b>			
Prepayments		1,820	1,947
Deposits		1,999	1,677
Other receivables	(f)	5,511	163,774
Due from an associate	(g)	–	2,105
		<u>9,330</u>	<u>169,503</u>
Less: Loss allowance	35	–	(225)
		<u>9,330</u>	<u>169,278</u>
		<u>752,789</u>	<u>903,244</u>
Less: Non-current portion			
Other receivables – deposits		(634)	(1,030)
		<u>752,155</u>	<u>902,214</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 20. TRADE, LOAN AND OTHER RECEIVABLES (continued)

Information about the Group's exposure to credit risks and loss allowance for trade, loan and other receivables is included in note 35 to the consolidated financial statements.

Notes:

- (a) No ageing analysis by invoice date is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of financial services business of the Group. The Group offsets certain trade receivables and trade payables when the Group has a legally enforceable right to set off the balances; and intends to settle on a net basis or to realise the balances simultaneously. Details are set out in note 37 to the consolidated financial statements.
- (b) Trade receivables from margin clients are repayable on demand and bear interest at 4% (2024: at 2%) per annum for the year ended 31 December 2025. The loans are secured by pledged listed securities with a total fair value of approximately HK\$1,273,543,000 (2024: approximately HK\$709,552,000). The Group is permitted to sell or repledge the listed securities if the customers default on the payment when requested by the Group. Included in trade receivables from margin clients of HK\$33,000 (2024: HK\$71,354,000) at 31 December 2025 was amount due from an associate.

As at 31 December 2025, allowance for impairment loss of HK\$250,000 (2024: HK\$36,905,000) is recognised for the trade receivables from margin clients. Details are set out in note 35 to the consolidated financial statements.

- (c) The settlement terms of trade receivables arising from the provision of securities brokerage business with HKSCC are usually two days after trade date.
- (d) Trade receivables from provision of corporate advisory service, financial advisory service and assets management service are unsecured, interest-free and repayable within 30 days upon presentation of invoices.

As at 31 December 2025, allowance for impairment loss of HK\$1,045,000 (2024: HK\$1,045,000) is recognised for the trade receivables from provision of corporate advisory service, financial advisory service and asset management service. Details are set out in note 35 to the consolidated financial statements.

- (e) Loan and interest receivables represent receivables arising from the Group's credit and lending business and are stated at amortised cost.

Details of the personal and corporate loan receivables for the year ended 31 December 2025 and 31 December 2024 respectively are as follows:

Category	Unsecured/Secured	Principal amount in range	Interest rate in range	2025		Collateral	Gross amount HK\$'000	Impaired amount HK\$'000	Net amount HK\$'000
				Duration* (months)	Number of loans				
Personal	Unsecured	HK\$7,500,000	10%	12	1	N/A	502	502	-
Corporate	Unsecured	HK\$4,800,000 to HK\$90,000,000	4% to 6.5%	1 to 12	9	N/A	412,865	114	412,751
					10		413,367	616	412,751

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 20. TRADE, LOAN AND OTHER RECEIVABLES (continued)

Notes (continued):

(e) (continued)

Category	Unsecured/Secured	Principal amount in range	Interest rate in range	2024		Collateral	Gross amount HK\$'000	Impaired amount HK\$'000	Net amount HK\$'000
				Duration* (months)	Number of loans				
Personal	Secured	HK\$13,000,000	2% to 7.5%	12	1	Unlisted equity securities	17,610	187	17,423
	Unsecured	HK\$4,500,000 to HK\$13,000,000	2% to 10%	6 to 12	10	N/A	106,248	782	105,466
Corporate	Unsecured	HK\$10,000,000 to HK\$13,000,000	2% to 8%	12	5	N/A	58,440	16	58,424
					16		182,298	985	181,313

\* Duration is based on loan commencement or renewal date set out in the relevant contracts.

The amount granted to individuals and corporates depends on management's assessment of credit risk of the customers by evaluation on background check (such as their profession, salaries and current job position for individual borrowers and their industry and financial position for corporate borrowers) and repayment abilities. As at 31 December 2025, allowance for impairment loss of HK\$616,000 (2024: HK\$985,000) is recognised for the loan and interest receivables. Details are set out in note 35 to the consolidated financial statements. The ageing analysis of loan and interest receivables (net of loss allowance) are set out in note 35 to the consolidated financial statements.

(f) Included in the other receivables were other loan receivables HK\$154,000,000 from an independent third party as at 31 December 2024. The amounts of other loan receivables as at 31 December 2024 were secured by pledged listed securities with a total fair value of approximately HK\$201,079,000, interest-free and repayable on demand. The amount of other loan receivables HK\$154,000,000 were settled in March and November 2025.

As at 31 December 2025, no impairment loss (2024: impairment loss of HK\$225,000) is recognised for the other receivables. Details are set out in note 35 to the consolidated financial statements.

(g) The amount due was unsecured, interest-free and had no fixed repayment term.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 21. DESIGNATED FVOCI

	2025 HK\$'000	2024 HK\$'000
Listed securities in Hong Kong		
Touyun Biotech Group Ltd.	21,675	15,810
CSC Holdings Ltd.	18,080	15,669
Imagi International Holdings Ltd.	28,980	11,049
CC Land Holdings Ltd.	9,840	9,676
Oshidori International Holdings Ltd.	38,592	8,592
Y.T. Realty Group Ltd.	2,820	4,500
Blue River Holdings Ltd.	6,000	5,000
ZhongAn Online P&C Insurance Co., Ltd.	–	11,309
China Water Industry Group Limited	2,950	–
Livzon Pharmaceutical Group Inc	5,704	5,510
Others	18,650	11,705
	<b>153,291</b>	<b>98,820</b>

At the date of initial recognition, the Group irrevocably designated certain investments in equity securities as Designated FVOCI because these equity securities represent investments that the Group intends to hold for long-term strategic purposes. The Group considers the accounting treatments under this classification provide more relevant information for those investments

During the year ended 31 December 2025, the net fair value gain on Designated FVOCI of HK\$51,463,000 (2024: loss on Designated FVOCI of HK\$71,472,000) was recognised in other comprehensive income.

During the year ended 31 December 2025, Designated FVOCI with fair value of approximately HK\$63,356,000 (2024: HK\$30,347,000) was disposed which is in line with the Group's inherent investment strategy. The cumulative loss of approximately HK\$3,057,000 (2024: HK\$3,099,000) that was previously included in the investment revaluation reserve (non-recycling) was transferred directly to retained earnings during the year ended 31 December 2025.

At the end of the reporting period, except for investment in Oshidori International Holdings Limited ("Oshidori") that is classified in Designated FVOCI of HK\$38,592,000 and financial assets at FVPL of HK\$91,154,000, no individuals investments exceeded 5% of the Group's total assets (2024: no individuals investments exceeded 5% of the Group's total assets).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 22. FINANCIAL ASSETS AT FVPL

	2025 HK\$'000	2024 HK\$'000
Unlisted equity securities, at fair value (note)	217,503	49,407
Listed securities in Hong Kong	93,822	60,889
Profit guarantee receivable (note 31)	13,460	–
	<u>324,785</u>	<u>110,296</u>
Analysed as:		
Non-current	226,187	49,407
Current	98,598	60,889
	<u>324,785</u>	<u>110,296</u>

Note:

As at 31 December 2025, included in the unlisted equity securities were 305 (2024: 70) shares of Zaotos Capital Limited (“formerly known as Hope Capital Limited”) (“Zaotos Capital”) with carrying amount of approximately HK\$125,000,000 (2024: HK\$14,000,000), representing the 11.2% (2024: 3.3%) equity interests in Zaotos Capital and Zaotos Capital had been classified as financial assets at FVPL.

In the opinion of the directors of the Company, Zaotos Capital was continuously held for long term investment. Zaotos Capital principally engaged in securities trading and investments, provision of finance and financial services business in Hong Kong.

The amount represents the unlisted equity which classified as financial assets at FVPL. In the opinion of the directors of the Company, these investments were held for long term investment.

At the end of the reporting period, except for investment in Zaotos Capital, no individuals investments exceeded 5% of the Group’s total assets (2024: no individuals investments exceeded 5% of the Group’s total assets).

## 23. BANK BALANCES – TRUST AND SEGREGATED ACCOUNTS/BANK BALANCES AND CASH

### Bank balances – trust and segregated accounts

The Group receives and holds money deposited by clients and other institutions in the course of the conduct of the regulated activities of its ordinary business. These clients’ monies are maintained in one or more segregated bank accounts. The Group has recognised the corresponding accounts payable to respective clients and other institutions.

### Bank balances and cash

Cash at banks earns interest at floating rates based on daily bank deposit rates.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 24. TRADE AND OTHER PAYABLES

	Note	2025 HK\$'000	2024 HK\$'000
<b>Trade payables</b>			
Trade payables arising from the business of securities brokerage	(a)		
– cash clients		722	4,676
– margin clients		2,773	607
– HKSCC		2	–
Trade payables arising from the business of options broking	(a)	–	209
Trade payables arising from the business of dealing in futures contract	(b)	1,360	1,404
Secured margin loans from securities brokers		–	12,201
		<u>4,857</u>	<u>19,097</u>
<b>Other payables</b>			
Other payables and accrued charges		11,321	5,786
Due to an associate	(c)	20,965	–
Rental deposits received		2,517	2,896
		<u>34,803</u>	<u>8,682</u>
Less: non-current portion		<u>(2,517)</u>	<u>(2,896)</u>
Current portion		<u>32,286</u>	<u>5,786</u>
Total current portion		<u><u>37,143</u></u>	<u><u>24,883</u></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 24. TRADE AND OTHER PAYABLES *(continued)*

Notes:

- (a) Trade payables to cash, margin and option clients are repayable on demand. The settlement terms of trade payables arising from the provision of securities brokerage business with HKSCC are usually two days after trade date. No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of securities brokerage business. The Group offsets certain trade receivable and trade payable when the Group currently has a legally enforceable right to set off the balances; and intends to settle on a net basis or to realise the balances simultaneously. Details are set out in note 37 to the consolidated financial statements.
- (b) Trade payables to clients arising from the business of dealing in futures contracts are margin deposits received from clients for their trading of futures contracts on the Hong Kong Futures Exchange Limited (the "HKFE"). The excesses of the outstanding amounts over the required initial margin deposits stipulated by the HKFE are repayable to clients on demand.
- (c) The amount due is unsecured, interest-bearing at 4% per annum and repayable in November 2026.

## 25. LEASE LIABILITIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	9,884	3,275
Addition	–	22,047
Termination of leases	–	(8,393)
Imputed interest expense on lease liabilities	413	608
Lease payments	<u>(5,860)</u>	<u>(7,653)</u>
At 31 December	4,437	9,884
Less: Non-current portion	<u>–</u>	<u>(4,437)</u>
Current portion	<u><u>4,437</u></u>	<u><u>5,447</u></u>

Lease liabilities as at 31 December 2025 are carried at incremental borrowing rate ranging from 5.00% to 6.42% per annum (2024: ranging from 5.00% to 6.42% per annum) repayable within 1 year (2024: 1 to 2 years).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 26. INTEREST-BEARING BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Secured bank loans repayable on demand	<u>200,674</u>	<u>227,890</u>

The ranges of interest rates on the Group's interest-bearing borrowings are as follows:

	2025	2024
Interest rates		
1 month HIBOR*	<u>Plus 1.7% to 1.9% per annum</u>	<u>Plus 1.5% to 1.9% per annum</u>

\* Hong Kong Interbank Offer Rate

At the end of the reporting period, bank loans with a clause in their terms that gives the banks an overriding right to demand for repayment are classified as current liabilities even though the directors do not expect that the banks would exercise their right to demand repayment. The bank loans were denominated in Hong Kong dollars and secured by the Group's certain investment properties with carrying value of approximately HK\$284,500,000 (2024: HK\$359,800,000) and a corporate guarantee of HK\$282,300,000 (2024: HK\$282,300,000) was provided by the Company.

## 27. DEFERRED TAXATION

The movements for the year in the Group's net deferred tax position are as follows:

	Depreciation allowance HK\$'000	Collective impairment on intangible assets HK\$'000	Tax losses HK\$'000	Total HK\$'000
At 1 January 2024	(7,156)	(1,073)	4,994	(3,235)
(Charged) Credited to profit or loss for the year (Note 10)	<u>(1,862)</u>	<u>–</u>	<u>1,862</u>	<u>–</u>
At 31 December 2024	<u>(9,018)</u>	<u>(1,073)</u>	<u>6,856</u>	<u>(3,235)</u>
At 1 January 2025	<b>(9,018)</b>	<b>(1,073)</b>	<b>6,856</b>	<b>(3,235)</b>
Credited to profit or loss for the year (Note 10)	<u>35</u>	<u>–</u>	<u>992</u>	<u>1,027</u>
At 31 December 2025	<u><b>(8,983)</b></u>	<u><b>(1,073)</b></u>	<u><b>7,848</b></u>	<u><b>(2,208)</b></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 27. DEFERRED TAXATION *(continued)*

Recognised deferred tax assets (liabilities) at the end of the reporting period represent the following:

	Assets		Liabilities	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Depreciation allowance	–	–	(8,983)	(9,018)
Collective impairment on intangible assets	–	–	(1,073)	(1,073)
Tax losses	7,848	6,856	–	–
Deferred tax asset (liabilities)	7,848	6,856	(10,056)	(10,091)
Offsetting	(7,848)	(6,856)	7,848	6,856
Net deferred tax liabilities	–	–	(2,208)	(3,235)

At the end of the reporting period, the Group had unrecognised temporary differences arising from unused tax losses of approximately HK\$39,458,000 (2024: HK\$124,804,000). Deferred tax assets have not been recognised due to the unpredictability of future profit available against which the Group can utilise the benefits therefrom. The tax losses do not expire under current tax legislation.

## 28. SHARE CAPITAL

	Number of shares	Share capital HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	5,000,000,000	500,000
Issued and fully paid:		
At 1 January 2024, 31 December 2024 and 1 January 2025	945,527,675	94,553
Issue of consideration shares for acquisition of a subsidiary (Note 32)	15,000,000	1,500
At 31 December 2025	960,527,675	96,053

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 29. SHARE OPTION AND SHARE AWARD SCHEME

### (a) Share Option Scheme

#### *2015 Share Option Scheme*

On 21 May 2015, a share option scheme (the “**Share Option Scheme**”) was approved and conditionally adopted by the Company, whereby the Board may, at its absolute discretion and on such terms as it may think fit, grant options to any officer, employee (full-time or part-time), director or proposed director of and business consultant, professional or other advisers to any member of the Eligible Group (as defined in the Share Option Scheme). No service provider sublimit was set under the Share Option Scheme.

The total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme is 93,352,767 Shares, representing approximately 9.9% of the issued share capital of the Company.

During the years ended 31 December 2024 and 2025, no share options were granted, exercised, cancelled or lapsed under the Share Option Scheme and there were no share options with respect to the Share Option Scheme and any other option schemes of the Company outstanding at the beginning and at the end of the reporting period. The Share Option Scheme lapsed since 21 May 2025.

### (b) Share Award Scheme

#### *2020 Share Award Scheme*

The Company adopted a share award scheme on 8 May 2020 (the “**Share Awarded Scheme**”) which has a term of 10 years and will expire on 8 May 2030.

The specific objectives of the Share Award Scheme are:

- (i) to recognise the contributions by the selected grantees and to provide them with incentives in order to retain them for the continual operation and development of the Group, particularly in respect of its existing financial services business; and
- (ii) to enhance the Group’s competitiveness in attracting and/or retaining suitable personnel or professionals who are capable of making contributions to the growth and development of the Group, particularly in respect of its principal business in financial services.

The maximum number of awarded shares that may be granted pursuant to the Share Award Scheme would be 10% of the issued share capital of the Company at the date of adoption of the Share Award Scheme (the “**Share Award Scheme Mandate Limited**”), being 94,552,767 shares of the Company. Subject to the Share Award Scheme Mandate Limit, the maximum number of awarded shares that may be granted in any financial year would be 3% of the issued shares of the Company (the “**Annual Limit**”). The Annual Limit is the maximum number of awarded shares which can be issued from the date of general meeting of the Company approving the Annual Limit to the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by its bye-laws or any applicable law to be held; and (iii) the revocation or variation of the approval by members of the Company in general meeting. The Annual Limit may be refreshed by Shareholders so that the Annual Limit refreshed shall not exceed 3% of the issued share capital of the Company as at the date of the general meeting approving such refreshment. The maximum aggregate number of the awarded shares which may be granted to a selected grantee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

The Annual Limit had not been refreshed by the Company at the annual general meeting held on 28 June 2023 and the Share Award Scheme was terminated by the Company on 26 March 2025. Thus, no awarded share was available for grant under the Share Award Scheme at the beginning and the end of the year ended 31 December 2025.

The Company may not grant any awarded share until the adoption of a new share award scheme is approved by the shareholders of the Company at a general meeting. No service provider sublimit was set under the Share Award Scheme.

During the years ended 31 December 2024 and 2025, no share award was granted, vested, cancelled or lapsed under the Share Award Scheme.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 30. OTHER CASH FLOW INFORMATION

### (a) Change in liabilities arising from financing activities

Details of the changes in the Group's liabilities from financing activities are as follows:

#### For the year ended 31 December 2025

	Lease liabilities HK\$'000	Interest- bearing borrowings HK\$'000	Accrued interest HK\$'000	Total HK\$'000
At 1 January 2025	9,884	227,890	834	238,608
Interest expenses	413	–	9,974	10,387
Cash outflow in financing activities:				
Repayment of interest-bearing borrowings	–	(27,216)	–	(27,216)
Principal portion of lease payments	(5,447)	–	–	(5,447)
Interest paid	(413)	–	(10,138)	(10,551)
<b>At 31 December 2025</b>	<b>4,437</b>	<b>200,674</b>	<b>670</b>	<b>205,781</b>

#### For the year ended 31 December 2024

	Lease liabilities HK\$'000	Interest- bearing borrowings HK\$'000	Accrued interest HK\$'000	Total HK\$'000
At 1 January 2024	3,275	239,720	990	243,985
Addition	22,047	–	–	22,047
Termination of leases	(8,393)	–	–	(8,393)
Interest expenses	608	–	14,236	14,844
Cash outflow in financing activities:				
Repayment of interest-bearing borrowings	–	(11,830)	–	(11,830)
Principal portion of lease payments	(7,045)	–	–	(7,045)
Interest paid	(608)	–	(14,392)	(15,000)
<b>At 31 December 2024</b>	<b>9,884</b>	<b>227,890</b>	<b>834</b>	<b>238,608</b>

### (b) Major non-cash transactions

Other than disclosed in note 31 and 32 to the consolidated financial statements, there was no major non-cash transaction during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 31. ACQUISITION OF A SUBSIDIARY

On 8 May 2025, Planetree Lavie Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. Dai Bin (“Mr Dai”), an independent third party by that time, to acquire the entire equity interest in Warpdrive Technology Limited (“Warpdrive”) by allotting an issuing 15,000,000 ordinary share of the Company at a fair value of HK\$1.99 each totalling HK\$29,850,000. Warpdrive is expected to develop the business opportunities into AI chip and semiconductor business development.

On 17 June 2025, Mr Dai guarantees and covenants that the audited net profit before tax of the Warpdrive shall be: (a) not less than HK\$5,000,000 for the year ended 31 December 2026; and (b) not less than HK\$10,000,000 for the year ended 31 December 2027 (the “Profit Guarantee”).

The acquisition was completed in July 2025. Upon Completion, Warpdrive had become an indirect wholly-owned subsidiary of the Company. The fair value of the Profit Guarantee at the date of acquisition and as at year ended was valued by Ravia. Details of the valuation techniques, key assumption and inputs used in the valuation as at year ended are set out in note 36 to the consolidated financial statements.

In the opinion of the directors, this acquisition did not constitute business combination as defined in HKFRS 3 (Revised) “Business Combinations”. Therefore, the acquisitions have been accounted for as acquisition of assets during the year ended 31 December 2025. The following summarises the consideration paid and the amounts of the assets acquired at the date of acquisition. No cash outflow was noted in this acquisition.

During the year, the Group conducted an impairment assessment of the technical service contract in develop AI chip and semiconductor (the “Technical Service Contract”). Management determined the recoverable amount of the Technical Service Contract is lower than the carrying amount. The Group recognised an impairment loss of HK\$16,390,000 as at the end of the reporting period.

	<i>HK\$'000</i>
<b>Consideration</b>	
Share issued, at fair value	29,850
Less: Profit guarantee receivable	<u>(13,460)</u>
	<u>16,390</u>
<b>Recognised account of identifiable assets acquired</b>	
Technical service contract	<u>16,390</u>
<b>Profit guarantee receivable analysed as:</b>	
Non-current	8,684
Current	<u>4,776</u>
	<u>13,460</u>

The subsidiary made no significant contribution to the revenue and results of the Group for the year ended 31 December 2025 after acquisition. The revenue and results of the subsidiary was also insignificant if the above acquisition had been taken place at the beginning of the reporting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 32. CHANGES IN OWNERSHIP INTERESTS IN A SUBSIDIARY

### (a) Increase in interests in subsidiaries

On 3 April 2025, Genius Spring Limited (“Genius Spring”) buy back 99 shares from a minority shareholder, representing approximately 9.9% of the equity interest of Genius Spring, at a cash consideration of HK\$3,800,000. Upon completion of the transaction, the Group’s equity interest in Genius Spring increased from 90.1% to 100% and Genius Spring became an indirect wholly-owned subsidiary of the Company by that time. The carrying amount of non-controlling interests acquired is HK\$3,726,000 and the difference of HK\$74,000 recognised directly in equity.

### (b) Changes in ownership interests in subsidiaries that do not result in a loss of control

Pursuant to the share swap agreement entered into with Hao Tian International Construction Investment Group Limited (“Hao Tian”), a company listed on the Stock Exchange, on 17 September 2025, Hao Tian subscribed for, and the Company’s wholly owned subsidiary, Planetree (BVI) Capital Limited (“PCL”), issued and allotted, 850 shares under the Company’s general mandate, representing approximately 29.8% of the enlarged issued share capital of the PCL, while PCL subscribed for, and Hao Tian issued and allotted, 1,600,000,000 shares of Hao Tian, at a fair value of HK\$0.214 each amount of HK\$342,400,000, under the general mandate of Hao Tian, representing approximately 14.75% of the enlarged issued share capital of Hao Tian. The share swap was completed on 22 October 2025 and the share of Hao Tian was recognised as financial assets at FVPL accordingly.

Upon completion of the transaction, the Group’s equity interest in PCL and its subsidiaries (“PCL Group”) decreased from 100% to 70.2% as a result of the change in ownership interests in a subsidiary without loss of control. The difference between the net consideration received and amount of non-controlling interests recognised amounted to approximately HK\$93,526,000 and such amount is recognised in equity.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 33. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in these consolidated financial statements, during the year, the Group had the following transactions with related parties:

Related party relationship	Nature of transaction	2025 HK\$'000	2024 HK\$'000
Associate	Asset management income	–	589
	Interest income from margin client	953	4,539
Company controlled by the de facto controller of the Company	Lease payments	3,759	3,669

The key management personnel are the directors of the Company. The details of the remuneration paid to them are set out in note 11 to the consolidated financial statements.

## 34. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends and new share issues as well as the issue of new debts.

The Group is not subject to any externally imposed capital requirements except for certain subsidiaries engaged in dealing in securities (Type 1), dealing in futures contracts (Type 2), leveraged foreign exchange trading (Type 3), advising on securities (Type 4), advising on futures contracts (Type 5), advising on corporate finance (Type 6), providing automated trading services (Type 7), providing margin financing services (Type 8) and asset management services (Type 9) which are regulated entities under the SFO and are required to maintain respective minimum capital and liquid capital under Securities and Futures (Finance Resource) Rules (the "SF(FR)R"). The management closely monitors, on a daily basis, the liquid capital requirements under SF(FR)R. The Group's regulated entities have complied with the capital requirements imposed by SF(FR)R throughout the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS

### Categories of financial instruments

	Note	2025 HK\$'000	2024 HK\$'000
<b>Financial assets</b>			
Financial assets at FVPL		324,785	110,296
Designated FVOCI		153,291	98,820
Amortised cost	(a)	1,128,319	946,967
<b>Financial liabilities</b>			
Amortised cost	(b)	240,334	255,669

Notes:

- (a) Financial assets at amortised cost include trade, loan and other receivables (excluding prepayments), other assets, bank balances – trust and segregated accounts and bank balances and cash.
- (b) Financial liabilities at amortised cost include trade and other payables and interest-bearing borrowings.

### Financial risk management objectives and policies

At 31 December 2025, the Group's major financial instruments include trade, loan and other receivables, financial assets at FVPL, Designated FVOCI, bank balances – trust and segregated accounts, bank balances and cash, trade and other payables and interest-bearing borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The risks associated and the management policies remain unchanged from prior year.

#### Market risk

##### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate interest-bearing borrowings. The management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

##### Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rate risks at the end of the reporting period. If the interest rates had been 100 (2024:100) basis points higher/lower and all other variables were held constant, the Group's profit (loss) before tax would decrease/increase by approximately HK\$1,899,000 (2024: HK\$1,793,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred throughout the reporting period and had been applied to the exposure to interest rate risk for the average balances of the interest-bearing loans from independent third parties in existence during the reporting period. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS *(continued)*

### Financial risk management objectives and policies *(continued)*

#### Market risk *(continued)*

##### Equity price risk

The Group is exposed to equity price risk through listed securities in financial assets at FVPL and Designated FVOCI. The directors of the Company manage the exposure by closely monitoring the portfolio of these financial instruments. The fair value of these financial instruments will be affected either positively or negatively, amongst others, by the changes in the closing market prices of the relevant listed equity securities.

The sensitivity analysis has been determined based on the exposure to equity price risks at the end of the reporting period. If the stock market index had been 29% (2024: 18%) higher/lower, and held other variables constant, the Group's profit (loss) before taxation for the year would increase/decrease by approximately HK\$27,208,000 (2024: HK\$10,960,000), as a result of changes in the fair value of financial assets at FVPL. If the stock market index had been 29% (2024: 18%) higher/lower, and held other variables constant, the Group's other comprehensive expense for the year would decrease/increase by approximately HK\$44,454,000 (2024: other comprehensive expense for the year would decrease/increase by approximately HK\$17,788,000), as a result of changes in the fair value of Designated FVOCI.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the next annual end of the reporting period. The analysis is performed on the same basis for 2024.

##### Credit risk

The carrying amount of financial assets on the consolidated statement of financial position, which is net of impairment losses, represents the Group's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements.

The Group's maximum exposure to credit risk in the event of the counterparties fail to perform their obligations in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

The Group reviews the recoverable amount of each individual financial assets at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS *(continued)*

### Financial risk management objectives and policies *(continued)*

#### Credit risk *(continued)*

##### *Trade receivables from margin clients*

The Group provides financing services only to recognised and creditworthy third parties. It is the Group's policy that all these margin clients are subject to credit verification procedures. The margin loans are secured by pledged listed securities and margins are set to ensure that certain proportion of the fair value of pledged listed securities of the individual margin clients is higher than the corresponding outstanding loans.

As at 31 December 2025, the Group has concentration of credit risk as 23% and 82% (2024: 22% and 90%) of the total loans to margin clients which due from the Group's largest margin client and the five largest margin clients respectively.

The Group's customer base consists of twelve (2024: *thirteen*) clients and the trade receivables from margin clients are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

In estimating the ECL and in determining whether there is a significant increase in credit risk since initial recognition, whether the financial asset is credit-impaired and the amount of loss given default, the Group has taken into account the credit quality of clients, the collateral to margin receivable balances ratio, amount of margin shortfall of margin clients and pledged listed securities and adjusted for forward-looking factors that are specific to the debtors and general economic conditions of the industry, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. There was no change in the estimation techniques or significant assumptions made during the year.

The Group has established a margin client credit risk classification system and performs credit risk management based on margin client classification in four categories of internal credit rating, including performing, underperforming, not performing and write off. The information about the ECL for the margin loan receivables as at 31 December 2025 is summarised below. After considering the above factors, a loss allowance of HK\$250,000 (2024: HK\$36,905,000) has been made as of 31 December 2025.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS *(continued)*

### Financial risk management objectives and policies *(continued)*

#### Credit risk *(continued)*

#### Trade receivables from margin clients *(continued)*

At 31 December 2025

Internal credit rating	Gross carrying amount HK\$'000	ECL	Loss allowance HK\$'000	Net carrying amount HK\$'000
Performing (Note i)	285,027	12-month	182	284,845
Underperforming (Note ii)	31,558	Lifetime	68	31,490
	<u>316,585</u>		<u>250</u>	<u>316,335</u>

At 31 December 2024

Internal credit rating	Gross carrying amount HK\$'000	ECL	Loss allowance HK\$'000	Net carrying amount HK\$'000
Performing (Note i)	101,072	12-month	56	101,016
Underperforming (Note ii)	322,934	Lifetime	16,043	306,891
Not performing (Note iii)	147,362	Lifetime	20,806	126,556
	<u>571,368</u>		<u>36,905</u>	<u>534,463</u>

Note:

- (i) Performing (Normal Credit Quality) refers to the margin clients that have not had a significant increase in credit risk and ECL in the next 12 months will be recognised.
- (ii) Underperforming (Significant Increase in Credit Risk) refers to the margin clients that have had a significant increase in credit risk, such as receivables with margin call made or default payments after the margin call made, and for which the lifetime ECL will be recognised.
- (iii) Not performing (Credit Impaired) refers to the loans that have past due after margin call for which the life time ECL will be recognised.
- (iv) Write off refers to the loans that have evidence indicating that the margin client is in severe financial difficulty and the Group has no realistic prospect of recovery.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

##### Trade receivables from margin clients (continued)

During the year ended 31 December 2025, the Group recognised a reversal of impairment loss of HK\$36,655,000 (2024: impairment loss of HK\$35,544,000) on its margin loan receivables. The movement in the loss allowance for margin loan receivables during the year is summarised below.

	2025			
	12-month ECL Performing HK\$'000	Lifetime ECL Under- performing HK\$'000	Lifetime ECL Not-performing HK\$'000	Total HK\$'000
At the beginning of the reporting period	56	16,043	20,806	36,905
Increase (decrease) of loss allowance	126	(15,975)	(20,806)	(36,655)
<b>At the end of the reporting period</b>	<b>182</b>	<b>68</b>	<b>–</b>	<b>250</b>
	2024			
	12-month ECL Performing HK\$'000	Lifetime ECL Under-performing HK\$'000	Lifetime ECL Not-performing HK\$'000	Total HK\$'000
At the beginning of the reporting period	1,361	–	–	1,361
Transfer between performing to under-performing and not-performing	(1,240)	751	489	–
(Decrease) increase of loss allowance	(65)	15,292	20,317	35,544
At the end of the reporting period	56	16,043	20,806	36,905

During the year ended 31 December 2025, a reversal of loss allowance of HK\$36,655,000 was made mainly due to the increase in fair value of pledged listed securities.

The management closely monitors the credit quality of the margin loans and there are no indications that the margin loan receivables neither past due nor impaired will be uncollectible.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

Trade receivables from financial and other financial services business other than trade receivables from margin clients

The Group trades with recognised and creditworthy third parties. The receivable balances are monitored on an ongoing basis by senior management and the Group's exposure to bad debts is not significant.

As at 31 December 2025, the Group has concentration of credit risk as 18% and 70% (2024: 29% and 83%) of total trade receivables from financial and other financial services business other than trade receivables from margin clients was due from the Group's largest receivable and the five largest receivables respectively.

The Group applies a simplified approach in calculating ECL for trade receivables and recognises a loss allowance based on 12-month ECL at each reporting date and 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. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience over the past two years and adjusted for current and forward-looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the year.

#### As at 31 December 2025

	Expected loss rate %	Gross carrying amount HK\$'000	Loss allowance HK\$'000	Credit- impaired
Not past due	–	–	–	No
1 – 30 days past due	–	4,320	–	No
Over 30 days past due	17.03	6,138	1,045	No
		<b>10,458</b>	<b>1,045</b>	

#### As at 31 December 2024

	Expected loss rate %	Gross carrying amount HK\$'000	Loss allowance HK\$'000	Credit- impaired
Not past due	–	1,062	–	No
1 – 30 days past due	–	2,571	–	No
Over 30 days past due	15.23	6,862	1,045	No
		<b>10,495</b>	<b>1,045</b>	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS *(continued)*

### Financial risk management objectives and policies *(continued)*

#### Credit risk *(continued)*

Trade receivables from financial and other financial services business other than trade receivables from margin clients *(continued)*

Ageing analysis

Ageing analysis of trade receivables (net of loss allowance) prepared based on invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Less than 1 month	–	1,062
1 to 3 months	4,320	2,571
Over 3 months	5,093	5,817
	<u>9,413</u>	<u>9,450</u>
At the end of the reporting period		

The information about the ECL for the trade receivables from financial and other financial services business other than trade receivables from margin clients as at 31 December 2025 is summarised below. After considering the above factors, a loss allowance of HK\$1,045,000 (2024: HK\$1,045,000) has been made as of 31 December 2025.

	12-month ECL Performing	
	2025 HK\$'000	2024 HK\$'000
At the beginning and at the end of the reporting period	<u>1,045</u>	<u>1,045</u>

#### Loan and interest receivables

Management has credit and lending policies in place and the exposure to the credit risk is monitored on an ongoing basis. The Group grants loans only to recognised and creditworthy third parties. It is the Group's policy that all these borrowers are subject to credit verification procedures. Also, the Group has other monitoring procedures to ensure that follow-up action is promptly taken to recover overdue debts.

As at 31 December 2025, the Group has concentration of credit risk as 22% and 86% (2024: 10% and 40%) of total loan and interest receivables was due from the Group's largest borrower and the five largest borrowers respectively, within the credit and lending activities.

In estimating the ECL and in determining whether there is a significant increase in credit risk since initial recognition and whether the financial asset is credit-impaired, the Group has taken into account the historical actual credit loss experience for the borrowers and the financial position of the counterparties by reference to, among others, their management or audited accounts and available press information, adjusted for forward-looking factors that are specific to the debtors and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. There was no change in the estimation techniques or significant assumptions made during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

#### Loan and interest receivables (continued)

The Group has established a loan credit risk classification system and performs credit risk management based on loan classification in four categories of internal credit rating, including performing, underperforming, not performing and write off. The information about the ECL for the loan receivables as at 31 December 2025 is summarised below. After considering the above factors, a loss allowance of HK\$616,000 (2024: HK\$985,000) has been made as of 31 December 2025.

#### At 31 December 2025

Internal credit rating	Gross carrying amount HK\$'000	ECL	Loss allowance HK\$'000	Net carrying amount HK\$'000
Performing (Note i)	412,865	12-month	114	412,751
Not performing (Note iii)	502	Lifetime	502	–
	<u>413,367</u>		<u>616</u>	<u>412,751</u>

#### At 31 December 2024

Internal credit rating	Gross carrying amount HK\$'000	ECL	Loss allowance HK\$'000	Net carrying amount HK\$'000
Performing (Note i)	108,817	12-month	69	108,748
Underperforming (Note ii)	73,481	Lifetime	916	72,565
	<u>182,298</u>		<u>985</u>	<u>181,313</u>

Note:

- (i) Performing (Normal Credit Quality) refers to the loans that have not had a significant increase in credit risk and ECL in the next 12 months will be recognised.
- (ii) Underperforming (Significant Increase in Credit Risk) refers to the loans that have had a significant increase in credit risk and for which the lifetime ECL will be recognised.
- (iii) Not performing (Credit Impaired) refers to the loans that have past due or it has become probably that the borrower will enter into bankruptcy or reorganisation for which the life time ECL will be recognised.
- (iv) Write off refers to the loans that have evidence indicating that the borrower is in severe financial difficulty and the Group has no realistic prospect of recovery.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

#### Loan and interest receivables (continued)

#### Ageing analysis

Ageing analysis of loan and interest receivables (net of loss allowance) prepared based on loan commencement or renewal date set out in the relevant contracts is as follows:

	2025				
	Personal		Corporate		Total HK\$'000
	Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000	
Less than 1 month	–	–	–	50,005	50,005
1 to 3 months	–	–	–	316,539	316,539
4 to 6 months	–	–	–	–	–
7 to 12 months	–	–	–	46,207	46,207
Over 12 months	–	–	–	–	–
At the end of the reporting period	–	–	–	412,751	412,751
	2024				
	Personal		Corporate		Total HK\$'000
	Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000	
Less than 1 month	–	–	–	–	–
1 to 3 months	–	37,145	–	13,050	50,195
4 to 6 months	–	35,010	–	45,374	80,384
7 to 12 months	17,423	28,389	–	–	45,812
Over 12 months	–	4,922	–	–	4,922
At the end of the reporting period	17,423	105,466	–	58,424	181,313

Ageing analysis of loan and interest receivables (net of loss allowance) prepared based on contractual due date is as follows:

	2025 HK\$'000	2024 HK\$'000
Not yet past due	412,751	176,391
1 – 90 days past due	–	–
Over 90 days past due	–	4,922
	412,751	181,313

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

#### Loan and interest receivables (continued)

During the year ended 31 December 2025, the Group recognised a reversal of impairment loss of HK\$369,000 (2024: impairment loss of HK\$93,000) on its loan and interest receivables. The movement in the loss allowance for loan and interest receivables during the year is summarised below.

	2025			Total HK\$'000
	12-month ECL Performing HK\$'000	Lifetime ECL Under- performing HK\$'000	Lifetime ECL Not- performing HK\$'000	
At the beginning of the reporting period	69	916	–	985
Increase (decrease) in loss allowance	45	(916)	502	(369)
At the end of the reporting period	114	–	502	616
	2024			
	12-month ECL Performing HK\$'000	Lifetime ECL Under- performing HK\$'000	Lifetime ECL Not- performing HK\$'000	Total HK\$'000
At the beginning of the reporting period	26	870	–	896
Disposal of a subsidiary	(4)	–	–	(4)
Increase in loss allowance	47	46	–	93
At the end of the reporting period	69	916	–	985

The management closely monitors the credit quality of the loans and there are no indications that the loan and interest receivables neither past due nor impaired will be uncollectible.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

##### Other receivables

In estimating the ECL and in determining whether there is a significant increase in credit risk since initial recognition and whether the financial asset is credit-impaired, the Group has taken into account the historical actual credit loss experience for the debtors and the financial position of the counterparties by reference to, among others, their management or audited accounts, legal advice of claims from counterparty and available press information, adjusted for forward-looking factors that are specific to the debtors and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case.

The Group has established a credit risk classification system and performs credit risk management in four categories of internal credit rating, including performing, underperforming, not performing and write off. After considering the above factors, no loss allowance (2024: a loss allowance of HK\$225,000) has been made as of 31 December 2025. The information about the ECL for the other receivables as at 31 December 2025 is summarised below.

#### At 31 December 2025

Internal credit rating	Gross carrying amount HK\$'000	ECL	Loss allowance HK\$'000	Net carrying amount HK\$'000
Performing (Note i)	7,510	12-month	–	7,510

#### At 31 December 2024

Internal credit rating	Gross carrying amount HK\$'000	ECL	Loss allowance HK\$'000	Net carrying amount HK\$'000
Performing (Note i)	–	12-month	–	–
Underperforming (Note ii)	167,556	Lifetime	225	167,331
	167,556		225	167,331

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

#### Other receivables (continued)

Note:

- (i) Performing (Normal Credit Quality) refers to other receivables that have not had a significant increase in credit risk and ECL in the next 12 months will be recognised.
- (ii) Underperforming (Significant Increase in Credit Risk) refers to other receivables that have had a significant increase in credit risk and for which the lifetime ECL will be recognised.
- (iii) Not performing (Credit Impaired) refers to other receivables that have objective evidence of impairment or its has become probably that the borrower will enter into bankruptcy or reorganisation for which the life time ECL will be recognised.
- (iv) Write off refers to the loans that have evidence indicating that the borrower is in severe financial difficulty and the Group has no realistic prospect of recovery.

During the year ended 31 December 2025, the Group recognised a reversal of impairment loss of HK\$225,000 (2024: HK\$3,962,000) on its other receivables. The movement in the loss allowance for other receivables during the year is summarised below.

	2025			
	12-month ECL Performing HK\$'000	Lifetime ECL Under- performing HK\$'000	Lifetime Not- performing HK\$'000	Total HK\$'000
At the beginning of the reporting period	–	225	–	225
Decrease in loss allowance	–	(225)	–	(225)
At the end of the reporting period	–	–	–	–
	2024			
	12-month ECL Performing HK\$'000	Lifetime ECL Under- performing HK\$'000	Lifetime ECL Not- performing HK\$'000	Total HK\$'000
At the beginning of the reporting period	–	4,187	–	4,187
Decrease in loss allowance	–	(3,962)	–	(3,962)
At the end of the reporting period	–	225	–	225

The management closely monitors the credit quality of other receivables and there are no indications that the other receivables impaired will be uncollectible.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS (continued)

### Financial risk management objectives and policies (continued)

#### Credit risk (continued)

##### Deposits with financial institution

The credit risk on bank balances – trust and segregated accounts and cash and cash equivalents is limited because majority of the counterparties are financial institutions with high credit-ratings assigned by international credit-rating agencies and state-owned banks with good reputation. No loss allowance was recognised for both years.

#### Liquidity risk

In the management of the 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 and lease liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay. The table includes both principal and interest cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

#### Liquidity risk tables

	On demand or less than 3 months HK\$'000	3 to 12 months HK\$'000	1 to 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount at 31.12.2025 HK\$'000
<b>2025</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	37,143	–	2,517	39,660	39,660
Lease liabilities	1,465	3,068	–	4,533	4,437
Interest bearing borrowings (note)	200,674	–	–	200,674	200,674
	<b>239,282</b>	<b>3,068</b>	<b>2,517</b>	<b>244,867</b>	<b>244,771</b>
	On demand or less than 3 months HK\$'000	3 to 12 months HK\$'000	1 to 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount at 31.12.2024 HK\$'000
<b>2024</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	24,883	–	2,896	27,779	27,779
Lease liabilities	1,465	4,395	4,533	10,393	9,884
Interest bearing borrowings (note)	227,890	–	–	227,890	227,890
	<b>254,238</b>	<b>4,395</b>	<b>7,429</b>	<b>266,062</b>	<b>265,553</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 35. FINANCIAL INSTRUMENTS *(continued)*

### Financial risk management objectives and policies *(continued)*

#### Liquidity risk *(continued)*

#### Liquidity risk tables *(continued)*

Note:

At the end of the reporting period, the bank loan with a clause in their terms that gives the bank on overriding right to demand for repayment without notice or with notice period of less than 12 months at their sole discretion are classified as current liabilities even though the directors do not expect that the banks would exercise their right to demand repayment.

The interest-bearing borrowings would be repaid according to the following undiscounted schedule (ignoring the effect of any repayment on demand clause) as set out in the loan agreements:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	25,451	94,950
Over one year but within two years	141,688	14,972
Over two years but within five years	52,421	146,006
	<b>219,560</b>	<b>255,928</b>

## 36. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in these financial statements on a recurring basis across the three levels of the fair value hierarchy defined in HKFRS 13, Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 36. FAIR VALUE MEASUREMENTS *(continued)*

### (a) Fair value of the Group's financial assets that are measured at fair value

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs
	2025	2024		
1) Investments in listed equity securities classified as financial assets at FVPL	<b>Listed equity securities in: – Hong Kong HK\$93,822,000</b>	Listed equity securities in: – Hong Kong HK\$60,889,000	Level 1	Quoted bid prices in an active market
2) Investment in unlisted equity securities classified as financial assets at FVPL	<b>HK\$63,803,000</b>	HK\$14,207,000	Level 2	Net asset value method and derived from inputs for the asset or liability
3) Investment in unlisted equity securities classified as financial assets at FVPL	<b>HK\$153,700,000</b>	HK\$35,200,000	Level 3	Derived from unobservable inputs for the asset or liability by an independent professional valuer
4) Investments in listed equity securities classified as financial assets at FVOCI	<b>Listed equity securities in: – Hong Kong HK\$153,291,000</b>	Listed equity securities in: – Hong Kong HK\$98,820,000	Level 1	Quoted bid prices in an active market
5) Profit guarantee receivable	<b>HK\$13,460,000</b>	N/A	Level 3	Income approach and projected net profits for the year ending 31 December 2026 and 2027 by an independent professional valuer

During the year ended 31 December 2025, there were no transfers between Level 1, Level 2, and no transfers into and out of Level 3 fair value measurements. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur. The details of the Designated FVOCI and financial assets at FVPL are set out in notes 21 and 22 respectively to the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 36. FAIR VALUE MEASUREMENTS *(continued)*

### (a) Fair value of the Group's financial assets that are measured at fair value *(continued)*

The details of the movements of the fair value measurements categorised as Level 3 of the fair value hierarchy during the years ended 31 December 2025 and 2024 are as follows:

#### *Movements in Level 3 fair value measurements*

#### 2025

Description	Unlisted equity securities HK\$'000	Profit guarantee receivable HK\$'000	Total HK\$'000
At the beginning of the year	35,200	–	35,200
Addition during the year	89,870	13,460	103,330
Increase in fair value	28,630	–	28,630
<b>At the end of the reporting period</b>	<b>153,700</b>	<b>13,460</b>	<b>167,160</b>

#### 2024

Description	Unlisted equity securities HK\$'000	Profit guarantee receivable HK\$'000	Total HK\$'000
At the beginning of the year	66,400	–	66,400
Decrease in fair value	(31,200)	–	(31,200)
<b>At the end of the reporting period</b>	<b>35,200</b>	<b>–</b>	<b>35,200</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 36. FAIR VALUE MEASUREMENTS *(continued)*

### (a) Fair value of the Group's financial assets that are measured at fair value *(continued)* *Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurement*

The quantitative information of the significant unobservable input and description of valuation techniques used in Level 3 fair value measurement, including the description of the sensitivity to changes in unobservable inputs for recurring Level 3 fair value measurements, are as follows:

Description	Fair value at 31 December 2025 HK\$'000	Fair value at 31 December 2024 HK\$'000	Valuation techniques	Unobservable input	Sensitivity of fair value to changes in unobservable inputs
Assets					
Financial assets at FVPL					
(a) Unlisted equity securities	145,200	27,800	Adjusted net asset value method	a) The Discount for Lack of Control ("DLOC") of 21.14% (2024: 19.16%)	a) If the DLOC is 1% higher/lower, the fair value of the unlisted equity securities will decrease/increase by HK\$1,100,000 (2024: HK\$99,000).
(b) Unlisted equity securities	8,500	7,400	Adjusted net asset value method	a) The mean of price-to-net assets ("P/B") ratios of the comparable companies of 0.62 (2024: 0.35) b) The DLOC of 21.14% (2024: 24.16%)	a) If the P/B ratio increased/decreased by 5%, the fair value of the unlisted equity securities would increase/decrease by HK\$236,000/HK\$239,000 (2024: HK\$662,000) respectively. b) If the DLOC is 1% higher/lower, the fair value of the unlisted equity securities will decrease/increase by HK\$58,000 (2024: HK\$59,000).
(c) Profit guarantee receivables	13,460	N/A	Income approach – Discounted cash flow	The risk free rate of 17.30%	If the risk free rate is 1% higher/lower, the fair value of the profit guarantee receivables will decrease/increase by HK\$105,000 (2024: n/a).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 36. FAIR VALUE MEASUREMENTS *(continued)*

### (a) Fair value of the Group's financial assets that are measured at fair value *(continued)* *Quantitative information of the significant unobservable inputs and description of valuation techniques used in Level 3 fair value measurement (continued)*

The fair value of the financial assets arising from unlisted equity securities classified in Level 3 fair value measurement was determined by the management based on the valuation from Ravia, an independent professional valuer.

#### *Valuation process*

The management of the Group is responsible to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group will establish the appropriate valuation techniques and inputs to the model. Management reports to executive directors semi-annually to explain the cause of fluctuations in the fair value of the assets.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed above.

### (b) Fair value of the Group's financial assets and financial liabilities carried at other than fair value

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis. The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

## 37. FINANCIAL ASSETS AND FINANCIAL LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Group's consolidated statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the Group's consolidated statement of financial position.

Under the continuous net settlement arrangement, money obligations receivable and payable with HKSCC due to or from the Group entities on the same settlement date are settled on a net basis. The Group has legally enforceable right to set off the amounts of receivables and payables with margin clients that are due to be settled on the same date.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 37. FINANCIAL ASSETS AND FINANCIAL LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS *(continued)*

The gross amounts of the recognised financial assets and financial liabilities and their net amounts as presented in the Group's consolidated statement of financial position are as follows:

	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the consolidated statement of financial position	Net amounts of financial assets presented in the consolidated statement of financial position	Related amount not set off in the consolidated statement of financial position		Net amount
	HK\$'000	HK\$'000	HK\$'000	Financial instruments HK\$'000	Collateral pledged HK\$'000	HK\$'000
<b>As at 31 December 2025</b>						
Accounts receivable arising from the business dealing in securities, options and futures contracts	321,295	–	321,295	–	(316,285)	5,010

	Gross amounts of recognised financial assets set off in the consolidated statement of financial position	Gross amounts of recognised financial liabilities	Net amounts of financial liabilities presented in the consolidated statement of financial position	Related amount not set off in the consolidated statement of financial position		Net amount
	HK\$'000	HK\$'000	HK\$'000	Financial instruments HK\$'000	Collateral pledged HK\$'000	HK\$'000
<b>As at 31 December 2025</b>						
Accounts payables arising from the business dealing in securities, options and futures contracts	4,857	–	4,857	–	–	4,857

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 37. FINANCIAL ASSETS AND FINANCIAL LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS (continued)

	Gross amounts of recognised financial liabilities HK\$'000	Gross amounts of recognised financial assets set off in the consolidated statement of financial position HK\$'000	Net amounts of financial assets presented in the consolidated statement of financial position HK\$'000	Related amount not set off in the consolidated statement of financial position		Net amount HK\$'000
				Financial instruments HK\$'000	Collateral pledged HK\$'000	
As at 31 December 2024						
Accounts receivable arising from the business dealing in securities, options and futures contracts	543,203	–	543,203	–	(518,792)	24,411
	<u>543,203</u>	<u>–</u>	<u>543,203</u>	<u>–</u>	<u>(518,792)</u>	<u>24,411</u>
	Gross amounts of recognised financial liabilities HK\$'000	Gross amounts of recognised financial assets set off in the consolidated statement of financial position HK\$'000	Net amounts of financial liabilities presented in the consolidated statement of financial position HK\$'000	Related amount not set off in the consolidated statement of financial position		Net amount HK\$'000
				Financial instruments HK\$'000	Collateral pledged HK\$'000	
As at 31 December 2024						
Accounts payables arising from the business dealing in securities, options and futures contracts	6,896	–	6,896	–	–	6,896
	<u>6,896</u>	<u>–</u>	<u>6,896</u>	<u>–</u>	<u>–</u>	<u>6,896</u>

The amounts which have been offset against the related recognised financial assets and financial liabilities in the Group's consolidated statement of financial position are measured on the same basis as the recognised financial assets and financial liabilities, which is amortised cost.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 December 2025 and 2024 are as follows:

Name of subsidiary	Place of incorporation/ establishment and operation	Issued and fully paid share capital/ registered capital	Proportion of nominal value of issued share capital/registered capital held by the Company				Principal activities
			2025		2024		
			Directly %	Indirectly %	Directly %	Indirectly %	
Akron Corporate Finance Limited	Hong Kong	HK\$10,000,000	-	100	-	100	Advising on Corporate Finance
August Estate Limited	British Virgin Islands/ Hong Kong	US\$2	-	100	-	100	Property leasing
Briscoe Wong Advisory Limited	Hong Kong	HK\$10	-	100	-	100	Corporate advisory service
Genius Spring Limited	British Virgin Islands/ Hong Kong	US\$999	-	70.18 (note 32)	-	90.1	Securities investment
ISL Investments Limited	Hong Kong	HK\$125,298,484	-	65	-	65	Property holding
Jumbo Hall International Limited	Hong Kong	HK\$2	-	65	-	65	Property holding
Maxlord Enterprises Limited	Hong Kong	HK\$700,495,157	-	66.67	-	66.67	Money lending
Planetree (BVI) Capital Limited	British Virgin Islands	US\$2,850	-	70.18 (note 32(b))	-	100	Investment holding
Planetree (Cayman) Capital Limited	Cayman Islands	US\$3,700	-	100	-	100	Investment holding
Planetree Asset Management Limited	Hong Kong	HK\$554,000,000	-	70.18 (note 32(b))	-	100	Asset management
Planetree Cayman Limited	Cayman Islands	US\$1	100	-	100	-	Investment holding

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name of subsidiary	Place of incorporation/ establishment and operation	Issued and fully paid share capital/ registered capital	Proportion of nominal value of issued share capital/registered capital held by the Company				Principal activities
			2025		2024		
			Directly %	Indirectly %	Directly %	Indirectly %	
Planetree Futures Limited	Hong Kong	HK\$22,000,000	-	70.18 (note 32(b))	-	100	Dealing in future and option
Planetree Management Limited	Hong Kong	HK\$1	-	100	-	100	Corporate management
Planetree Securities Limited	Hong Kong	HK\$909,000,000	-	70.18 (note 32(b))	-	100	Securities brokerage and financial services
Sharp Light International Limited	Hong Kong	HK\$1	-	100	-	100	Property leasing
Top Insight Holdings Limited	British Virgin Islands/ Hong Kong	US\$1,000	-	65	-	65	Investment holding
Yugang Management Limited	Hong Kong	HK\$2	-	100	-	100	Corporate management

The above list includes the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results of the year or assets and liabilities of the Group. To give details of all other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the reporting period, or at any time during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(continued)*

The following table shows the information relating to each of the non-wholly owned subsidiaries that has material NCI. The summarised financial information represents amounts before inter-company eliminations.

	PCL Group (note 32(b)) <i>HK\$'000</i>	Maxlord Enterprise Limited <i>HK\$'000</i>	Top Insight Group <i>HK\$'000</i>
<b>At 31 December 2025</b>			
Proportion of NCI's ownership interests	<b>29.82%</b>	<b>33.33%</b>	<b>35%</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets	491,161	–	110,500
Current assets	924,032	816,656	118,680
Current liabilities	(123,581)	(155,731)	(100,369)
Non-current liabilities	(849)	–	–
Net assets	<b>1,290,763</b>	<b>660,925</b>	<b>128,811</b>
Carrying amount of NCI	<b>384,906</b>	<b>220,308</b>	<b>45,084</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Financial information of subsidiaries with individually material non-controlling interests (“NCI”)

	PCL Group (note 32 (b)) HK\$'000	Maxlord Enterprise Limited HK\$'000	Top Insight Group HK\$'000
<b>Period/year ended 31 December 2025</b>			
Proportion of NCI's ownership interests	29.82%	33.33%	35%
Revenue	(169,916)	18,283	9,059
Expenses	(13,102)	(2,251)	(56,195)
Profit (Loss) for the year	(183,018)	16,032	(47,136)
Other comprehensive income	11,924	–	–
Total comprehensive income (expense)	(171,094)	16,032	(47,136)
Profit (Loss) attributable to NCI	(54,576)	5,344	(16,498)
Other comprehensive income attributable to NCI	3,556	–	–
Total comprehensive income (expense) attributable to NCI	(51,020)	5,344	(16,498)
Dividends paid to NCI	–	–	–
Net cash flows from (used in):			
Operating activities	315,553	17,540	26,211
Investing activities	9,129	–	–
Financing activities	(16,013)	–	(18,782)
		Maxlord Enterprise Limited HK\$'000	Top Insight Group HK\$'000
At 31 December 2024			
Proportion of NCI's ownership interests		33.33%	35%
		HK\$'000	HK\$'000
Non-current assets		–	162,400
Current assets		645,444	108,689
Current liabilities		(549)	(95,142)
Non-current liabilities		–	–
Net assets		644,895	175,947
Carrying amount of NCI		214,965	61,581

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 38. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(continued)*

### Financial information of subsidiaries with individually material non-controlling interests (“NCI”) *(continued)*

	Maxlord Enterprise Limited <i>HK\$'000</i>	Top Insight Group <i>HK\$'000</i>
Year ended 31 December 2024		
Proportion of NCI's ownership interests	33.33%	35%
Revenue	12,246	10,470
Expenses	<u>(646)</u>	<u>(61,007)</u>
Profit (Loss) for the year	11,600	(50,537)
Other comprehensive income	<u>–</u>	<u>–</u>
Total comprehensive income (expense)	<u><u>11,600</u></u>	<u><u>(50,537)</u></u>
Profit (Loss) attributable to NCI	3,866	(17,688)
Other comprehensive income	<u>–</u>	<u>–</u>
Total comprehensive income (expense) attributable to NCI	<u><u>3,866</u></u>	<u><u>(17,688)</u></u>
Dividends paid to NCI	<u>–</u>	<u>–</u>
Net cash flows from (used in):		
Operating activities	<u><u>3,522</u></u>	<u><u>8,422</u></u>
Investing activities	<u>–</u>	<u>–</u>
Financing activities	<u>–</u>	<u><u>(8,568)</u></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Note	2025 HK\$'000	2024 HK\$'000
<b>Non-current assets</b>			
Interests in subsidiaries	(a)	1,015,093	991,889
Intangible assets		5,000	5,000
		<u>1,020,093</u>	<u>996,889</u>
<b>Current assets</b>			
Prepayments		489	420
Cash and cash equivalents		182	133
		<u>671</u>	<u>553</u>
<b>Current liabilities</b>			
Other payables and accruals		476	220
		<u>476</u>	<u>220</u>
<b>Net current assets</b>		<u>195</u>	<u>333</u>
<b>NET ASSETS</b>		<u><u>1,020,288</u></u>	<u><u>997,222</u></u>
<b>Capital and reserves</b>			
Share capital	28	96,053	94,553
Reserves	(b)	924,235	902,669
<b>TOTAL EQUITY</b>		<u><u>1,020,288</u></u>	<u><u>997,222</u></u>

This statement of financial position was approved and authorised for issue by the Board of Directors on 30 March 2026 and is signed on its behalf by:

**Cheung Ting Kee**  
Director

**Cheung Ka Yee**  
Director

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

## 39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

### (a) Interests in subsidiaries

Information about the interests in subsidiaries of the Company at the end of the reporting period is as follows:

	2025 HK\$'000	2024 HK\$'000
Unlisted shares, at cost	105,759	105,759
Amounts due from subsidiaries	909,334	886,130
	<u>1,015,093</u>	<u>991,889</u>

The amounts due from subsidiaries included in the interests in subsidiaries above are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the Company's directors, the advance is considered as quasi-equity loan to the subsidiaries.

### (b) Movement of the reserves

	Share premium HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2024	918,950	(12,716)	906,234
Loss and total comprehensive expense for the year	—	(3,565)	(3,565)
At 31 December 2024	<u>918,950</u>	<u>(16,281)</u>	<u>902,669</u>

	Share premium HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2025	918,950	(16,281)	902,669
Issue of consideration shares for acquisition of a subsidiary	28,350	—	28,350
Loss and total comprehensive expense for the year	—	(6,784)	(6,784)
At 31 December 2025	<u>947,300</u>	<u>(23,065)</u>	<u>924,235</u>

## 40. EVENTS AFTER THE REPORTING PERIOD

In addition to the events disclosed elsewhere in these consolidated financial statements, the Group had the following subsequent events:

### (a) Share swap agreement with Oshidori

Subsequent to the end of the reporting period, the Company and Oshidori completed a share swap transaction as disclosed in the Company's announcement dated 3 November 2025. Under the transaction, the Company allotted and issued 189,105,535 new shares, credited as fully paid, to Oshidori on 26 February 2026 in exchange for 760,250,187 new shares at a fair value of HK\$1.49 each in the amount approximately HK\$1,132,777,000 allotted and issued by Oshidori, credited as fully paid, to the Company.

## PARTICULARS OF PROPERTIES

### INVESTMENT PROPERTIES

<b>Location</b>	<b>Use</b>	<b>Tenure</b>	<b>Attributable interest of the Group</b>
1/F, China United Centre, No.28 Marble Road, North Point, Hong Kong	Commercial	Long-term	100%
11/F, China United Centre, No.28 Marble Road, North Point, Hong Kong	Commercial	Long-term	100%
Offices Nos. 1 – 5 on 12th Floor, Kwan Chart Tower, No.6 Tonnochy Road, Hong Kong	Commercial	Long-term	65%
The 9th Floor and Car Parking Spaces Nos.109, 110 and 111 on the 1st Floor, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong	Commercial	Long-term	65%

## FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

### RESULTS

	2025 HK\$'000	For the year ended 31 December			
		2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
REVENUE	<b>(17,862)</b>	81,916	113,394	155,327	195,316
PROFIT (LOSS) BEFORE TAXATION	<b>114,202</b>	(211,837)	(162,953)	6,430	(8,310)
Income tax credit (expense)	<b>1,585</b>	(890)	(13,587)	(7,962)	(6,949)
PROFIT (LOSS) FOR THE YEAR	<b>115,787</b>	(212,727)	(176,540)	(1,532)	(15,259)

### ASSETS AND LIABILITIES

	2025 HK\$'000	At 31 December			
		2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
TOTAL ASSETS	<b>2,323,089</b>	1,866,297	2,184,428	2,412,742	2,245,672
TOTAL LIABILITIES	<b>(247,936)</b>	(269,424)	(277,333)	(292,505)	(309,588)
NET ASSETS	<b>2,075,153</b>	1,596,873	1,907,095	2,120,237	1,936,084