



(Incorporated in Bermuda with limited liability)  
Stock Code: 1168

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**2025**

# **ANNUAL REPORT**

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### *Executive Director*

Tang Yui Man Francis  
(Chairman and Chief Executive Officer)

### *Non-executive Directors*

Ou Jin Yi Hugo  
Ou Jin Yao Norris  
Xu Xiujuan

### *Independent Non-executive Directors*

Cheung Adrian Jeremy Ka Hing  
Tian Jin  
Xin Luo Lin

## AUTHORISED REPRESENTATIVES

Tang Yui Man Francis  
Ou Jin Yi Hugo

## COMPANY SECRETARY

Lo Tai On

## AUDIT COMMITTEE

Xin Luo Lin (Chairman)  
Cheung Adrian Jeremy Ka Hing  
Tian Jin

## NOMINATION COMMITTEE

Tian Jin (Chairman)  
Cheung Adrian Jeremy Ka Hing  
Tang Yui Man Francis  
Xin Luo Lin

## REMUNERATION COMMITTEE

Xin Luo Lin (Chairman)  
Cheung Adrian Jeremy Ka Hing  
Tang Yui Man Francis

## AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditors  
22/F., Prince's Building  
Central  
Hong Kong

## REGISTERED OFFICE

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2 Church Street  
Hamilton HM 11  
Bermuda

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Stock Code : 1168  
Website : <http://www.zfin.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

Computershare Hong Kong Investor Services Limited  
46th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## HONG KONG BRANCH SHARE TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712 - 1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## LEGAL ADVISORS

(As to Hong Kong Law)  
Cleary Gottlieb Steen & Hamilton (Hong Kong) Deacons  
Guantao & Chow Solicitors & Notaries  
JunHe Law Offices  
Norton Rose Fulbright Hong Kong

(As to Bermuda Law)  
Conyers Dill & Pearman

## PRINCIPAL BANKERS

Bank of China Limited  
Bank of China (Hong Kong) Limited  
China Merchants Bank Company Limited  
Hang Seng Bank Limited  
Ping An Bank  
The Bank of East Asia, Limited  
Shanghai Pudong Development Bank

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# CHAIRMAN'S STATEMENT

On behalf of the board (the "Board") of directors (the "Directors") of Z Fin Limited (the "Company") and its subsidiaries (the "Group"), I am pleased to present the annual report and the audited financial statements of the Group for the year ended 31 December 2025.



ZA Bank has surpassed one million users, becoming the first digital bank in Hong Kong to reach this milestone.

## REVIEW

During the year ended 31 December 2025, the Group's core businesses remained focused on financial technology ("FinTech") investment and management, financial service sector, while it also engaged in property management, property development, commercial property investment and management, financial products and securities investment.

The Group recorded a revenue of HK\$566.0 million for the year and a loss attributable to owners of the Company of HK\$1,100.1 million. Basic loss per share amounted to HK\$2.97. The Board does not recommend payment of any final dividend for the year ended 31 December 2025. A more detailed elaboration on the Group financial performance is set out in the Management Discussion and Analysis section of this report.

China's annual gross domestic product ("GDP") in 2025 at RMB140.2 trillion, a year-on-year increase of approximately 5%. The quarterly GDP showed a stable and positive trend with increase of 5.4% year-on-year in the first quarter, 5.2% in the second quarter, 4.8% in the third quarter and 4.5% in the fourth quarter.

Against this backdrop and macro environment, the Group has been proactive in exploring new growth approaches to capture potential opportunities arising from the digital economy's evolution, launching strategic initiatives to invest in the FinTech and new economy sectors. Our goal is to expand our operational footprint and strive for sustainable development and stable returns for our shareholders.

## PROSPECTS

Looking ahead to 2026, while the global geopolitical landscape remains complex, we see a path toward economic recovery. The onset of the interest rate cut trend in major developed economies is expected to improve global liquidity and revitalise global investment sentiment.

The year 2025 marked a pivotal chapter in our corporate history. To better reflect our evolved strategic focus and the nature of our business, the Company has changed its name to "Z Fin Limited". This rebranding is more than a change of title; it is a declaration of our conviction. It signifies our transition from a traditional property-focused conglomerate to a technology-driven enterprise.

# CHAIRMAN'S STATEMENT



Monsters by Monsters Now and Then



Tireless Surge Tireless Girl

Of all the industries in which we operate, we believe that the FinTech industry holds the greatest potential for exponential growth. FinTech has experienced rapid growth over the past several years and continues to increasingly be applied across various financial service scenarios. This not only enhances the efficiency of the financial services industry but also provides the general public with a wider range of products and service options. This evolution goes beyond enhancing efficiency, it represents a paradigm shift. Instead of merely reacting to past challenges like the pandemic, we are now witnessing the convergence of Artificial Intelligence and Web3 technologies, which are reshaping financial infrastructure. With Hong Kong actively positioning itself as a digital asset hub, the implementation of the stablecoin regulatory regime and the tokenisation of Real-World Assets offer unprecedented opportunities. We have witnessed significant advancements to and the potential for further development in these frontier technologies, which in turn present more opportunities and greater value.

Despite the cautious view on the short and medium term economic trends in China, we are still confident about the Group's business prospects in the long run. We are keeping a close watch on potential short-term fluctuations in the economy while maintaining a long-term vision in business planning. To create more value for the Company under our new identity, we will take on market challenges in a prudent manner to explore potential business opportunities after careful analysis, sparing no effort in shaping the Company into a sustainable business with greater room and momentum for development.

## APPRECIATION

On behalf of the Board, I would like to thank all our staff for their devoted work and give my sincere gratitude to all our shareholders for their continual support over the years.

**Tang Yui Man Francis**

*Chairman*

Hong Kong, 20 March 2026

# MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, the international situation was still austere, complicated and changeable, geopolitical and economic uncertainties continued to weigh on global financial markets. While global inflationary pressures continued to moderate, major economies like the United States formally entered a cycle of interest rate cuts in the second half of 2025 to counteract slowing growth, leading to a volatile environment for global financial markets. Geopolitical uncertainties also persisted, weighing on international trade and investment sentiment. However, the domestic economy in China maintained a steady recovery trend with improving momentum. The People's Republic of China ("PRC") government enhanced its policy support, particularly in the fourth quarter of 2025, rolling out measures to boost domestic consumption, stabilise the property market, and promote high-quality development through technological innovation and industrial upgrading.

The financial technology ("FinTech") industry is a technology-driven financial innovation industry. The booming digital economy has provided a broad space for its development and the rapidly evolving digital technology has injected abundant vitality into the digital transformation of finance. Despite uncertainties in the development environment both domestically and abroad, the comprehensive development of digital transformation of finance driven by FinTech has become a definite trend with marvellous development prospects. As China emerged from the pandemic, the national economy has steadily restarted. The FinTech sentiment index has reached a new record since pandemic, reflecting the greater resilience and expected steady growth of the industry. China's FinTech industry is now projected to see its transaction value expand to USD10.06 trillion by 2030, representing a compound annual growth rate (CAGR) of 15.67% for the forecast period, demonstrating the industry's immense long-term potential.

The real estate market in the PRC has become an important pillar of the national economy and the wealth store after more than 20 years of rapid growth. However, concomitant with disappearing demographic dividend, entering late stages of urbanisation, slowing down of economic growth, advancing of financial deleveraging and strengthening government regulation and control, is the real estate market facing unprecedented challenges and pressure. Throughout 2025, the government departments at all levels actively optimised the property policies to facilitate a steady operation of real estate market, especially in business property loans, lowering mortgage interest rates, and reducing down payments for house purchases, while Tier-1 cities, such as Shanghai, Guangzhou, Shenzhen and other cities relaxing purchase restrictions and the establishment of a national fund for destocking housing inventory. It is expected that in 2026, the real estate market will be still in the stage of adjustment and transformation, and the government is expected to continue to appropriately relax some restrictive measures to stimulate housing demand and consumption on the premise of maintaining the same policy control.

In respect of inflation, the PRC economy is still operating below potential output and the overall inflationary pressure is low. As of December 2025, the PRC consumer price index (CPI) rose by a modest 0.8% year-on-year and Producer Price Index (PPI) dropped by 1.9% year-on-year. We believe that the overall price level is still difficult to get rid of downward pressure in a short period of time, and the domestic demand needs to be strengthened by policies.

Against this backdrop and macro environment, the Group has been exploring new growth approaches to capture potential opportunities arising from the new form of economic development, while seeking opportunities and launching initiatives for investing and participating in particularly FinTech and new economy sectors and striving for greater room to expand its operations in pursuit of sustainable development and stable return.

The Group has been actively responding to the PRC government's and the Hong Kong SAR government's continued approach to promote FinTech development, and made great efforts in exploring the methodology of enhancing its business model and creating value for the Group. While maintaining to manage real estate business and financing services business, the Group actively collaborated with leading FinTech companies in the market and grasped every opportunity to develop in the FinTech market. For instance, we invested in ZhongAn Online P & C Insurance Co., Ltd. ("ZhongAn Online") (stock code: 6060), with whom we established a joint venture, ZhongAn Technologies International Group Limited ("ZA Global").

# MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended 31 December 2025, the Group's revenue was HK\$566.0 million, increasing by 63.4% as compared to last year. Gross profit was HK\$405.6 million, increasing by 105.2% as compared to last year. The Company recorded a loss attributable to owners of the Company of HK\$1,100.1 million during the year, as compared to a profit attributable to owners of the Company of HK\$3,968.7 million for last year. Basic loss per share amounted to HK\$2.97, as compared to the restated basic earnings per share amounted to HK\$12.45 for last year.

## FINANCING SERVICES BUSINESS

Financing services business is principally engaged in provision of efficient financial solutions and multiple consultancy services, to satisfy technology and new economy companies' demands for financial services at different stages of development. The financing services business is financed by the Group's internal resources. In view of the fast development and adjustment in the financing services business in the PRC in recent years and our high standard requirements and emphasis on risk assessment on customers, the current source of customers are mainly by referral of close business partners or customers with excellent credit records.

As at 31 December 2025, the Group has a total of 3 borrowers (31 December 2024: 5) with total outstanding loan principal and interest receivables in the sum of HK\$112.8 million (31 December 2024: HK\$329.8 million), which comprised of entrusted loans of HK\$108.5 million (31 December 2024: HK\$159.1 million) to 1 borrower (31 December 2024: 1), other loans of HK\$4.3 million (31 December 2024: HK\$170.7 million) to 2 borrowers (31 December 2024: 4). As at 31 December 2025, a sum of HK\$110.9 million (31 December 2024: HK\$163.9 million) was due from the largest borrower of the Group and an aggregate sum of approximately HK\$112.8 million (31 December 2024: HK\$329.8 million) was due from the five largest borrowers of the Group.

As at 31 December 2025, the Group's outstanding loan receivables analysed as follows:

	31 December 2025		31 December 2024	
	HK\$'million	% of total	HK\$'million	% of total
Current	108.5	96.2%	328.7	99.7%
Non-current	4.3	3.8%	1.1	0.3%
Total	<u>112.8</u>	<u>100.0%</u>	<u>329.8</u>	<u>100.0%</u>

For the year ended 31 December 2025, the interest income from financing services business amounted to HK\$12.3 million (2024: HK\$20.4 million) which mainly comprised interest income from entrusted loans of HK\$6.9 million (2024: HK\$8.4 million) and interest income from other loans of HK\$5.4 million (2024: HK\$12.0 million).

The Group has provided entrusted loans to certain PRC customers. Entrusted loans are loans made to the customers, using a licensed bank as a servicing agent. The Group will pay the licensed bank a service fee and the credit risk is borne by the Group. Entrusted loans service is regulated by the Administrative Measures on Entrusted Loans of Commercial Banks\* (《商業銀行委託貸款管理辦法》) issued by China Banking and Insurance Regulatory Commission\* (中國銀行保險監督管理委員會). During the year ended 31 December 2025, the entrusted loans are unsecured, interest rates are fixed at 5% per annum (2024: 5%) with terms of 1 year (2024: 1 to 2 years). As at 31 December 2025 and 31 December 2024, entrusted loans are provided to an independent third party with principal of RMB100 million and RMB150 million respectively. During the year ended 31 December 2025, the loans with original expiry date on 13 August 2025 have been extended to 12 August 2026 and secured by a share charge of 49% equity interest of the borrower. Specifically, RMB100 million of the loan was extended, while the remaining RMB50 million was fully repaid on 13 August 2025. For further details, please refer to the Company's announcement dated 7 August 2025.

\* For identification purpose only

# MANAGEMENT DISCUSSION AND ANALYSIS

The Group had loan receivables provided to independent third parties. The major loan receivable as at 31 December 2024, amounting to RMB137.2 million, related to an unsecured loan bearing interest at 6% per annum and maturing in September 2025. During the year ended 31 December 2025, the principal amount of this loan was fully repaid by the borrower, resulting in a nil principal balance as at 31 December 2025.

As at 31 December 2025, loan receivables from independent third parties are unsecured, carried at fixed interest rate ranged from 3.0% to 5.0% (31 December 2024: 3.0% to 6.0%) per annum.

## ***Credit risk and impairment assessment***

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit rating system to assess the potential customer's credit quality and defines credit limits by customer. The internal credit rating system is a matrix of factors by performing background search and considering historical creditworthiness information, industry recognition. Credit risk of loans receivables, finance lease receivables, entrusted loans and receivables-based lending services are assessed individually. Collateral can be one of the ways to mitigate credit risk to certain extent, nevertheless, the Group mostly provides financing services based on the stringent credit assessment and puts more emphasis on the counterparties' ability to meet obligations out of their cash flows, income, net worth and historical credit records.

The Group has closely monitored the recoverability of the receivables to these counterparties, including considering the reasonableness and supportiveness of both available quantitative and qualitative information, ensured that adequate collateral is received from these counterparties and taken effective measures to ensure timely collection of outstanding balances. Effective measures include periodic visits to customers, regular updates of financial information and obtaining customer's future prospects.

Management has overall responsibility for the Group's credit policies and oversees the credit quality of the Group's receivables and loans portfolio. In addition, management reviews the recoverable amount of loan receivables individually at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts.

For the year ended 31 December 2025, the provision for impairment loss on loan receivables amounted to approximately HK\$20.9 million (2024: HK\$3.4 million), representing an increase of approximately HK\$17.5 million. The net impairment loss was comprised of a reversal of impairment loss made for loan receivables categorised for entrusted loans of approximately HK\$2.1 million (2024: a reversal of impairment loss of HK\$1.2 million) and an impairment loss made for loan receivables categorised for other loans of approximately HK\$23.0 million (2024: HK\$4.6 million), respectively. The Group applies general approach to provide for Expected Credit Loss for loan receivables prescribed by Hong Kong Financial Reporting Standard ("HKFRS") 9 Financial Instruments. Loans receivables are assessed individually by the management of the Group by reference to past default experience, current past due exposure of the debtor, the nature and prospect of the debtor's operation.

In determining whether there have been significant increases in credit risk, the following key criteria are taken into account:

- (a) an actual or expected significant deterioration in the borrower's external (if available) or internal credit rating;
- (b) significant deterioration in external market indicators of credit risk for the corporate borrower;
- (c) existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the borrower's ability to meet its debt obligations;
- (d) an actual or expected significant deterioration in the operating results of the corporate borrower;
- (e) significant increases in credit risk on other financial instruments of the same corporate borrower;

# MANAGEMENT DISCUSSION AND ANALYSIS

- (f) an actual or expected significant adverse change in the regulatory, economic or technological environment of the borrower that results in a significant decrease in the borrower's ability to meet its debt obligations;
- (g) status of the loan and interest receivables as at the reporting date, including any breach of contract such as a default or past due event as at the reporting date; and
- (h) whether it is probable that the borrower will enter bankruptcy or other financial reorganisation.

A borrower will be regarded as credit-impaired if he/she is in default of the loan principal, or has entered bankruptcy or other financial reorganisation, or has severely delayed payments of the loan principal or interests.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

AA Investment Management Limited ("AA Investment") is a wholly-owned subsidiary of the Company and is a Hong Kong-based wealth management and asset management company which holds Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) Licenses of the Securities and Futures Commission ("SFC") to carry out regulated activities in the financing services sector.

AA Investment offers its retail and institutional clients a fully digital investment fund dealing and discretionary portfolio management services through different channels (mobile application and/or backend integration). Looking ahead, AA Investment's management team will continue to adopt prudent and client-centric strategies, safeguarding client interests while capturing opportunities presented by the ongoing improvements in the Hong Kong and broader Asian markets.

We believe that there are new opportunities arising by entering the post-epidemic stage. Although the clients affected by the pandemic are faced with increasing liquidity risks in the short term, which may impose downward pressure on the Group's asset quality and in turn impact its short-term operating results to a certain extent, we are confident that with improvement in the situation for mid to long-run, enterprises with high growth will gradually recover from liquidity shortage and remain favourable in the market, to which the Group will pay close attention. We will take proactive measures to tackle the new challenges brought by the complex situation.

## JOINT VENTURE - ZA GLOBAL

### *Peak3 (Hong Kong) Limited ("Peak3") (Overseas Technology Export)*

Peak3 was incubated by ZA Global in 2018 as an independently operated technology group to provide technology solutions to international enterprise customers. Peak3's main product portfolio includes Graphene, its cloud-native, AI-ready and modular insurance core platform, and Fusion, a cloud instance distribution and orchestration platform. Peak3's solutions support life, health and property & casualty insurance and are used by leading global insurers, digital platforms and other intermediaries.

In 2025, Peak3 focused on the expansion of its product capabilities. It completed a new major release of its Graphene core platform, which expanded its scope to commercial property & casualty insurance and group medical insurance, while strengthening support for traditional life and health insurance businesses. Furthermore, it included the release of diverse new artificial intelligence capabilities, including an AI agent orchestration platform, pre-integrated intelligent chatbots, intelligent document processing, and agentic claims assessment to drive its clients' efficiency, while improving user experience and decision making.

# MANAGEMENT DISCUSSION AND ANALYSIS

Peak3 has entered into cooperation agreements with its clients and officially entered new markets including Australia, France, Germany, India, Italy, and Spain. In addition, leveraging the Graphene platform's capability to support multi-country operations at scale, Peak3 has entered into an industry-first seven-country collaboration project with a major Asian insurance group. To support its expansion into new markets, the company has commenced establishing new technology centers in Spain and India while forming partnerships with certain system integrators. Peak3 received multiple technology related awards in 2025, including but not limited to World's Most Innovative InsurTechs by FinTech Global, Technology Standout Award by Celent and Top Initiative InsurTech Startup Award by ITC Asia, and has been recognised as a Representative Vendor by Gartner and as among the World's Top Fintech Companies 2025 by CNBC and Statista. It also received numerous accolades from leading global technology and industry analysts such as Celent, Gartner, and IDC.

## ***ZA Bank Limited ("ZA Bank") (Digital Banking in Hong Kong)***

ZA Bank, a subsidiary of ZA Global and a digital bank in Hong Kong, became one of the first banks in Hong Kong having been granted a digital banking license in 2019, and officially commenced operation in 2020. ZA Bank aims to build a local one-stop digital financial service platform in Hong Kong to provide diversified, convenient and inclusive financial services to retail customers and SMEs. At present, ZA Bank has become one of the digital banks in the Hong Kong market that offers the most comprehensive functions and products, building a one-stop integrated digital financial service platform through its mobile app, which operates in a fully digitalised mode.

In 2025, ZA Bank became the first digital bank in Hong Kong to have over 1 million retail users, marking a significant milestone in the development of digital finance in Hong Kong. Along with the growth in its user base, ZA Bank achieved profitability for the first time in 2025, with a net profit of HK\$17 million. During the reporting period, ZA Bank's core business also continued to grow, with all key indicators performing well. In 2025, ZA Bank recorded net revenue of approximately HK\$892 million, representing a year-on-year increase of 62.7%. Specifically, net interest income was HK\$669 million, representing a year-on-year increase of 36.8%, and non-interest income was HK\$223 million, representing a year-on-year increase of 277.9%. Meanwhile, benefiting from a higher proportion of demand deposits and the resulting further reduction in capital costs, ZA Bank's net interest margin improved from 2.41% for the corresponding period of 2024 to 2.69% in 2025, outperforming the industry average. While expanding its business scale, ZA Bank also focused on operating efficiency improvement, gradually demonstrating the economies of scale. In 2025, ZA Bank's cost-to-income ratio improved significantly from 109.4% for the corresponding period of last year to 77.8%. With the growing user base and increasing user trust, as of 31 December 2025, ZA Bank's customer deposit balance increased by 14.7% as compared to the end of 2024 to approximately HK\$22,245 million, and its total assets increased by 11.3% as compared to the end of 2024 to HK\$24,853 million.

ZA Bank continued to expand its retail wealth management business, striving to create a one-stop investment and wealth management experience, and the related investment business remains a major driver of non-interest income growth. ZA Bank consistently optimises its products and services, enabling users to seamlessly access diversified product offerings within a single App, including the HK stock trading services newly introduced in 2025, together with the previously available US stock, fund and cryptocurrency trading services. ZA Bank also continues to enhance user engagement through product and service innovation. As an example, In November 2025, ZA Bank launched the "StockBack x ZA Card", the first card spending product in Hong Kong to offer stock rebates on every eligible purchase. As its product offerings are continuously enriched, ZA Bank is setting a new benchmark for digital wealth management featured by cost-efficiency, ease of use, and 24/7 availability.

Technology remains at the core of ZA Bank's operating model. ZA Bank continues to allocate resources to enhance efficiency and productivity, with a view to actively managing operating expenses while supporting business expansion. By continuously upgrading its system, including deeper integration of AI into operations and controls, ZA Bank further improves the resilience, stability and information security of the system.

# MANAGEMENT DISCUSSION AND ANALYSIS

## PROPERTY RENTAL

For the year ended 31 December 2025, total rental income amounted to HK\$383.0 million, representing an increase of 124.6% as compared to last year. The significant increase in revenue was mainly attributable to the consolidation of revenue from the business combination which was completed in December 2024.

The aforesaid rental income was mainly contributed by our commercial property portfolio, composed of *The Vi City*, *Sinolink Garden Phase One to Four*, *Sinolink Tower* and *Rockbund*.

### *Sinolink Tower*

Located in the Louhu district in Shenzhen, *Sinolink Tower*, composed of the hotel and office complex of *Sinolink Garden Phase Five*, has a total gross floor area ("GFA") of approximately 50,000 square metres, of which hotel space occupies 30,000 square metres and office space occupies 20,000 square metres.

For the year ended 31 December 2025, the occupancy rate of the office portion of *Sinolink Tower* was approximately 33.6%. Tenants are mainly engaged in jewellery, trading and real estate business.

*O Hotel*, the Group's first hotel that is dedicated to delivering a personalised experience, has 188 rooms and suites, a trendy restaurant, a specialty coffee shop, a premium fitness club and other facilities. During the year, the hotel continued to operate in a challenging business environment. In the post-COVID period, the occupancy rate was still at a low level. The management has adopted measures for more stringent cost control and better services to improve the overall performance of the hotel.

### *Rockbund*

Located in the Bund in Shanghai, *Rockbund* is an integrated property project which has a total site area of approximately 18,000 square metres with a GFA of approximately 105,000 square metres, and comprises of the repairs and operation of heritage buildings, and the construction of some new structures. The Group has proceeded to redevelop the historical site and structures into an upscale mixed-use neighborhood with residential, commercial, retail, food and beverages, offices and cultural facilities. The preserved heritage buildings have already commenced operation and have been leased out. The entire project had commenced operations gradually since the completion of the construction in 2023.

On 30 April 2024, Shanghai Bund de Rockefeller Group Master Development Co., Ltd., ("SHRGMD") a subsidiary of the Group and is principally engaged in the development of *Rockbund*, entered into a Sales and Purchase Agreement with ZhongAn Online. Pursuant to the agreement, SHRGMD agreed to sell two properties located in the Rockbund project area, with a total GFA of 15,943.98 square metres, for a total consideration of RMB1,436.6 million.

The sale of all saleable area above ground of Building No. 219 of Rockbund was completed during the year ended 31 December 2024. The remaining property was subsequently classified as "assets classified as held for sale" in the consolidated statement of financial position as at 31 December 2024.

During the year ended 31 December 2025, the transaction for the sale of all saleable above ground of Building No. 27 of Rockbund was also completed.

# MANAGEMENT DISCUSSION AND ANALYSIS

## COMPLETED PROPERTIES HELD FOR SALE

As at 31 December 2025, the Group has the following completed properties held for sale:

### *Rockbund Residential Project*

Situated at the confluence of the Huangpu River and Suzhou Creek within the Rockbund precinct, the project is bounded by Yuanmingyuan Road to the east, Huqiu Road to the west, South Suzhou Road to the north, and Beijing East Road to the south. As one of the first neighbourhoods in Shanghai to undergo urban regeneration, Rockbund has completed nearly two decades of restoration and development. Leveraging its unique location, deep historical roots, diverse architectural heritage, and premium commercial and cultural intellectual property, it has established itself as a model for urban renewal and future development.

The residential component of Rockbund is primarily housed within three newly constructed 14-storey buildings with three basement levels at Rockbund Anren. The project offers a total of 27 exclusive units, with floor areas ranging from approximately 224 to 567 square meters. Marketing and sales initiatives are currently underway through appointed sales agents. As of 31 December 2025, sale and purchase agreements have been signed for 3 units, representing an aggregate consideration of approximately HK\$428 million, with deposits of approximately HK\$189 million received. The remaining units are being progressively released to the market in alignment with prevailing market conditions.

### *Ningguo Mansions*

Located in the Changnin District of Shanghai, *Ningguo Mansions* is a residential project with a total site area of 13,600 square metres and a plot ratio of 1.0, developed into 11 quadrangle courtyards boasting a fusion of Chinese and Western cultures, each with a GFA of 1,000 to 1,500 square metres. David Chipperfield Architects, a British architecture design company, is in charge of the construction, decoration and design of the project. Situated in one of the most accessible, low-density and tranquil luxury neighborhoods in Shanghai, *Ningguo Mansions* is approximately 10-minute and 30-minute ride away from the airport and the downtown respectively.

The project has 4 luxuriously decorated and 7 bare shells quadrangle courtyard properties that showcase a fusion of Chinese and Western cultures, and are now being gradually launched to the market in response to changing market conditions.

## OTHER BUSINESSES

Other businesses within the Group include property and facility management services. For the year ended 31 December 2025, the Group recorded a revenue of HK\$170.8 million from other businesses, representing an increase of 9.8% as compared to last year.

# MANAGEMENT DISCUSSION AND ANALYSIS

## SIGNIFICANT INVESTMENT

As at 31 December 2025, total equity instruments at fair value through other comprehensive income amounted to HK\$1,360.1 million (31 December 2024: HK\$1,024.6 million), mainly representing that of ZhongAn Online owned by the Group of approximately HK\$1,303.3 million (31 December 2024: HK\$950.9 million), which was measured at fair value at the end of this reporting period. As at 31 December 2025, the significant investment of the Group is as follows:

	Number of shares held as at 31 December 2025	Percentage of shareholding as at 31 December 2025 %	Unrealised fair value gain recognised in other comprehensive income for year ended 31 December 2025 HK\$'000	Realised fair value gain/(loss) recognised in other comprehensive income for the year ended 31 December 2025 HK\$'000	Dividends received for the year ended 31 December 2025 HK\$'000	Approximate percentage of the Group's total assets as at 31 December 2025 %	Cost of investment HK\$'000	Market value as at 31 December 2025 HK\$'000
Hong Kong listed shares								
- ZhongAn Online (Stock code: 6060)	81,000,000	4.95	323,826	—	—	8.00	92,000	1,303,290

ZhongAn Online is an online Insurtech company, incorporated in the PRC with limited liability and is a joint stock company engaged in FinTech business, which provides internet insurance services, insurance information technology services and online banking services to customers.

The performance and prospects of the Group's significant investment during the year are detailed below:

During the year ended 31 December 2025, the gross written premiums of ZhongAn Online was approximately RMB35,735 million, representing an increase of approximately 6.9% compared to 2024; the adjusted net profit attributable to owners of the parent company was approximately RMB1,800 million, as compared to RMB603 million in 2024.

Of all the industries, we consider that the FinTech industry has the greatest development potential. FinTech has experienced rapid development over the past several years, and this technology is continuously being applied to various financial service scenarios, which not only increases the efficiency of the financial service industry, but also provides the general public with more products and service options.

# MANAGEMENT DISCUSSION AND ANALYSIS

## CONVERTIBLE BONDS

In addition to the information disclosed in the section headed “CONVERTIBLE BONDS” in the 2025 Interim Report, the Board would like to provide additional information pursuant to paragraphs 11(8)(b) of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), in particular, in relation to the use of Net Proceeds as follows:

As of 31 December 2025, the intended use and actual use of the net proceeds from the Convertible Bonds, as well as the unutilised net proceeds therefrom are as follows:

	<b>Intended use of net proceeds from the Convertible Bonds HK\$'million</b>	<b>Utilised amount during the year ended 31 December 2024 HK\$'million</b>	<b>Utilised amount during the year ended 31 December 2025 HK\$'million</b>	<b>Unutilised net proceeds as at 31 December 2025 HK\$'million</b>
Business development of the Group	119.00	—	20.00	99.00
Partial repayment of outstanding bank loans	59.50	59.50	—	—
General working capital	19.84	19.84	—	—
Total	<u>198.34</u>	<u>79.34</u>	<u>20.00</u>	<u>99.00</u>

Subsequent to 31 December 2025 and up to the date of this report, the Group has further utilised HK\$10 million of the net proceeds for business development. The Group is still prudently seeking new investment opportunities for business development and expects to utilise the remaining net proceeds by December of 2026, the actual use of net proceeds will be subject to the market conditions, ongoing negotiations and investment appraisals.

## PROSPECTS

The outlook for 2026 is characterised by a path toward economic recovery, supported by the trend of interest rate cuts in major developed economies. This monetary easing is expected to alleviate liquidity constraints and foster a more favourable external environment for capital flows and investment sentiment. For China, we expect the macroeconomic policy support to be further strengthened, with a strategic focus on stimulating domestic demand and deepening industrial upgrading.

Within this broad outlook, we foresee distinct and exciting development trajectories for the FinTech, Web3, and digital asset markets. In Mainland China, a key development will be the deeper integration of the e-CNY into core economic activities. We expect to see wider adoption of its smart contract capabilities, which could fundamentally transform transaction processes in key sectors such as real estate and asset financing. Hong Kong is poised to solidify its position as a global leading digital asset hub. Following the legislative progress in 2025, we expect to witness the implementation of the regulatory framework for stablecoins and see tokenisation of Real-World Assets’ (“RWA”) progress from pilot projects to initial commercial applications.

The FinTech industry remains a cornerstone of the future global economy. We believe the structural shift towards a digital-native economy is an irreversible mega-trend. This momentum is further accelerated by the rapid integration of Artificial Intelligence and Web3, a convergence that we believe represents the inevitable future direction of the global technology sector. The rise of interconnected digital ecosystems, which re-architect the financial landscape, presents marvellous development prospects.

# MANAGEMENT DISCUSSION AND ANALYSIS

In navigating the future landscape, the Group will execute a clear and focused strategy. Our primary objective is to allocate capital and resources towards high-growth opportunities in the FinTech sector, while ensuring our traditional businesses provide stable support.

Our strategic priority will be the continued expansion of our FinTech business. Building on the capabilities of our strategic collaborations, we plan to dedicate resources to the research and development of innovative digital financial products, particularly in the fields of RWA and regulated cross-border payments. We will actively pursue commercial opportunities arising from Hong Kong's development as a Web3 hub and seek to establish a stronger foothold in this dynamic ecosystem. In addition, the Group is actively undertaking the preparatory work to upgrade the Type 9 (asset management) license of the SFC held by its wholly-owned subsidiary, AA Investment. The objective of this upgrade is to expand the Group's capabilities in this area, enabling AA Investment to manage portfolios with a dedicated focus on virtual assets, subject to the approval of the SFC. This strategic move will empower the Group to build a robust and scalable platform, positioning it to become a key player in the virtual asset management sector.

For our traditional businesses, the focus will be on resilience and value realisation. For our real estate portfolio, we will continue the strategy of marketing certain residential properties, aiming to monetise these assets at favourable valuations as market opportunities arise. For our financing services, we will maintain our prudent risk management framework while selectively exploring new, low-risk opportunities.

By focusing our growth efforts on the promising FinTech sector while prudently managing our core businesses, we believe this balanced approach will enable the Group to navigate market cycles effectively and build sustainable, long-term value for our shareholders.

## FINANCIAL REVIEW

As disclosed in the announcement of the Company dated 20 December 2024, the Group completed a business combination in December 2024. The Group's results for the year ended 31 December 2025 therefore fully consolidated the performance of the acquired business. As such, the operating and financial results for the two year are not directly comparable, and any year-on-year comparisons should be read in this context.

During the year ended 31 December 2025, total revenue of the Group was HK\$566.0 million (2024: HK\$346.3 million), increasing by 63.4% as compared to last year. The significant increase in revenue was mainly attributable to the consolidation of revenue from the business combination as mentioned above.

The Group recorded an other income of approximately HK\$58.4 million for the year ended 31 December 2025 (2024: HK\$78.1 million). The other income for the year was mainly contributed from the bank interest income from bank deposits and pledged bank deposits and dividends from financial assets at fair value through profit or loss.

The total operating costs (including cost of sales, selling and administrative expenses) for the year ended 31 December 2025 was approximately HK\$425.6 million (2024: total operating costs of HK\$265.9 million), representing an increase of approximately 60.1%. This was due to the consolidation of operating costs from the business combination as mentioned above.

The Group recorded an impairment loss on financial assets of approximately HK\$24.1 million for the year ended 31 December 2025 (2024: HK\$3.4 million). The increase was mainly attributable to a specific provision of approximately HK\$21.2 million prudentially made against a borrower experiencing severe financial difficulties and liquidity constraints.

The Group recorded a fair value loss of the investment properties of approximately HK\$31.3 million for the year ended 31 December 2025 (2024: HK\$100.2 million), mainly contributed by the capital depreciation of our commercial property portfolio located in the PRC for rental.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Group recognised finance costs of approximately HK\$126.8 million for the year ended 31 December 2025 (2024: HK\$73.9 million). The increase was mainly due to the additional bank borrowings from the business combination as mentioned above.

The Group recorded loss attributable to the owners of the Company of HK\$1,100.1 million during the year ended 31 December 2025, compared to profit attributable to the owners of the Company of approximately HK\$3,968.7 million for the year ended 31 December 2024. This was mainly due to the various factors outlined above and the net effects of the following factors:

- (i) the one-off gains arising from the business combination completed in December 2024 of approximately HK\$4,252.3 million recorded for the year ended 31 December 2024;
- (ii) a turn-around from a fair value gain to a fair value loss on convertible bonds. The Group recorded a fair value loss on convertible bonds of approximately HK\$974.4 million for the year ended 31 December 2025 (2024: a fair value gain of HK\$0.3 million);
- (iii) a turn-around from fair value losses to fair value gains on other financial assets at FVTPL. The Group recorded fair value gains on other financial assets at FVTPL of approximately HK\$28.9 million for the year ended 31 December 2025 (2024: fair value losses of HK\$62.0 million);
- (iv) a gain on dilution of investments accounted for using the equity method of nil for the year ended 31 December 2025 (2024: HK\$114.8 million); and
- (v) a fair value loss on loan receivable from associates at FVTPL and amounts due from associates at FVTPL of nil for the year ended 31 December 2025 (2024: HK\$131.4 million).

The Group's total borrowings was HK\$2,219.2 million as at 31 December 2025 (31 December 2024: HK\$2,756.9 million). The borrowings of the Group are denominated in RMB and are interested at floating rate. The Group's borrowings are denominated as follows:

	<b>2025</b> <i>HK\$'million</i>	2024 <i>HK\$'million</i>
RMB	<b><u>2,219.2</u></b>	<u>2,756.9</u>

They were due for repayment within the following periods:

	<b>2025</b> <i>HK\$'million</i>	2024 <i>HK\$'million</i>
Within 1 year	<b>52.6</b>	485.2
Within 1 year, which contain a repayment on demand clause	<b>268.0</b>	540.0
After 1 year but within 2 years	<b>63.0</b>	102.6
After 2 years but within 5 years	<b>273.4</b>	359.0
After 5 years	<b><u>1,562.2</u></b>	<u>1,270.1</u>
Total	<b><u>2,219.2</u></b>	<u>2,756.9</u>

The management of the Group will continue to evaluate and closely monitor the borrowing portfolio and interest rate risks of the Group, and may consider taking appropriate measures to hedge material interest rate risks when necessary.

# MANAGEMENT DISCUSSION AND ANALYSIS

## CHARGE OF ASSETS

As at 31 December 2025, property, plant and equipment of HK\$189.6 million (31 December 2024: HK\$179.0 million), investment properties of HK\$4,431.9 million (31 December 2024: HK\$4,574.3 million), completed properties held for sale of HK\$2,176.2 million (31 December 2024: HK\$2,102.5 million), assets classified as held for sale of nil (31 December 2024: HK\$911.3 million), bank deposits of HK\$174.8 million (31 December 2024: HK\$710.6 million) and trade receivables of HK\$11.5 million (31 December 2024: HK\$6.0 million) were pledged to banks to secure general banking facilities granted to the Group.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2025, the Group's gearing ratio, calculated on the basis of total borrowings over shareholders' equity, was 19.8% as compared with 25.6% as at 31 December 2024. Despite the temporary fluctuation, the Group remained financially strong.

The Group's cash and bank balances (including bank deposits, pledged bank deposits, structured deposits and cash and cash equivalents) amounted to HK\$2,011.8 million as at 31 December 2025 (31 December 2024: HK\$1,743.8 million), mostly denominated in RMB, HK\$ and USD. As at 31 December 2025, the Group has undrawn borrowing facilities of HK\$586.3 million (31 December 2024: HK\$718.6 million).

The Group funds its operations and capital commitments by internal resources, bank and other borrowings and can be further funded by the potential undrawn borrowing facilities.

We have continued to maintain a healthy and sound financial position and have followed a set of funding and treasury policies to manage our capital resources and mitigate potential risks involved.

## FOREIGN EXCHANGE EXPOSURE

Majority of the subsidiaries of the Group operate in the PRC with most of the transactions in relation to operations are denominated and settled in RMB. Fluctuations of RMB exchange rates would impact the Group's net asset value in the preparation of the Group's consolidated accounts. If RMB appreciates/depreciates against HK\$, the Group would record a(n) increase/decrease in the Group's net asset value. During the year ended 31 December 2025, in respect of the Group's exposure to potential foreign exchange risks arising from the currency exchange rate fluctuations, it did not make any arrangement or use any financial instruments to hedge against potential foreign exchange risks. However, the management will continue to monitor foreign exchange risks and adopt hedging measures where necessary.

## CAPITAL COMMITMENTS

As at 31 December 2025, the Group had commitments of HK\$48.6 million (31 December 2024: HK\$52.4 million) in respect of properties under development.

## CONTINGENT LIABILITIES

As at 31 December 2025, guarantees offered to banks as security for the mortgage loans arranged for the Group's property buyers amounted to HK\$1.5 million (31 December 2024: HK\$2.7 million).

## FINAL DIVIDEND

In order to retain resources for the Group's business development, the Board does not recommend payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

# MANAGEMENT DISCUSSION AND ANALYSIS

## EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group employed approximately 695 full time employees for its principal activities. The Group recognises the importance of high calibre and competent staff and continues to provide remuneration packages to employees with reference to prevailing market practices and individual performance. Other various benefits, such as medical and retirement benefits, are also provided. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the approved share option scheme of the Company.

## ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company (the "AGM") will be held on Monday, 8 June 2026. The notice of AGM will be published on the Company's website at [www.zfin.com](http://www.zfin.com) and the designated website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) in due course.

The register of members of the Company will be closed from Wednesday, 3 June 2026 to Monday, 8 June 2026, both days inclusive, during which period no share transfer will be effected. The record date for determining the entitlement of the shareholders to attend and vote at the AGM is Wednesday, 3 June 2026. In order to identify the entitlement for attending the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 2 June 2026.

# PROFILES OF DIRECTORS

## EXECUTIVE DIRECTOR

**Mr. Tang Yui Man Francis (“Mr. Tang”)**, aged 63, was re-designated as an executive director of the Company and was appointed as the chairman of the board of directors of the Company (the “Chairman”), the Chief Executive Officer of the Company (the “Chief Executive Officer”), a member of each of the remuneration committee and nomination committee of the Company on 30 May 2024. He was initially appointed as an executive director of the Company in September 2001 and the Chief Executive Officer in 2002, and subsequently ceased to act as Chief Executive Officer and was appointed as the Chairman and a member of the remuneration committee of the Company in August 2013. Mr. Tang was also further appointed as a member of nomination committee of the Company since 27 March 2012. Mr. Tang was subsequently re-designated as a non-executive director of the Company and ceased to act as the Chairman, a member of each of the remuneration committee and nomination committee of the Company on 28 June 2017. He is currently a director of Sinolink Properties Limited, a subsidiary of the Company. Mr. Tang holds a Bachelor’s degree in Computer Studies from the University of Victoria in Canada and a Master of Business Administration degree from The City University of New York in the United States. Mr. Tang has numerous years of experience in management, accounting and finance. Mr. Tang has been responsible for corporate planning, strategic development and financial planning and management of the Group since 2001. Save as disclosed above, Mr. Tang has not held any directorship in other listed public companies in the past three years.

## NON-EXECUTIVE DIRECTORS

**Mr. Ou Jin Yi Hugo (“Mr. Hugo Ou”)**, aged 34, was appointed as a non-executive director of the Company in January 2016. He was appointed as a non-executive director of ZhongAn Online P & C Insurance Co., Ltd. (Stock Code: 6060) (“ZhongAn Online”), a company whose shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), in July 2017 and was re-designated as an executive director on 27 November 2017 and was re-designated as a non-executive director on 28 November 2022. He is also a member of nomination and remuneration management committee of ZhongAn Online. Mr. Hugo Ou obtained a Bachelor’s degree in East Asian Studies from Princeton University. Mr. Hugo Ou worked as an associate of the investment team at Thrive Capital. Mr. Hugo Ou has extensive experience in reviewing residential and commercial property development deals in the United States and portfolio managing of public and private equities, including stocks, bonds, startups, and private equity firms. He is a son of Mr. Ou Yaping who is the substantial shareholder of the Company and a brother of Mr. Ou Jin Yao Norris, a non-executive director of the Company. Save as disclosed above, Mr. Hugo Ou has not held any directorship in other listed public companies in the past three years.

**Mr. Ou Jin Yao Norris (“Mr. Norris Ou”)**, aged 32, was appointed as non-executive director of the Company in May 2024. He was appointed as an executive director of Shanghai Bund de Rockefeller Group Master Development Co., Ltd in February 2024, and he served as a consultant at McKinsey & Company in Shanghai from 2020 to 2023. He obtained a Bachelor’s degree of Arts from Middlebury College, USA. Mr. Norris Ou is a son of Mr. Ou Yaping, the substantial shareholder of the Company and a brother of Mr. Ou Jin Yi Hugo, a non-executive director of the Company. Save as disclosed above, Mr. Norris Ou had not held any directorship in other listed public companies in the past three years.

## PROFILES OF DIRECTORS

**Ms. Xu Xiujuan (“Ms. Xu”)**, aged 34, was appointed as a non-executive director of the Company since August 2025. She graduated with a Bachelor degree in Economics from Fudan University and a Master degree of Business Administration in Finance from Shanghai Jiao Tong University. Ms. Xu joined Sinolink Worldwide (HK) Company Limited, a subsidiary of the Company, in 2024, as the managing director of the corporate development department. She joined ZhongAn Online in 2019 and currently serves as the president of capital planning. Prior to this, Ms. Xu worked at leading multinational private equity firm and top financial consulting institution, gaining extensive experience in strategy, capital markets, and investments. Save as disclosed above, Ms. Xu has not held any directorship in other listed public companies in the past three years.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Cheung Adrian Jeremy Ka Hing (“Mr. Cheung”)**, aged 37, was appointed as an independent non-executive director of the Company since August 2025. He is also a member of audit committee, nomination committee and remuneration committee of the Company. Mr. Cheung graduated from the University of Cambridge, United Kingdom with a Bachelor of Arts degree in Law and a Master of Arts degree in Law. He joined The Garden Company Limited (“Garden”) in 2018 and was appointed as an executive director of Garden in December 2021. He previously was a dual-qualified corporate lawyer in both Hong Kong and England & Wales. Save as disclosed above, Mr. Cheung has not held any directorship in other listed public companies in the past three years.

**Mr. Tian Jin (“Mr. Tian”)**, aged 68, was appointed as an independent non-executive director of the Company in May 2005. He is also a member of audit committee and the chairman of nomination committee of the Company. Mr. Tian holds a Bachelor of Arts from Hunan University, Master of Arts from Wuhan University and Doctorate in Administration and Management from Auburn University. He is the Principal of Tur Partners LLC effective from 14 November 2011. Before joining Tur Partners LLC, Mr. Tian served as the CEO of Morningstar Asia and chairman of Morningstar China and was a lecturer of Hunan University, visiting professor of Auburn University, director of Academic Technology Development of DePaul University, director of Institutional Planning and Research of DePaul University. Save as disclosed above, Mr. Tian has not held any directorship in other listed public companies in the past three years.

**Mr. Xin Luo Lin (“Mr. Xin”)**, aged 77, was appointed as an independent non-executive director of the Company in June 2002. He is also the chairman of audit committee and remuneration committee and a member of nomination committee of the Company. Mr. Xin is a postgraduate from the Peking University in PRC. He was a research associate at the Waseda University in Japan, an honorary research associate at the University of British Columbia, Canada and a visiting fellow at the University of Adelaide, Australia from 1984 to 1985. He was appointed as a Justice of the Peace in New South Wales of Australia in 1991. Mr. Xin is a co-author of a book titled “China’s iron and steel industry policy: implications for Australia”. Mr. Xin is also an independent non-executive director, the chairman of remuneration committee and a member of audit committee and nomination committee of Central China Real Estate Limited (Stock Code: 832) and an independent non-executive director, a member of audit committee, remuneration committee and nomination committee of Beijing Sports and Entertainment Industry Group Limited (Stock Code: 1803), both of which are listed companies on the Stock Exchange. Mr. Xin is a director of Daikokuya Holdings Co., Ltd., a public company listed on the Tokyo Stock Exchange (Tokyo Stock Code: 6993). Save as disclosed above, Mr. Xin has not held any directorship in other listed public companies in the past three years.

“Note: The Group’s business are under the direct responsibility of the above executive director and non-executive directors of the Company who are senior management of the Company”

# REPORT OF DIRECTORS

The directors of the Company (the “Directors”) present their report and the audited consolidated financial statements for the year ended 31 December 2025.

## PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries and investments accounted for using the equity method are set out in notes 39 and 17 respectively to the financial statements.

## CHANGE OF COMPANY NAME

Pursuant to a special resolution passed by the shareholders of the Company on 18 August 2025, the issuance of a Certificate of Change of Name by the Registrar of Companies in Bermuda on 18 August 2025 and the issuance of a Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company by the Registrar of Companies in Hong Kong on 27 August 2025, the English name of the Company was changed from “SINOLINK WORLDWIDE HOLDINGS LIMITED” to “Z Fin Limited” and the Chinese name “百仕達控股有限公司” was no longer used for identification purpose after the Change of Company Name became effective.

## BUSINESS REVIEW

A fair review of the business of the Company and a discussion and analysis of the Group’s performance during the year and the material factors underlying its results and financial position as well as the outlook of the Company’s business are provided in the “Chairman’s Statement” and “Management Discussion and Analysis” from pages 2 to 4 and pages 4 to 16 of this annual report. An analysis of the Group’s performance during the year using financial key performance indicators is provided in the Financial Summary on page 162 of this annual report. Description of the principal risks and uncertainties facing the Company can be found throughout this annual report particularly in note 3 to the consolidated financial statements and the “Management Discussion and Analysis” from pages 4 to 16 of this annual report.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is subject to certain laws, rule and regulations concerning environmental protection in Hong Kong (“HK”) and PRC including those in relation to the discharge of gaseous waste, liquid waste and solid waste, the disposal of hazardous substances and noise pollution during the construction and development of projects.

The Group emphasizes on complying with relevant environmental laws and regulations and requires its own staff and construction contractors to comply with the relevant laws and regulations relating to the operation and quality of construction including environmental, labour, social and safety regulations, as well as its own standards.

The Directors believe that the Group is compliance in all material respects with applicable environmental laws and regulations in HK and PRC.

The Group recognises environmental protection is of vital importance to the long-term development of the Group. In order to minimise the environmental impact, the Group will continue to review and improve the effectiveness of its management practices from time to time.

A report containing the prescribed information of environmental, social and governance matters will be published on the Company’s website at the same time of publication of this annual report.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Group’s business are mainly carried out by the Company’s subsidiaries established in HK, PRC and the British Virgin Islands while the Company itself is incorporated in Bermuda with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Our establishment and operations accordingly shall comply with relevant laws and regulations in Bermuda, PRC, the British Virgin Islands and HK.

During the year ended 31 December 2025 and up to the date of this report, the Group has complied in material aspects in the relevant applicable laws and regulations that have a significant impact on the businesses and operations of the Group.

# REPORT OF DIRECTORS

## KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group has always paid great attention to and maintained a good working relationship with its suppliers of construction materials, and has been providing quality professional and customer-oriented services for its regional government, markets and customers. The aforementioned suppliers and customers are good working partners creating value for the Group. The Group also values the knowledge and skills of its employees, and continues to provide favourable career development opportunities for its employees.

Regarding the financing services business, the Group places emphasis on regular communication and continuous monitoring of loan receivables closely and maintains close relationships with borrowers.

The Group has not only been committed to providing safe and premium quality property projects to its tenants but also to improving the urban living environment and quality of life overall. Throughout the life-cycle of the property development projects, the Group persistently places its customers at the center of its products and services.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2025 are set out in the consolidated statement of profit or loss on page 60 of the annual report.

No interim dividend (2024: Nil) was paid to the shareholders of the Company during the year.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

## DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 64 of this annual report.

The Company's reserves available for distribution to shareholders of the Company as at 31 December 2025 was HK\$342,959,000 (2024: HK\$1,258,315,000).

## FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for each of the last five financial years is set out on pages 162 of this annual report.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year in the property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

## INVESTMENT PROPERTIES

Details of movements during the year in the investment properties of the Group are set out in note 16 to the consolidated financial statements.

## SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 32 to the consolidated financial statements.

## CONVERTIBLE BONDS AND USE OF PROCEEDS

The Company entered into a subscription agreement on 30 April 2024 (as amended and supplemented on 31 May 2024) (the “Subscription Agreement”) with Mr. Ou Yaping, a controlling shareholder of the Company (the “Subscriber”), pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for, or procure his nominee(s) to subscribe for the 0% coupon convertible bonds in the aggregate principal amount of HK\$200,000,000 issued by the Company (the “Convertible Bonds”) subject to and upon the terms and conditions contained in the Subscription Agreement and the shareholders’ approval as detailed in the Company’s circular dated 11 June 2024 (the “Circular”).

Capital reorganisation was proposed and implemented which involved the capital reduction, the capital diminution and the capital increase of the Company. Details of the capital reorganisation are set out in the Circular.

The Subscription Agreement, the capital reorganisation and issue of the Convertible Bonds were approved by the independent shareholders of the Company at a special general meeting held on 3 July 2024. The Convertible Bonds may be converted into the 2,352,941,176 new shares of HK\$0.01 each in the share capital of the Company (“Share(s)”) at an initial conversion price of HK\$0.085 per Share and may be converted at any time from the issue date up to the third anniversary date of issue of the relevant amount of the Convertible Bonds. On 12 July 2024, the Company issued, and Asia Pacific Promotion Limited (“Asia Pacific”) (being the nominee of the Subscriber) subscribed for, the Convertible Bonds with an aggregate principal amount of HK\$200,000,000.

The maximum principal amount of the face value of the Convertible Bonds amounted to HK\$200,000,000. The Board considered that the issue of the Convertible Bonds was an appropriate means of raising additional fund since it would not have an immediate dilution effect on the shareholding of the existing Shareholders.

As disclosed in the annual report of the Company for the year ended 31 December 2023, the Group recorded net current liabilities of approximately HK\$149.5 million as at 31 December 2023 and had bank borrowings with carrying amount of approximately HK\$1,565.7 million which were subject to a repayable on demand clause for the year ended 31 December 2023. The Board considered that the issuance of the Convertible Bonds offers a good and flexible opportunity to raise further capital in a relatively cost-effective and time efficient manner as well as to obtain funding for the operations of the Group. The net proceeds from the issue of the Convertible Bonds (after deduction of expenses) is approximately HK\$198,400,000. The Company applied the net proceeds as to (i) approximately 60% for business development of the Group, including without limitation to its continuous development of financing services business and its increasingly active development of FinTech, for example, to continue to actively collaborate with leading FinTech companies in the market when investment opportunities arise. While the Company has not yet identified any particular FinTech companies for collaboration or specific investment opportunities in the market, the Company currently intends to remain focused on its existing FinTech business, which includes financial technology investment and management, and the proceeds from the Subscription provided continuous financial support for the smooth running of the Group’s existing FinTech business; (ii) approximately 30% for partial repayment of its outstanding bank loans; and (iii) approximately 10% as general working capital to strengthen the Company’s financial position. The net price to the Company for each Conversion Share is approximately HK\$0.0843.

The conversion price of HK\$0.085 per Share, represents the closing price of HK\$0.085 per Share as quoted on the Stock Exchange on the date of Subscription Agreement. Upon the completion of Share Consolidation on 27 May 2025 (please refer to note 28 to the consolidated financial statements), the conversion price was adjusted from HK\$0.085 to HK\$1.70 per share of HK\$0.20 each.

# REPORT OF DIRECTORS

As of 31 December 2025, the intended use and actual use of the net proceeds from the Convertible Bonds, as well as the unutilised net proceeds therefrom are as follows:

	<b>Intended use of net proceeds from the Convertible Bonds HK\$'million</b>	<b>Utilised amount during the year ended 31 December 2024 HK\$'million</b>	<b>Utilised amount during the year ended 31 December 2025 HK\$'million</b>	<b>Unutilised net proceeds as at 31 December 2025 HK\$'million</b>
Business development of the Group	119.00	—	20.00	99.00
Partial repayment of outstanding bank loans	59.50	59.50	—	—
General working capital	19.84	19.84	—	—
<b>Total</b>	<b>198.34</b>	<b>79.34</b>	<b>20.00</b>	<b>99.00</b>

Subsequent to 31 December 2025 and up to the date of this annual report, the Group has further utilised HK\$10 million of the net proceeds for business development. The Group is still prudently seeking new investment opportunities for business development and expects to utilise the remaining net proceeds by December of 2026, the actual use of net proceeds will be subject to the market conditions, ongoing negotiations and investment appraisals.

## DIRECTORS

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

### **Executive Directors:**

Tang Yui Man Francis (*Chairman and Chief Executive Officer*)

### **Non-executive Directors:**

Ou Jin Yi Hugo

Ou Jin Yao Norris

Xu Xiujuan (appointed on 30 August 2025)

### **Independent Non-executive Directors:**

Cheung Adrian Jeremy Ka Hing (appointed on 30 August 2025)

Tian Jin

Xin Luo Lin

Chen Hui (resigned on 30 August 2025)

# REPORT OF DIRECTORS

In accordance with Bye-law 87(1) of the Bye-laws, each of Mr. Ou Jin Yao Norris and Mr. Xin Luo Lin will retire by rotation at the forthcoming annual general meeting (the “AGM”). In accordance with Bye-law 86(2) of the Bye-laws, Ms. Xu Xiujuan and Mr. Cheung Adrian Jeremy Ka Hing were appointed as Directors by the Board and who will hold office until the AGM. All the above retiring Directors will, being eligible, offer themselves for re-election.

The Company has received annual confirmation from each of the Independent Non-executive Directors as regards their independence to the Company pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Company considers that each of the Independent Non-executive Directors is independent to the Company.

## DIRECTORS’ INTERESTS OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were required pursuant to: (a) divisions 7 to 9 of Part XV of the SFO, to be notified to the Company and the Stock Exchange; (b) Section 352 of Part XV of the SFO, to be entered in the register referred to therein; or (c) the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company were as follows:

### *Long positions in shares or underlying shares of the Company*

Name of Directors	Capacity	Interest in shares			Total interest in shares	Interest in underlying shares pursuant to share options	Aggregate interest	Approximate percentage of the issued shares of the Company as at 31.12.2025
		Personal interest	Corporate interest	Family interest				
Tang Yui Man Francis	Beneficial owner	1,068,750	—	—	1,068,750	—	1,068,750	0.24%
Xu Xiujuan	Beneficial owner	34,000	—	—	34,000	—	34,000	0.01%

Details of the share options granted to certain Directors are set out in the below section headed “Directors’ Rights to Acquire Shares or Debentures of the Company and Associated Corporation”.

Save as disclosed above, as at 31 December 2025, none of the Directors or chief executives of the Company had, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporation or any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO.

# REPORT OF DIRECTORS

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATION

Pursuant to the Company's share option scheme adopted in 2012, the Company has granted to certain Directors of the Company options to subscribe for the shares of the Company, details of which as at 31 December 2025 were as follows:

Name of Directors	Date of grant	Exercise period	Exercise price <i>HK\$</i>	Number of shares subject to outstanding options as at 1.1.2025	Number of shares subject to outstanding options as at 31.12.2025	Approximate percentage of the issued shares of the Company as at 31.12.2025
Tang Yui Man Francis	15.05.2015	15.11.2015-14.05.2025	1.185	20,230,000	—	0%
		15.05.2016-14.05.2025	1.185	20,230,000	—	0%
Tian Jin	15.05.2015	15.11.2015-14.05.2025	1.185	1,156,000	—	0%
		15.05.2016-14.05.2025	1.185	1,156,000	—	0%
Xin Luo Lin	15.05.2015	15.11.2015-14.05.2025	1.185	1,156,000	—	0%
		15.05.2016-14.05.2025	1.185	1,156,000	—	0%

Notes:

1. The vesting period of the share options is from the date of grant until the commencement date of the exercise period.
2. These options (being physically settled unlisted derivatives) were not adjusted for share consolidation effective on 27 May 2025 and represent personal interest held by the Directors as beneficial owners which lapsed on 14 May 2025.

Other than the share option scheme of the Company mentioned below, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and neither the Directors nor the chief executive of the Company, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

## SHARE OPTION SCHEMES OF THE COMPANY

### *(A) 2012 Share Option Scheme*

A share option scheme was adopted by shareholders of the Company on 17 May 2012 (the "2012 Share Option Scheme"), under which the Board might, at its discretion, offer any employees of the Group or any directors of the Company or any of its subsidiaries options to subscribe for shares of the Company subject to the terms and conditions stipulated therein. The 2012 Share Option Scheme had a life of 10 years from the date of its adoption and accordingly expired on 16 May 2022. No further options should thereafter be offered under the 2012 Share Option Scheme but the options which had been granted during its life shall continue to be valid and exercisable in accordance with their terms of issue and in all other respects the provisions of the 2012 Share Option Scheme shall remain in full force and effect.

The 2012 Share Option Scheme was established to enable the Group to, (i) recognise and acknowledge the contributions that Eligible Persons have (or may have) made or may make to the Group (whether directly or indirectly); (ii) attract and retain and appropriately remunerate the best possible quality of employees and other Eligible Persons; (iii) motivate the Eligible Persons to optimise their performance and efficiency for the benefit of the Group; (iv) enhance its business, employee and other relations; and/or (v) retain maximum flexibility as to the range and nature of rewards and incentives which the Company can offer to Eligible Persons. The Eligible Persons included (a) any full time or part time employees of the Group or any Directors of the Company or any of its subsidiaries; (b) any customer, supplier or provider of services, landlord or tenant, agent, partner, consultant, or adviser of or a contractor to or person doing business with any member of the Group; (c) trustee of a member of any trust the principal beneficiary of which is, or discretionary trust the discretionary objects of which include, any person referred to (a) or (b) above; (d) a company wholly beneficially owned by any person referred to in (a) or (b) above, and (e) such other persons (or classes of persons) as the Board may in its absolute discretion determine.

The share options are exercisable at any time for a period to be determined by the Directors, which should not be more than 10 years from the date of grant. The minimum period for which a share option must be held before it can be exercised would be determined by the Board.

The total number of shares of the Company in respect of which options might be granted under the 2012 Share Option Scheme was not permitted to exceed 10% of the shares of the Company in issue on the date of its adoption ("Scheme Mandate Limit"), without prior approval from the Company's shareholders. The Company might seek approval of its shareholders in general meeting to renew the Scheme Mandate Limit provided that the total number of shares of the Company in respect of which options might be granted under the 2012 Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the shares of the Company in issue as at the date of the approval to renew the Scheme Mandate Limit. The number of shares of the Company in respect of which options might be granted to any Eligible Person in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. In addition, the number of shares of the Company in respect of which options might be granted to any Eligible Person (who is a substantial shareholder or an Independent Non-executive Director of the Company, or any of their associates (within the meaning as ascribed under the Listing Rules)) in any 12-month period was not permitted to exceed 0.1% of the total number of shares in issue and HK\$5,000,000 in an aggregate value, based on the closing price of the shares of the Company at the date of each grant, without prior approval from the Company's shareholders.

# REPORT OF DIRECTORS

The exercise price for the share options under the 2012 Share Option Scheme should be a price determined by the Board at its sole discretion and notified to the Eligible Persons and should be no less than the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date on which an option is granted; (ii) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date on which an option is granted; and (iii) the nominal value of a share of the Company on the date on which an option was granted.

Consideration of HK\$1 was payable by each Eligible Person for acceptance of a grant of option.

As at 31 December 2025 and at the date of annual report, no (0) share needed to be issued upon exercise of options under the 2012 Share Option Scheme.

Details of specific categories of options are as follows:

Option type	Date of grant	Exercise period	Exercise price HK\$
2015A Option	15.05.2015	15.11.2015-14.05.2025	1.185
	15.05.2015	15.05.2016-14.05.2025	1.185
2015B Option	15.05.2015	15.11.2015-14.05.2025	1.185
	15.05.2015	15.05.2016-14.05.2025	1.185
	15.05.2015	15.11.2016-14.05.2025	1.185

The following table discloses movements in the Company's share options granted under the 2012 Share Option Scheme during the year:

	Option types	Outstanding at 1.1.2025	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.12.2025
<i>Category 1: Directors</i>						
Tang Yui Man Francis	2015A Option	40,460,000	—	—	(40,460,000)	—
Tian Jin	2015A Option	2,312,000	—	—	(2,312,000)	—
Xin Luo Lin	2015A Option	2,312,000	—	—	(2,312,000)	—
Total for Directors		45,084,000	—	—	(45,084,000)	—
<i>Category 2: Employees</i>						
	2015A Option	43,928,000	—	—	(43,928,000)	—
	2015B Option	25,432,000	—	—	(25,432,000)	—
Total for employees		69,360,000	—	—	(69,360,000)	—
All categories		114,444,000	—	—	(114,444,000)	—

Notes:

- The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- During the year, no options were granted, exercised or cancelled under the 2012 Share Option Scheme.
- The exercise price and number of share options had not been adjusted for share consolidation (effective on 27 May 2025) as the share options lapsed on 14 May 2025.

## **(B) 2022 Share Option Scheme**

A new share option scheme was adopted by shareholders of the Company at the annual general meeting on 31 May 2022 (the “2022 Share Option Scheme”), under which the Board may, at its discretion, offer any employees of the Group or any directors of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2022 Share Option Scheme has a life of 10 years from 31 May 2022.

The 2022 Share Option Scheme is a share incentive scheme and is established to enable the Group to: (i) recognise and acknowledge the contributions that Eligible Persons have (or may have) made or may make to the Group (whether directly or indirectly); (ii) attract and retain and appropriately remunerate the best possible quality of employees and other Eligible Persons; (iii) motivate the Eligible Persons to optimise their performance and efficiency for the benefit of the Group; (iv) enhance its business, employee and other relations; and/or (v) retain maximum flexibility as to the range and nature of rewards and incentives which the Company can offer to Eligible Persons.

The Eligible Persons include (a) any full time or part time employees of the Group or any directors of the Company or any of its subsidiaries; (b) any consultant or adviser of any member of the Group; (c) trustee of a member of any trust the principal beneficiary of which is, or discretionary trust the discretionary objects of which include, any person referred to (a) or (b) above; (d) a company wholly beneficially owned by any person referred to in (a) or (b) above.

The share options are exercisable at any time for a period to be determined by the Directors, which shall not be more than 10 years from the date of grant. The minimum period for which a share option must be held before it can be exercised would be determined by the Board.

The total number of shares of the Company in respect of which options may be granted under the 2022 Share Option Scheme is not permitted to exceed 10% of the shares of the Company in issue on the date of its adoption (“Scheme Mandate Limit”), without prior approval from the Company’s shareholders. The Company may seek approval of its shareholders in general meeting to renew the Scheme Mandate Limit provided that the total number of shares of the Company in respect of which options may be granted under the 2022 Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the shares of the Company in issue as at the date of the approval to renew the Scheme Mandate Limit. The number of shares of the Company in respect of which options may be granted to any Eligible Person in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company’s shareholders. In addition, the number of shares of the Company in respect of which options may be granted to any Eligible Person (who is a substantial shareholder or an Independent Non-executive Director of the Company, or any of their associates (within the meaning as ascribed under the Listing Rules)) in any 12-month period is not permitted to exceed 0.1% of the total number of shares in issue and HK\$5,000,000 in an aggregate value, based on the closing price of the shares of the Company at the date of each grant, without prior approval from the Company’s shareholders.

The exercise price for the share options under the 2022 Share Option Scheme shall be a price determined by the Board at its sole discretion and notified to the Eligible Persons and shall be no less than the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange’s daily quotations sheet on the date on which an option is granted; (ii) the average closing price of the shares of the Company as stated in the Stock Exchange’s daily quotations sheets for the 5 business days immediately preceding the date on which an option is granted; and (iii) the nominal value of a share of the Company on the date on which an option is granted.

# REPORT OF DIRECTORS

Consideration of HK\$1 is payable by each Eligible Person for acceptance of a grant of option within 28 days from the date of grant.

The Company had not granted any options pursuant to the 2022 Share Option Scheme since its adoption.

A total of 31,870,015 shares (after adjustment of effect of share consolidation effective on 27 May 2025) (representing approximately 10% of the issued shares of the Company as at the date of adoption of 2022 Share Option Scheme and the beginning of the financial year ended 31 December 2025; and 7.30% of the issued shares of the Company as at the end of the financial year ended 31 December 2025 and the date of this annual report), may be granted under the 2022 Share Option Scheme.

Additional information in relation to the 2012 Share Option Scheme and 2022 Share Option Scheme are set out in note 33 to the consolidated financial statements.

The Directors have no intention to grant further share options under the 2022 Share Option Scheme during the period from the date of this report to the date of AGM. As at the date of this report, there are no outstanding share options under the 2022 Share Option Scheme. In light of the amendments to Chapter 17 of the Listing Rules which took effect on 1 January 2023, the Company intends to adopt a new share option scheme (the "New Share Option Scheme") (which complies with Chapter 17 of the Listing Rules currently in force) so that it can continue to provide recognition and acknowledgment to eligible participants for their contributions to the Group by way of grant of share options.

At the forthcoming AGM, an ordinary resolution will be proposed to approve and adopt the New Share Option Scheme. In the event that the New Share Option Scheme is adopted by the shareholders at the AGM, any options will be granted under the New Share Option Scheme and the 2022 Share Option Scheme will be terminated by resolution of the shareholders pursuant to the terms of the said scheme. A summary of the terms of the New Share Option Scheme is set out in the circular of the Company to be published by the end of April 2026.

## EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report relating to "Share Option Schemes of the Company", no equity-linked agreements were entered into during the year or subsisted at the end of the year.

## PERMITTED INDEMNITY PROVISION

The Bye-Laws of the Company provides that for the time being acting in relation to any of the affairs of the Company, every director shall be indemnified and secured harmless out of the assets and profits of the Company from and against all losses, damages and expenses which he/she shall or may incur or sustain by or by reason of any act done about the execution of duties of his/her office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

## DIRECTORS' SERVICE CONTRACT

There is no unexpired directors' service contract which is not terminable by the Company within one year of any Director proposed for re-election at the forthcoming AGM.

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

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance to which the Company or any related company (holding companies, subsidiaries, or fellow subsidiaries) was a party and in which a Director or his/her connected entities had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

# REPORT OF DIRECTORS

## SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

So far as is known to any Director or chief executive of the Company, shareholders of the Company (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company as at 31 December 2025 which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### *Long Positions in Shares or Underlying Shares of the Company*

Name of shareholder	Capacity/Nature of Interest	Interest in Shares	Interest in Underlying Shares	Total Interests	Approximate percentage of the Company's issued shares at 31.12.2025
Asia Pacific	Beneficial owner/Beneficial interest	281,262,522	—	281,262,522 (Note 1)	64.46%
Cheung Loi Ping	Interest held jointly with another person and Interest of spouse/ Family interest	281,918,208	—	281,918,208 (Note 2)	64.61%
Ou Yaping	Beneficial owner, Interest held jointly with another person and interest of controlled corporations/Personal interest, family interest and corporate interest	281,918,208	—	281,918,208 (Notes 1 & 2)	64.61%

Notes:

1. These 281,262,522 shares of the Company are held by Asia Pacific, a company incorporated in the British Virgin Islands, which is wholly-owned by Mr. Ou Yaping ("Mr. Ou"). Accordingly, Mr. Ou is deemed to be interested in these shares of the Company held by Asia Pacific under the SFO.
2. These 281,918,208 shares of the Company represent the aggregate of (i) 655,686 shares of the Company held jointly by Mr. Ou and Ms. Cheung Loi Ping, spouse of Mr. Ou; and (ii) 281,262,522 shares of the Company held by Asia Pacific directly as referred to note 1 above. Ms. Cheung Loi Ping is deemed to be interested in all these shares of the Company under the SFO.

Save as disclosed above, as at 31 December 2025, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company which had been recorded in the register required to be kept under Section 336 of the SFO.

# REPORT OF DIRECTORS

## CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The following transaction between certain connected persons (as defined in the Listing Rules) and the Group have been entered into during the financial year and/or are ongoing for which relevant announcements and circular, if necessary, had been made by the Company in accordance with Chapter 14A of the Listing Rules.

### *Conversion of Convertible Bonds by Controlling Shareholder*

On 25 July 2025, 117,647,058 shares were allotted and issued to Asia Pacific (the nominee of Mr. Ou Yaping, the Subscriber) under the conversion rights attached to the three-year zero coupon convertible bonds with the principal amount of HK\$200,000,000, the Convertible Bonds, at the adjusted conversion price of HK\$1.70 per conversion share (the "Conversion"). Details of the Convertible Bonds are set out in the section of "Convertible Bonds and Use of Proceeds" of this report of directors.

The Board is of the view that the Conversion resulted in the full cancellation of the Convertible Bonds. The Convertible Bonds of HK\$1,174,117,000 was derecognised as at 25 July 2025. Accordingly, the Conversion will reduce the Group's total liabilities and enlarge the Company's equity base, thereby strengthening the Group's balance sheet and improving its net asset position. This enhanced the Group's overall financial position and improved cash flow management. With a more solid capital structure, the Group is better positioned to allocate financial resources towards future business development and strategic initiatives.

The Board would like to emphasise that the Conversion is a non-cash transaction in nature. It does not involve any cash outflow nor does it reflect the Group's underlying operational performance, but rather stems from the application of and compliance with relevant accounting standards.

Save as disclosed above, during the year ended 31 December 2025, there were no transactions which need to be disclosed as connected transaction(s) and continuing connected transactions pursuant to Chapter 14A of the Listing Rules.

## RELATED PARTY TRANSACTIONS

Details of the related party transactions are set out in note 41 to the consolidated financial statements. Those related party transactions did not constitute connected transactions under the Listing Rules.

## MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of any business of the Company were entered into during the year or subsisted at the end of the year.

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

## MAJOR CUSTOMERS AND SUPPLIERS

The percentage of the operating cost attributable to the Group's five largest suppliers was less than 30% during the year. The percentage of the revenue attributable to the Group's five largest customers was less than 30% during the year.

None of the Directors, their close associates or any shareholders, which to the knowledge of the Directors, owned more than 5% of the Company's issued shares, had an interest in the share capital of any of the five largest suppliers and customers.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws of Bermuda.

## TAX RELIEF

The Company is not aware of any relief from taxation available to its shareholders by reason of their holding of the shares of the Company.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

There was no purchase, sale or redemption of the Company's listed shares (including any sale and transfer of treasury shares) by the Company or any of its subsidiaries during the year ended 31 December 2025.

## EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up on the basis of their merit, qualifications and competence.

The emoluments of the Directors are determined having regard to the Company's operating results, individual performance and comparable market statistics. No Director, or any of his/her associates, and executive is involved in dealing his/her own remuneration.

The Company has adopted share option scheme as an incentive to Directors and eligible employees, details of the scheme are set out in note 33 to the consolidated financial statements and under the heading "Share Option Schemes of the Company" of this report.

# REPORT OF DIRECTORS

## AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2025 have been audited by Messrs. PricewaterhouseCoopers, Certified Public Accountants, Hong Kong who will be subject to retirement at the forthcoming AGM and eligible for re-appointment.

At the annual general meeting of the Company held on 31 May 2022, Messrs. Deloitte Touche Tohmatsu retired as the auditor of the Company and Messrs. PricewaterhouseCoopers was appointed as the new auditor of the Company.

On behalf of the Board

**Z Fin Limited**

**Tang Yui Man Francis**

*Chairman & Chief Executive Officer*

Hong Kong, 20 March 2026

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE PRACTICES

Having established a good, credible and dynamic foundation for corporate governance practices in the Company since 2005, the Company continues to ensure the transparency and protection of shareholders' interest, as well as the stakeholders' interests.

The Company has adopted all the code provisions as set out in the Corporate Governance Code (the "Code") set out in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as its own corporate governance practices.

The Company understood the importance on sound corporate governance practices and recognised the changing regulatory environment. Therefore, the theme of the corporate governance practices in the Company has gone through an evolving process, from implementing the Code, to evaluating the effectiveness of the Code, and responding to the rapid changes and continuous development in our corporate governance practices, if necessary.

The Board has established the Group's purpose, values and strategy, and has satisfied itself that the Group's culture is aligned. Acting with integrity and leading by example, the Directors promote the desired culture to instill and continually reinforce across the Group the values of acting lawfully, ethically and responsibly.

During the year, the Company has complied with the code provisions that were in force as set out in Part 2 of the Code save as disclosed below.

Pursuant to code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the year, Mr. Tang Yui Man Francis has undertaken both the roles of the Chairman of the Board and the Chief Executive Officer of the Group. Having considered the current business operation and the size of the Group, the Board is of the view that Mr. Tang Yui Man Francis acting as both the Chairman and the Chief Executive Officer is acceptable and in the best interest of the Group because this ensures consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. There is adequate balance of power and safeguards in place as there are three independent non-executive directors on the board. The Board has reviewed and monitor this situation periodically and ensures that the present structure would not impair the balance of power of the Company.

## BOARD OF DIRECTORS

### *Composition*

The Board currently comprises 7 members (each member of the Board, a "Director"). Mr. Tang Yui Man Francis, an Executive Director, acts as the Chairman of the Board and Chief Executive Officer of the Company. The Non-executive Directors are Mr. Ou Jin Yi Hugo, Mr. Ou Jin Yao Norris and Ms. Xu Xiujuan. The Company has 3 Independent Non-executive Directors, namely Mr. Cheung Adrian Jeremy Ka Hing, Mr. Tian Jin and Mr. Xin Luo Lin, and all Independent Non-executive Directors possess appropriate professional qualifications or accounting or related financial management expertise and represent at least one-third of the Board.

All Directors have distinguished themselves in their field of expertise, and have exhibited high standards of personal and professional ethics and integrity. The biographical details of each Director are disclosed on pages 17 to 18 of this annual report.

Each of the Independent Non-executive Directors has confirmed, in accordance with Rule 3.13 of the Listing Rules, that he is independent of the Company and the Company also considers that they are independent.

# CORPORATE GOVERNANCE REPORT

Save for the family relationship between Mr. Ou Jin Yi Hugo and Mr. Ou Jin Yao Norris as disclosed in the biographical details on page 17 of this annual report, there is no other relationship (including financial, business, family or other material/relevant relationship) between any other members of the Board and in particular, the Chairman and the Chief Executive Officer.

Pursuant to the Bye-laws of the Company (the "Bye-laws"), the Directors shall hold office subject to retirement by rotation at the annual general meeting of the Company at least once every three years. In addition, any Director appointed by the Board during a year, whether to fill a casual vacancy or as additional member to the Board, shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election in that meeting. The term of office of each Non-executive Director (including the Independent Non-executive Director) is for a period of 1 year from 1 January 2026 to 31 December 2026 subject to retirement by rotation and re-election in accordance with the Bye-laws.

## ***Responsibilities of the Board and Management***

The Board, headed by the Chairman, is responsible for providing high-level guidance and effective oversight of the management of the Company, formulation and approval of the Group's development, business strategies, policies, annual budgets and business plans, recommendation of any dividend and supervision of management in accordance with the regulations governing the meetings of the Board and the Bye-laws.

The Executive Director(s) is/are responsible for day-to-day management of the Company's operations. The Executive Director(s) conduct(s) regular meetings with the management of the Group, at which operational issues and financial performance are evaluated.

The Company considers that internal control system and risk management function are essential and that the Board plays an important role in implementing and monitoring internal financial control and risk management.

Matters specifically decided by the Board and those reserved for the management, such as daily management, administration and operation of the Company, etc., are reviewed by the Board on a periodic basis. The management shall report back to the Board.

The procedures to enable the Directors to seek independent professional advice in appropriate circumstances at the Company's expenses, were established.

The Bye-laws state the responsibilities and operational procedures of the Board. The Board meets at least 4 times a year at regular intervals to consider operational reports and financial results of the Company and policies.

# CORPORATE GOVERNANCE REPORT

During the year 2025, the Board held 4 regular Board meetings (within the meanings of the Code) at approximately quarterly intervals and any Board meetings convened when necessary. Due notice and Board papers were given to all Directors prior to each regular Board meeting in accordance with the Code and the Bye-laws. An annual general meeting and a special general meeting were also held during the year. Details of individual attendance of the Directors in respect of 4 regular Board meetings and the above general meetings are set out below:

	No. of meeting(s) attended		
	Regular Board Meetings	Annual General Meeting on 23 May 2025	Special General Meetings on 23 May 2025 & 18 August 2025
<b>Executive Director</b>			
Tang Yui Man Francis (Chairman and Chief Executive Officer)	4	1	2
<b>Non-executive Directors</b>			
Ou Jin Yi Hugo	4	1	2
Ou Jin Yao Norris	4	1	2
Xu Xiujuan (appointed on 30 August 2025) (Note <sup>1</sup> )	1	N/A	N/A
<b>Independent Non-executive Directors</b>			
Cheung Adrian Jeremy Ka Hing (appointed on 30 August 2025) (Note <sup>1</sup> )	1	N/A	N/A
Tian Jin	4	1	2
Xin Luo Lin	4	1	2
Chen Hui (resigned on 30 August 2025) (Note <sup>2</sup> )	3	1	2

Note <sup>1</sup>: During the period from the date of appointment to 31 December 2025, 1 Board meeting was held.

Note <sup>2</sup>: During the period from 1 January 2025 to the date of resignation, 3 Board meetings were held.

## ***Directors' Induction and Continuous Professional Development***

On appointment to the Board, each newly appointed Director receives a comprehensive induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the Listing Rules and other relevant regulatory requirements.

In compliance with Rule 3.09D of the Listing Rules, Ms. Xu Xiujuan and Mr. Cheung Adrian Jeremy Ka Hing, who were appointed as a non-executive Director and an independent non-executive Director respectively on 30 August 2025, received trainings and obtained legal advices on 28 August 2025 and both of them confirmed that they understood their obligations as Directors.

The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company has been encouraging the Directors and management to enrol in a wide range of professional development courses and seminars relating to the Listing Rules, companies ordinance/act and corporate governance practices organised by professional bodies, independent auditors and/or chambers in Hong Kong so that they can continuously update and further improve their relevant knowledge and skills.

# CORPORATE GOVERNANCE REPORT

From time to time, the Directors are provided with written materials to develop and refresh their professional skills. The Company also organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in discharging their duties. During the year, the Company organised for the Directors and the management of the Company an in-house workshop on the new corporate governance code and the HKEX guidance on annual report.

According to the records maintained by the Company, the Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company and the latest corporate governance and disclosure requirements for a listed company, in compliance with the Code on continuous professional development during the year:

	Corporate Governance/Updates on laws, rules and regulations	
	Read materials	Attend briefings/ in-house workshop
<b>Executive Director</b>		
Tang Yui Man Francis ( <i>Chairman and Chief Executive Officer</i> )	√	√
<b>Non-executive Directors</b>		
Ou Jin Yi Hugo	√	√
Ou Jin Yao Norris	√	√
Xu Xiujuan (appointed on 30 August 2025)	√	√
<b>Independent Non-executive Directors</b>		
Cheung Adrian Jeremy Ka Hing (appointed on 30 August 2025)	√	√
Tian Jin	√	√
Xin Luo Lin	√	√
Chen Hui (resigned on 30 August 2025)	—	—

## ***Chairman and Chief Executive Officer***

Having considered the current business operation and the size of the Group, the Board is of the view that Mr. Tang Yui Man Francis acting as both the Chairman of the Board and the Chief Executive Officer of the Company onward is acceptable and in the best interest of the Group because this ensures consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board will review this situation periodically.

The Chairman provides leadership for the Board and oversees the Board so that it acts in the best interests of the Group. The Chairman is responsible for deciding the agenda of each Board meeting, taking into account matters proposed by other Directors. The Chairman has overall responsibility for providing leadership, vision and direction regarding business development of the Group. During the year, the Chairman had held a meeting with all the Independent Non-executive Directors without the presence of other Directors.

The Chief Executive Officer, assisted by the other Executive Director(s) (if any), is responsible for the day-to-day business management and operations of the Group for formulating and successfully implementing policies and for maintaining an effective executive support team. The Chief Executive Officer is accountable to the Board for keeping all Directors fully informed of all major business developments and issues of the Group.

# CORPORATE GOVERNANCE REPORT

## ***Responsibilities of Directors***

In the course of discharging their duties, the Directors act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders. Their responsibilities include:

- attending regular Board meetings and focusing on business development and strategy, operational issues and financial performance;
- review, approval and the monitoring of all material policies, including risk management, internal control, dividend policy and other significant financial and operational matters;
- active participation on the respective board of directors of the subsidiaries and associated companies of the Company;
- approval of annual budgets and business plans for each operating company covering strategy, financial and business performance, key risks and opportunities;
- monitoring the quality, timeliness, relevance and reliability of internal and external reporting;
- monitoring and managing potential conflicts of interest of senior management, Board and shareholders of the Company;
- considering misuse of corporate assets and abuse of related party transactions; and
- ensuring processes in place to maintain the overall integrity of the Company, including financial statements, relationships with suppliers, customers and other stakeholders, and compliance with all laws and ethics.

To enable the Directors to fulfill their obligations, an appropriate organizational structure is in place with clearly defined responsibilities and limits of authority.

## ***Corporate Governance functions***

The Board is responsible for performing the following corporate governance duties as required under the Code:

- to develop and review the Company's policies, including the board diversity policy, shareholders communication policy and mechanism ensuring independent views available to the board, and practices on corporate governance;
- to review and monitor the training and continuous professional development of the Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual applicable to employees and the Directors; and
- to review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

# CORPORATE GOVERNANCE REPORT

During the year, the Board considered the following corporate governance matters:

- review of the policies (including shareholders communication policy, mechanism ensuring independent views available to the Board, etc.) and practices on corporate governance and compliance with legal and regulatory requirements adopted by the Company, training for the Directors and senior management and code of conduct and compliance manual, etc.;
- review of the compliance with the Code and disclosure of the Corporate Governance Report; and
- review of the effectiveness of the risk management and internal control systems of the Company with the assistance of the Audit Committee.

## ***Board Committees***

A number of committees of the Board, including the Audit Committee, Nomination Committee and Remuneration Committee, have been set up by the Company, with specific terms of reference relating to authority and duties, to strengthen the Board's functions and enhance its expertise.

## ***Remuneration Committee***

The Remuneration Committee currently comprises one Executive Director, being Mr. Tang Yui Man Francis, and two Independent Non-executive Directors, being Mr. Cheung Adrian Jeremy Ka Hing and Mr. Xin Luo Lin and is chaired by Mr. Xin Luo Lin.

Ms. Chen Hui resigned as a member of the Remuneration Committee on 30 August 2025. Mr. Cheung Adrian Jeremy Ka Hing, an Independent Non-Executive Director, was appointed as a member of the Remuneration Committee on 30 August 2025.

The terms of reference of the Remuneration Committee have complied with the Code which are posted on the website of the Company at [www.zfin.com](http://www.zfin.com).

The Remuneration Committee's responsibilities include reviewing, considering and making recommendations to the Board on (i) the Company's remuneration policy for the Directors and senior management, (ii) remuneration packages for individual Executive Directors and senior management including benefits in kind, pension rights and compensation payments (under code provision E.1.2(c)(ii)), and (iii) remuneration of the Non-executive Directors, etc.

During the year 2025, the Remuneration Committee:

- reviewed the remuneration policy for 2025/2026;
- reviewed the remuneration of the Executive Director, the Non-executive Directors and the Independent Non-executive Directors and management year-end bonus;
- reviewed remuneration packages of proposed candidates to be appointed as a new Non-executive Director and a new Independent Non-executive Director;
- assessed performance of the Executive Director and reviewed the services agreement of the Executive Director; and
- made recommendations to the Board on the above matters.

# CORPORATE GOVERNANCE REPORT

The Remuneration Committee held 1 meeting during 2025 with individual attendance as follows:

<b>Members of Remuneration Committee</b>	<b>No. of meeting(s) attended</b>
Xin Luo Lin ( <i>Chairman of the Remuneration Committee</i> )	1
Cheung Adrian Jeremy Ka Hing (appointed on 30 August 2025) (Note <sup>1</sup> )	1
Tang Yui Man	1
Chen Hui (resigned on 30 August 2025) (Note <sup>2</sup> )	—

Note <sup>1</sup>: During the period from the date of appointment to 31 December 2025, 1 Remuneration Committee meeting was held.

Note <sup>2</sup>: During the period from 1 January 2025 to the date of resignation, no Remuneration Committee meeting was held.

The remuneration of the members of the senior management (being the Executive Director and three Non-executive Directors) by band for the year ended 31 December 2025 is set out below:

<b>Remuneration bands (HK\$)</b>	<b>Number of person(s)</b>
1,000,001 to 2,000,000	3
5,000,001 to 6,000,000	1

Further particulars regarding the Directors' remuneration and other remuneration related matters as well as the five highest paid employees as required to be disclosed pursuant to Appendix D2 to the Listing Rules are set out in note 11 to the consolidated financial statements.

## ***Audit Committee***

The Audit Committee currently comprises three Independent Non-executive Directors, namely Mr. Cheung Adrian Jeremy Ka Hing, Mr. Tian Jin and Mr. Xin Luo Lin and is chaired by Mr. Xin Luo Lin.

Ms. Chen Hui resigned as a member of the Audit Committee on 30 August 2025. Mr. Cheung Adrian Jeremy Ka Hing, an Independent Non-Executive Director, was appointed as a member of the Audit Committee on 30 August 2025.

The Audit Committee reports directly to the Board and reviews financial statements and internal controls in order to protect the interests of the Company's shareholders.

The Audit Committee meets regularly with the Company's external auditor, at least twice a year, to discuss accounting issues, and reviews effectiveness of internal controls and risk evaluation. Written terms of reference, which describe the authority and duties of the Audit Committee are reviewed and updated by the Board, when necessary. The terms of reference of the Audit Committee have complied with the Code which are posted on the website of the Company at [www.zfin.com](http://www.zfin.com).

# CORPORATE GOVERNANCE REPORT

During the year 2025, the Audit Committee:

- reviewed the financial statements for the year ended 31 December 2024 and for the six months ended 30 June 2025;
- reviewed the effectiveness of the risk management and internal control systems;
- reviewed the internal and external auditor's findings;
- reviewed and approved remuneration of auditor for financial year of 2024 and recommended the re-appointment of external auditor; and
- reviewed the implementation of policy for employees of the Group to raise concerns about possible improprieties in financial reporting, internal control or other matters, and the whistleblowing policy.

As at 31 December 2025, the arrangement for employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters was in place. No reporting has been received by the Audit Committee during the year.

The Audit Committee held 3 meetings during the year 2025 with individual attendance as follows:

<b>Members of Audit Committee</b>	<b>No. of meeting(s) attended</b>
Xin Luo Lin ( <i>Chairman of the Audit Committee</i> )	3
Cheung Adrian Jeremy Ka Hing (appointed on 30 August 2025) (Note <sup>1</sup> )	1
Tian Jin	3
Chen Hui (resigned on 30 August 2025) (Note <sup>2</sup> )	2

Note <sup>1</sup>: During the period from the date of appointment to 31 December 2025, 1 Audit Committee meeting was held.

Note <sup>2</sup>: During the period from 1 January 2025 to the date of resignation, 2 Audit Committee meetings were held.

## ***Nomination Committee***

The Nomination Committee currently comprises one Executive Director, being Mr. Tang Yui Man Francis and three Independent Non-executive Directors, being Mr. Cheung Adrian Jeremy Ka Hing, Mr. Tian Jin and Mr. Xin Luo Lin and is chaired by Mr. Tian Jin.

Ms. Chen Hui resigned as a member of the Nomination Committee on 30 August 2025. Mr. Cheung Adrian Jeremy Ka Hing, an Independent Non-Executive Director, was appointed as a member of the Nomination Committee on 30 August 2025.

The terms of reference of the Nomination Committee have complied with the Code which are posted on the website of the Company at [www.zfin.com](http://www.zfin.com).

# CORPORATE GOVERNANCE REPORT

The Nomination Committee's responsibilities include reviewing and recommending the structure, size and composition of the Board and any change thereon and assisting the Board in maintaining a board skill matrix; assessing the independence of the Independent Non-executive Directors, recommending the re-election of Directors and supporting the Company's regular evaluation of the Board's performance, etc.

During the year 2025, the Nomination Committee:

- reviewed the structure, size and composition (including the skills, knowledge, diversity and experience) of the Board;
- reviewed the board diversity policy and its implementation and effectiveness;
- assessed the independence of the Independent Non-executive Directors;
- reviewed and made recommendations to the Board on re-election of retiring directors at the 2025 annual general meeting; and
- reviewed and made recommendation to the Board on the nomination and appointment of a new Non-executive Director and a new Independent Non-executive Director and their terms and letters of appointment.

The Nomination Committee held 1 meeting during the year 2025 with individual attendance as follows:

	<b>No. of meeting(s) attended</b>
<b>Members of Nomination Committee</b>	
Tian Jin ( <i>Chairman of the Nomination Committee</i> )	1
Cheung Adrian Jeremy Ka Hing (appointed on 30 August 2025) (Note <sup>1</sup> )	1
Xin Luo Lin	1
Tang Yui Man Francis	1
Chen Hui (resigned on 30 August 2025) (Note <sup>2</sup> )	—

Note <sup>1</sup>: During the period from the date of appointment to 31 December 2025, 1 Nomination Committee meeting was held.

Note <sup>2</sup>: During the period from 1 January 2025 to the date of resignation, no Nomination Committee meeting was held.

In considering the nomination of re-appointment and appointment of directors, the Nomination Committee assessed the relevant candidates on criteria such as integrity, experience, skill, professional qualifications, independent mind and ability to commit time etc. in accordance with the Nomination Policy and Board Diversity Policy and made recommendation to the Board for approval. During the year, Ms. Xu Xiujuan was appointed as a Non-executive Director and Mr. Cheung Adrian Jeremy Ka Hing was appointed as an Independent Non-executive Director on 30 August 2025. Ms. Chen Hui resigned as an Independent Non-executive Director on 30 August 2025.

With the nomination of the Nomination Committee and recommendation of the Board, Mr. Cheung Adrian Jeremy Ka Hing, Mr. Ou Jin Yao Norris, Mr. Xin Luo Lin and Ms. Xu Xiujuan, the retiring Directors, are proposed for re-election by shareholders of the Company at the forthcoming 2026 annual general meeting.

# CORPORATE GOVERNANCE REPORT

## BOARD DIVERSITY POLICY

The Company has formulated the board diversity policy in August 2013 and amended on 13 December 2022 aiming at setting out the approach on diversity of the Board of the Company.

The Board recognises the importance of having a diverse Board in enhancing the Board effectiveness and corporate governance. A diverse Board will include and make good use of differences in the talents, skills, regional and industry knowledge and experience, education, background and other qualities, etc. of Directors and does not discriminate on the ground of race, age, gender or religious belief. These differences will be taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately.

The Nomination Committee has responsibility for identifying and nominating for approval by the Board, candidates for appointment to the Board. It takes responsibility in assessing the appropriate mix of experience, expertise, skills and diversity required on the Board and assessing the extent to which the required skills are represented on the Board and reviewing effectiveness of the Board annually.

The Nomination Committee is also responsible for reviewing and reporting to the Board in relation to Board diversity.

Board appointments will be based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board annually.

The Board considers that Board diversity, including gender diversity, is a vital asset to the business.

At present, the Nomination Committee has not set any measurable objectives to implement the board diversity policy. However, it will consider and review the board diversity policy and setting of any measurable objectives from time to time. The Board reviews the implementation and effectiveness of the board diversity policy on an annual basis.

The Board currently consists of 7 Board members with a diversity of perspectives in terms of age, gender, tenure of office, and professional and business experiences. The female Director is a Non-executive Director, representing 14.29% of the total number of the Board members. The Group has diverse business activities in different geographical areas. The Company considers that it is more important for it to retain flexibility in the dynamic environment in which it operates and to have an appropriate mix of diversity in its board based on its own needs from time to time and as and when suitable candidates are identified. The Group advocates a diverse and inclusive workplace that enables people with different backgrounds to work together. It also continues to promote gender diversity in the workforce by providing various training and guidance.

The Company will continue to ensure that there is gender diversity when recruiting staff at mid to senior level so that the Company will have a pipeline of female management and potential successors to the Board in due time to ensure continuous gender diversity of the Board. The Group will continue to emphasize training of female talent and provide long-term development opportunities for female staff.

# CORPORATE GOVERNANCE REPORT

As at 31 December 2025, the Group had about 695 full-time employees, comprising of 214 females and 481 males (that is, a gender ratio of approximately 31% female to 69% male). The Group will continue to strive for gender diversity and increase the female-to-male ratio in the whole workforce in order to reflect the gender equality principle generally adhered by the Group. The Board is mindful of the objectives for the factors as set out above for assessing the candidacy of the Board members, and will ensure that any successors to the Board shall follow the board diversity policy. Similar considerations shall also be in place to assess the candidacy of the senior management team from time to time. Traditionally, the property industry has been short of female talents in China due to culture influences. However, the Group is determined to maintain gender diversity and equality in terms of the whole workforce, and to procure the senior management team to achieve gender equality in terms of the gender ratio in the coming years. The Company expects the above is achievable with suitable effort in promoting the gender diversity culture.

## MECHANISMS ENSURING INDEPENDENT VIEWS AVAILABLE TO THE BOARD

The Company has established the following mechanisms to ensure a strong independent element on, and independent views and input are available to, the Board.

- (i) The Board endeavours to ensure the appointment of at least three Independent Non-executive Directors and at least one-third of its members being Independent Non-executive Directors (or such higher threshold as may be required by the Listing Rules from time to time).
- (ii) Apart from complying with the requirements prescribed by the Listing Rules as to the composition of certain Board committees, Independent Non-executive Directors will be appointed to all Board committees as far as possible to ensure independent views are available.
- (iii) The Nomination Committee must strictly adhere to the Nomination Policy and the independence assessment criteria as set out in the Listing Rules with regard to the nomination and appointment of Independent Non-executive Directors.
- (iv) Each Independent Non-executive Director is also required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may materially affect his/her independence.
- (v) The Nomination Committee is mandated to assess annually the independence of all Independent Non-executive Directors by reference to the independence criteria as set out in the Listing Rules to ensure that they can continually exercise independent judgement.
- (vi) Independent Non-executive Directors (as other directors) are entitled to seek further information and documentation from the management on the matters to be discussed at board meetings. They can also seek assistance from the Company's company secretary and, where necessary, independent advice from external professional advisers at the Company's expense.
- (vii) Independent Non-executive Directors (as other directors) shall not vote or be counted in the quorum on any board resolution approving any contract or arrangement in which such Director or any of his/her close associates has a material interest.
- (viii) The Chairman of the Board shall at least annually hold meetings with the Independent Non-executive Directors without the presence of other Directors to discuss major issues and any concerns.

# CORPORATE GOVERNANCE REPORT

The Board shall make an annual review of the implementation and effectiveness of the above mechanisms. The Board has examined and reviewed the above mechanisms and is of the view that they have been duly implemented and effective during the year ended 31 December 2025.

## NOMINATION POLICY

The Nomination Committee has formulated and set out a nomination policy (“Nomination Policy”). The objective of the Nomination Policy is to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business. To ensure changes to the Board composition can be managed without undue disruption, a formal, considered and transparent procedure is in place for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary). The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribution to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities.

## DIRECTORS’ REMUNERATION POLICY

The Company has established a formal and transparent policy on Directors’ remuneration and other remuneration related matters. Such remuneration policy is to ensure that all Directors are sufficiently compensated for their efforts and time dedicated to the Company and remuneration offered is appropriate for their duties and in line with market practice. No Director, or any of his/her associates, is involved in deciding his/her own remuneration.

According to such directors’ remuneration policy, the policy and structure for the remuneration of Directors are set out below:

- (a) Independent Non-executive Directors and Non-executive Directors receive a basic fee and other discretionary remuneration. Such basic fee is set at a level that reflects the competencies and contribution required in view of the Group’s complexity, the extent of the responsibilities and the number of Board meetings or relevant meetings of the Board committee(s) that he or she has to attend. In addition to the basic fee, Independent Non-executive Directors and Non-executive Directors receive compensation for being chairman of the Board committee(s) if he or she is not the Chairman of the Board. Generally the Company shall not grant equity-based remuneration with performance related elements to Independent Non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

# CORPORATE GOVERNANCE REPORT

- (b) When Executive Directors are employed on a contractual basis, their remuneration is fixed according to current market rates and conditions in Hong Kong and PRC (where applicable) and subject to reassessment annually or periodically, as mutually agreed between the Company and Executive Directors. The Remuneration Committee should consult the Chairman of the Board about their proposals relating to the remuneration of other Executive Directors and have access to professional advice if considered necessary. Executive Director's remuneration consists of both variable and non-variable elements. The total level of the non-variable elements of the remuneration is determined by taking into consideration the job description and responsibilities and the Group's magnitude and complexity. Executive Directors may also receive other benefits, including but not limited to, defined contribution retirement scheme plan, plan providing for hospitalization and outpatient benefits, accommodation benefit, and use of company car. The variable element is discretionary in nature and consists of year-end bonuses on the basis of both the Executive Director's and the Group's performances as recommended by the Chairman of the Board and approved by the Remuneration Committee and the Board.

## DIVIDEND POLICY

The dividend policy adopted by the Company in December 2018 is intended to be prudent and sustainable, and has been evaluated from time to time. The Company does not have any predetermined dividend payout ratio. The Company currently intends to retain most, if not all, of its available funds and any future earnings to operate and expand its business.

Subject to compliance with applicable rules and regulations, the Board may, at its discretion, determine the declaration of payment of dividend(s) to its shareholders in any amount, frequency in any financial year depending on, among other things, the Company's operation and financial performance, liquidity condition, capital requirements, future funding needs, contractual restrictions, availability of reserves and prevailing economic climate.

## ANTI-CORRUPTION AND BRIBERY POLICY AND WHISTLEBLOWING POLICY

The Company has established (i) policy and systems that promote and support anti-corruption and bribery laws and regulations; and (ii) a whistleblowing policy and system for employees and those who deal with the Company such as customers and suppliers to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matter related to the Company.

The Group's employees are expected to comply with all applicable laws, rules and regulations in relation to anti-corruption and bribery. Every employee has a duty to report any potential violations of the anti-corruption and bribery policy and any employee who receives an offer of bribery must immediately report to his/her supervisor and/or the Chairman of the Board. Employee may also report any actual or suspected breach of the anti-corruption and bribery policy in accordance with the reporting channels and process stated in the Company's whistleblowing policy. For further details of the Company's anti-corruption and bribery policy and whistleblowing policy, please refer to the section of 4.1 in the Company's environmental, social and governance ("ESG") report published on the same date of this annual report.

# CORPORATE GOVERNANCE REPORT

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (“MODEL CODE”)

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that in respect of the year ended 31 December 2025, all Directors have complied with the required standard set out in the Model Code.

The Company also has written guidelines regarding securities transactions on terms no less exacting than the required standard set out in the Model Code for management and any individuals who may have access to inside information in relation to the securities of the Company.

## EXTERNAL AUDITOR

The external auditor of the Company is Messrs. PricewaterhouseCoopers (“PwC”). PwC provided professional services in respect of the audit of Company’s consolidated financial statements prepared under HKFRS Accounting Standards (“HKFRSs”) for the year ended 31 December 2025. PwC also reviewed the 2025 unaudited interim financial report of the Company prepared under HKFRSs.

Fees charged by PwC in respect of audit services for the year 2025 amounted to HK\$2,500,000. Non-audit services fees including review of the interim financial report of the Company for the six months ended 30 June 2025 amounted to HK\$800,000.

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility to ensure the Company maintains sound and effective risk management and internal control systems and to review their effectiveness on an ongoing basis. The Group’s risk management and internal control systems are designed to safeguard assets against misappropriation and unauthorized disposition and to manage operational risks. Review of the Group’s internal controls covers major financial, operational and compliance controls, as well as risk management functions. The controls built into the risk management and internal control systems are designed to manage, not eliminate, the risks of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group’s risk management framework includes the following elements:

- identify significant risks (including ESG risks) in the Group’s operation environment and evaluate the impacts of those risks on the Group’s business;
- develop necessary measures to manage those risks (including ESG risks); and
- monitor and review the effectiveness of such measures.

# CORPORATE GOVERNANCE REPORT

The implementation of risk management framework of the Group was assisted by the Group's internal audit team, representatives from major departments of the Company, and by engaging independent professional adviser, as a whole, to perform internal audit function. During the year ended 31 December 2025, Vision & Co. CPA Limited was engaged to conduct independent review of certain internal control matters and no significant deficiency was found during the review. On this basis, the Group could ensure new and emerging risks relevant to the Group's operation are promptly identified by management, assess the adequacy of action plans to manage these risks and monitor and evaluate the effectiveness of the action plans. These are on-going processes and the Audit Committee and the Board review at least annually the Group's risk management and internal control systems.

Audit committee reported to the Board the implementation of the Group's risk management and internal control policies which, among other things, included the determination of risk factors, evaluation of risk level and internal controls the Group could take, and the effectiveness of risk management and internal control measures. Based on the reports from the Group's internal audit team, representatives from major departments of the Company and independent professional adviser, and the Audit Committee, the Board considers that the Group's risk management and internal control systems are adequate and effective and the Group has complied with the provisions on risk management and internal controls as set out in the Code.

During the year, the Audit Committee and the Board have conducted a review of the effectiveness of the risk management and internal control systems of the Group. The review covered all material controls, including financial, operational and compliance controls and risk management system and consideration of adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions, as well as those relating to the Company's ESG performance and reporting. Based on the results of the review, the systems were satisfactory with no major irregularities reported and the Group would take steps to further enhance the effectiveness of the risk management and internal control systems.

## HANDLING AND DISSEMINATION OF INSIDE INFORMATION

For the purposes of handling and disseminating inside information, the Group has taken various procedures and measures, including arousing the awareness to preserve confidentiality of inside information within the Group, sending blackout period and securities dealing restrictions notification to all Directors and the relevant employees regularly, disseminating information to specified persons on a need-to-know basis and regarding closely to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission in June 2012.

The Company has a policy of open communication which allows strong access to both internally and externally generated information. Pertinent information is identified, captured and communicated in a timely manner. The policy has been reviewed by the Board in December 2025.

The Company provides each employee with an employee manual, which states how employees can communicate with the Company in case any problem arises. The Company considers this as a mechanism to help to encourage communications between the Company and employees. Moreover, regular meetings are held to provide an avenue for mutual understanding between the Company and employees. The Company has also made arrangements for employees of the Company to raise concerns about possible improprieties in financial reporting, internal control and other matters.

# CORPORATE GOVERNANCE REPORT

The Company attaches great importance to fair disclosure as it is considered a key means by which to enhance corporate governance standards and provide necessary information to shareholders and other stakeholders, to enable them to form their own judgments, as well as providing feedback to the Company. The Company also understands that the integrity of the information provided is essential in building market confidence.

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- is well aware of its obligations under the Securities and Futures Ordinance, the Listing Rules and the overriding principle that information which is considered as inside information should be announced promptly when it is the subject of a decision
- conducts its affairs with close regard to the “Guidelines on Disclosure of Inside Information”
- informs all Directors, senior management and related staff of the latest regulations and requirements according to the letters issued or announcements published by the Securities and Futures Commission and the Stock Exchange
- has developed procedures and mechanisms for the disclosure of inside information and established the working team to evaluate whether disclosure of the inside information is required
- has established and implemented procedures for responding to external enquiries about the Company's affairs. Only Directors and delegated management of the Company can act as the Company's spokespersons and respond to enquiries on designated areas

## GOING CONCERN

The Directors, having made appropriate enquiries, consider that the Company has adequate resources to continue its operational existence for a foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

## COMPANY SECRETARY

The Company has engaged and appointed a representative from an external secretarial services provider as the company secretary of the Company. As at the date of this report, the primary contact person of the Company with the company secretary is Mr. Tang Yui Man Francis, the Chairman, Chief Executive Officer and Executive Director of the Company and the director of Corporate Finance Department of the Company. The company secretary of the Company has duly complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

## CONSTITUTIONAL DOCUMENTS

There was no change in the memorandum of association and bye-laws of the Company during the year ended 31 December 2025.

Copies of memorandum of association and bye-laws of the Company are posted on the website of the Company at [www.zfin.com](http://www.zfin.com).

## SHAREHOLDER RIGHTS AND INVESTOR RELATIONS

### *(a) Procedures for requisitioning a special general meeting*

Shareholder(s) of the Company ("Shareholder(s)") holding at the date of deposit of the requisition not less than one-tenth of the voting rights, on a one vote per share basis in the share capital of the Company carrying the right to vote at general meetings of the Company may, by written requisition to the Board or the company secretary of the Company signed and deposited in accordance with the bye-laws of the Company and Bermuda Companies Act 1981, require the Directors to call a special general meeting for the transaction of business specified in the requisition.

### *(b) Procedures for putting forward proposals at general meetings*

Shareholder(s) holding not less than one-twentieth of the paid-up capital of the Company carrying the right to vote at general meetings of the Company or not less than 100 Shareholders may, at their expense, provide a written request, signed and deposited in accordance with the Bermuda Companies Act 1981 and to be sent to 28th Floor, Infinitus Plaza, 199 Des Voeux Road Central for the attention of the company secretary of the Company.

### *(c) Communication with Shareholders and investors*

Shareholders are provided with detailed information about the Company set out in the interim/annual report and/or the circular so that they can exercise their rights in an informed manner.

The Company uses a range of communication tools, such as the annual general meeting, the annual report, interim report, various notices, announcements and circulars, to ensure the Shareholders are kept well informed of key business imperatives. Procedures for conducting a poll are explained by the chairman of the meeting at the general meetings of the Company.

General meetings of the Company provide a direct forum of communication between Shareholders and the Board. Shareholders are welcome to put forward enquiries to the Board or the management thereat and the Chairman of the Board, or in his absence, an Executive Director of the Company or a Non-executive Director of the Company, as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee, or in their absence, other members of the respective committees, and where applicable, the independent board committee, will commonly be present and available to answer questions and Shareholders may also contact the company secretary of the Company to direct their written enquires.

During the year, the Company held three general meetings. At the 2025 AGM, a resolution was proposed by the chairman of the meeting in respect of each separate issue itemized in the notice, including re-election of retiring Directors. The Chairman of the Board and certain members of all committees or their respective duly appointed delegates and representatives of PwC participated the 2025 AGM and answered questions from Shareholders. At a special general meeting held on 23 May 2025, resolutions approving share consolidation were proposed by the chairman of the meeting separately and a special general meeting held on 18 August 2025, a resolution approving change of name of the Company was proposed by the chairman of the meeting, and all Directors had participated both special general meetings and answered questions from Shareholders.

# CORPORATE GOVERNANCE REPORT

The Company is committed to enhancing communications and relationships with its investors. Designated management maintains an open dialogue with institutional investors and analysts to keep them abreast of the Company's developments.

The Company also maintains a website at <http://www.zfin.com>, where updates on the Company's business developments and operations, financial information and news can always be found.

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

28/F, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong

Fax: (852) 2851 0970

Email: [ir@zfin.com](mailto:ir@zfin.com)

In addition, procedures for Shareholders to propose a person for election as a director of the Company is available on the Company's website at <http://www.zfin.com>.

The above procedures are subject to the bye-laws of the Company and applicable laws and regulations.

The Board will review the implementation and effectiveness of the shareholders' communication policy (the "Communication Policy") annually and has reviewed the implementation and effectiveness of the Communication Policy. Having considered the multiple channels of communication in place, the Board is satisfied that the Communication Policy has been properly implemented for the year ended 31 December 2025 and is effective.

## **DIRECTORS' AND AUDITOR'S RESPONSIBILITY IN PREPARING AND REPORTING THE FINANCIAL STATEMENTS**

The Directors acknowledge that it is their responsibility to prepare the financial statements which give a true and fair view of the state of affairs of the Group and of the profit and cash flows of the Group for the year. The statement of the auditor regarding their reporting responsibility for the financial statements is set out in the Independent Auditor's Report of this annual report on pages 51 to 59.

# INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

To the Shareholders of Z Fin Limited (formerly known as Sinolink Worldwide Holdings Limited)  
(incorporated in Bermuda with limited liability)

## OPINION

### What we have audited

The consolidated financial statements of Z Fin Limited (formerly known as Sinolink Worldwide Holdings Limited) (the "Company") and its subsidiaries (the "Group"), which are set out on pages 60 to 158, comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

### Our opinion

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

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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. We have also fulfilled our other ethical responsibilities in accordance with the Code.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

- Valuation of investment properties
- Impairment assessment on an investment accounted for using the equity method - ZhongAn Technologies International Group Limited ("ZA Global")
- Assessment of net realisable value of stock of properties

### Key Audit Matter

#### Valuation of investment properties

Refer to notes 4(a) and 16 to the consolidated financial statements.

As at 31 December 2025, the investment properties held by the Group were stated at fair value of HK\$6,425,465,000, which accounted for approximately 39% of the Group's total assets, with fair value loss of HK\$31,322,000 recognised in the consolidated statement of profit or loss for the year ended 31 December 2025.

### How our audit addressed the Key Audit Matter

In assessing the Group's valuation of investment properties, we have performed the following procedures:

- We understood management's controls and processes of valuation of investment properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud;
- We assessed the independence, competence, and objectivity of the independent external valuer by considering their professional qualifications and relevant experiences in the market where the Group's investment properties are located;
- We involved our internal valuation expert to assess the appropriateness of the methodology and the reasonableness of the key assumptions used by the valuer, such as capitalisation rates, market rent and adjustments to market rent;

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (Continued)

### Key Audit Matter

#### Valuation of investment properties (Continued)

Management engaged an independent external valuer to assist in determining the fair value of the investment properties held by the Group as at 31 December 2025.

The fair value of the Group's investment properties was determined using the income capitalisation method, based on the prevailing market rents with reversionary rental yield discounted at appropriate capitalisation rates. The key assumptions and inputs used include capitalisation rates, market rent and adjustments to market rent.

We focused on this area because of the magnitude of investment properties to the consolidated financial statements and the sensitivity of fair values to the changes of inputs used in the valuations.

### How our audit addressed the Key Audit Matter

- We, together with our internal valuation expert, attended meetings with the valuer to discuss the valuations and key assumptions used. We compared the reversionary rental yields used by the valuer with an estimated range of expected rates, determined with reference to market information. We evaluated the rentals with reference to prevailing market rents. We also challenged the methodology adopted by the valuer and appropriateness and reasonableness of the key assumptions based on our knowledge of the property industry and comparable market transactions for similar properties, where applicable; and
- We tested, on a sample basis, the accuracy and reliability of the valuation input data used such as adopted unit rent to existing rent roll.

Based on the results of the procedures performed, we found the methodology used and key assumptions adopted in the valuations of investment properties were supported by the available evidence.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (Continued)

### Key Audit Matter

#### **Impairment assessment on an investment accounted for using the equity method - ZhongAn Technologies International Group Limited ("ZA Global")**

Refer to notes 4(b) and 17 to the consolidated financial statements.

As at 31 December 2025, the carrying amount of the interest in ZA Global amounted to HK\$2,004,134,000, which in total accounted for approximately 12% of the Group's total assets. ZA Global is a joint venture of the Group and the Group accounts for its interests in ZA Global using the equity method.

Impairment assessment is required to be performed on the interests in ZA Global when impairment indicator exists, ZA Global has been incurring losses for consecutive years. Management determined its recoverable amount, which was measured at the higher of the value-in-use ("VIU") and fair value less costs of disposal ("FVL COD") with the assistance from an independent external valuer engaged by the Group.

The carrying amount of ZA Global mainly consists of:

- Virtual bank business providing credit to personal and corporate customers ("Banking Business");
- Insurance business providing life and medical insurance products ("Insurance Business"); and
- Technology business providing software-as-a-service products ("Technology Business").

### How our audit addressed the Key Audit Matter

In assessing the Group's impairment assessment of the interests in ZA Global, we have performed the following procedures:

- We understood management's controls and processes of impairment assessment of interests in ZA Global and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud;
- We assessed the independence, competence, and objectivity of the independent external valuer by considering their professional qualifications and relevant experiences in performing valuation of an entity;
- We, together with our internal valuation expert, assessed the appropriateness of the methodologies adopted by management to determine the recoverable amount. We also tested the mathematical accuracy of the underlying calculations;
- For Banking Business and Technology Business, we tested the reasonableness of the data used and challenged management's key assumptions adopted in the preparation of discounted cash flow forecast as follows:
  - the revenue growth rate and terminal growth rate, by comparing them with historical financial data of the Banking Business and Technology Business and questioning business plans with management;
  - the discount rate, by comparing it with costs of capital of comparable companies;

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (Continued)

### Key Audit Matter

#### **Impairment assessment on an investment accounted for using the equity method - ZhongAn Technologies International Group Limited ("ZA Global") (Continued)**

Accordingly, the management performed impairment assessment on carrying amounts of Banking Business, Insurance Business and Technology Business respectively as at 31 December 2025.

For Banking Business and Technology Business, the recoverable amount was determined using discounted cash flow model based on the budget prepared by management with key assumptions being revenue growth rate, terminal growth rate and discount rate.

For Insurance Business, the recoverable amount was determined using FVLCOD based on market approach by benchmarking the price-to-book ratio of comparable companies for Insurance Business.

Based on the assessment results, management determined that no impairment provision was considered necessary for the year ended 31 December 2025 as the recoverable amount of the interests in ZA Global was higher than its carrying value as at 31 December 2025.

We focused on this area due to the magnitude of the carrying amount of interests in ZA Global to the consolidated financial statements and the significant judgements and estimates made by the management in determining the related recoverable amount as at 31 December 2025.

### How our audit addressed the Key Audit Matter

- For Insurance Business, we evaluated the reasonableness of the selected comparable companies based on our knowledge of the business and industry and market research;
- We evaluated management's sensitivity analysis on the key assumptions.

Based on the results of the procedures performed, we found the methodologies used and key assumptions adopted in the impairment assessment were supported by the available evidence.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (Continued)

### Key Audit Matter

#### Assessment of net realisable value of stock of properties

Refer to notes 4(c) and 19 to the consolidated financial statements.

The Group's stock of properties represents residential property projects located in Chinese Mainland amounted to HK\$3,097,038,000 as at 31 December 2025, which accounted for approximately 19% of the Group's total assets. The carrying amount of stock of properties was stated at the lower of cost and net realisable value. No provision of loss on realisable value was made as at 31 December 2025.

Management determined the net realisable value of stock of properties based on the estimated selling price, estimated costs to completion of the construction and estimated selling costs and compared it to the carrying amounts of the stock of properties to assess whether provision of loss on realisable value is necessary.

The determination of net realisable value of the Group's stock of properties involves key estimates on the selling price, the selling costs and the costs to completion. Management estimated the selling price by referencing to the contracted selling prices or current comparable market transactions, and the estimated selling costs were determined as a certain percentage of selling prices or quotations or contracts with sales agents, where available. With respect to the estimated costs to completion, these were estimated based on management's budget of estimated cost to completion with reference to quotations obtained or contracts signed.

### How our audit addressed the Key Audit Matter

In assessing the management's net realisable value assessment on stock of properties, we have performed the following procedures:

- We understood management's controls and processes of management's net realisable value assessment on stock of properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud.
- We evaluated and tested the internal controls, over the Group's processes in the assessment of net realisable value of stock of properties.
- We tested management's key estimates, on a sample basis, as follows:
  - (i) Selling price which is estimated based on contracted selling prices or the prevailing market conditions.
    - We compared the estimated selling price to the contracted selling prices or recent market transactions by referencing to the prevailing market price of comparable properties with similar type, size and location.
  - (ii) Selling costs which are estimated based on certain percentages of selling prices.
    - We assessed the reasonableness of the above estimated percentages and where relevant, tested to the committed quotations or contracts with sales agents.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS (Continued)

### Key Audit Matter

#### Assessment of net realisable value of stock of properties (Continued)

We focused on this area because of the magnitude of the stock of properties to the consolidated financial statements and the significant judgements and estimates made by the management involved in assessing the net realisable value of the stock of properties.

### How our audit addressed the Key Audit Matter

- (iii) Estimated costs to completion.
- We compared the estimated costs to completion to the budget approved by management, and examined, on a sample basis, the quotations obtained or construction contracts signed.
- We compared the balance of stock of properties against the results of management's net realisable value assessment to evaluate whether provision of loss on realisable value was needed and checked the mathematical accuracy of the calculations.

Based on the results of the procedures performed, we found the key assumptions and estimates adopted in the net realisable value assessment of stock of properties were supported by the available evidence.

## OTHER INFORMATION

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

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

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

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

# INDEPENDENT AUDITOR'S REPORT

## RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors 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.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional scepticism 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.

# INDEPENDENT AUDITOR'S REPORT

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

- 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.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Hin Gay, Gabriel (practising certificate number: P05711).

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 20 March 2026

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue			
Interest income		12,262	20,370
Rental income		382,970	170,452
Other revenue from contracts with customers		170,778	155,506
Total revenue	5	566,010	346,328
Cost of sales	9	(160,420)	(148,650)
Gross profit		405,590	197,678
Other income	6	58,416	78,060
Selling expenses	9	(44,065)	(2,656)
Administrative expenses	9	(221,148)	(114,602)
Other losses, net	7	(1,578)	(25,501)
Gains arising from the business combination	30	—	4,252,273
Fair value loss of investment properties	16	(31,322)	(100,172)
Net impairment loss on financial assets	3.1(b)	(24,088)	(3,401)
Fair value gains/(losses) on other financial assets at fair value through profit or loss ("FVTPL"), net		28,898	(62,012)
Fair value loss on loan receivable from an investment accounted for using the equity method at FVTPL and amounts due from an investment accounted for using the equity method at FVTPL		—	(131,388)
Fair value (losses)/gains on convertible bonds	28	(974,398)	281
Gain on dilution of investments accounted for using the equity method	17	—	114,804
Share of results of investments accounted for using the equity method		(91,799)	(70,507)
Finance costs	8	(126,797)	(73,931)
(Loss)/profit before income tax		(1,022,291)	4,058,926
Income tax expense	12	(57,482)	(80,511)
(Loss)/profit for the year		(1,079,773)	3,978,415
(Loss)/profit for the year attributable to:			
Owners of the Company		(1,100,137)	3,968,652
Non-controlling interests		20,364	9,763
		(1,079,773)	3,978,415
		<i>HK\$</i>	<i>HK\$</i> (Restated)
(Loss)/earnings per share attributable to the owners of the Company			
Basic	14	(2.97)	12.45
Diluted	14	(2.97)	9.09

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit for the year	<u>(1,079,773)</u>	<u>3,978,415</u>
Other comprehensive income/(expense)		
<i>Item that will be subsequently reclassified to profit or loss:</i>		
Share of exchange differences on translation from functional currency to presentation currency of investments accounted for using the equity method	1,153	(4,430)
<i>Items that will not be reclassified to profit or loss:</i>		
Exchange differences on translation from functional currency to presentation currency	165,737	(110,828)
Fair value gains/(losses) on equity instruments at fair value through other comprehensive income ("FVTOCI"), net of tax	228,854	(369,470)
Share of fair value gains on equity instruments at FVTOCI of investments accounted for using the equity method, net of tax	<u>35,351</u>	<u>55,607</u>
Other comprehensive income/(expense) for the year, net of tax	<u>431,095</u>	<u>(429,121)</u>
Total comprehensive (expense)/income for the year	<u><b>(648,678)</b></u>	<u><b>3,549,294</b></u>
Total comprehensive (expense)/income attributable to:		
Owners of the Company	(739,430)	3,633,172
Non-controlling interests	<u>90,752</u>	<u>(83,878)</u>
	<u><b>(648,678)</b></u>	<u><b>3,549,294</b></u>

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment	15	373,962	385,560
Investment properties	16	6,425,465	6,290,164
Investments accounted for using the equity method	17	2,238,655	2,265,518
Equity instruments at FVTOCI	18	1,360,126	1,024,565
Loans receivables	22	4,339	1,079
Other financial assets at FVTPL	23	301,829	274,754
Pledged bank deposits	24	—	113,931
Bank deposits	24	35,437	56,156
Other receivables	21	179,399	230,937
Deferred tax assets	31	23,418	16,886
		<u>10,942,630</u>	<u>10,659,550</u>
<b>Current assets</b>			
Stock of properties	19	3,097,038	2,956,253
Trade and other receivables, deposits and prepayments	21	151,154	150,784
Loans receivables	22	108,487	328,684
Other financial assets at FVTPL	23	16,604	10,830
Structured deposits	25	55,371	—
Pledged bank deposits	24	181,209	596,652
Bank deposits	24	121,816	362,852
Cash and cash equivalents	24	1,617,988	614,218
		<u>5,349,667</u>	<u>5,020,273</u>
Current assets excluding assets classified as held for sale			
Assets classified as held for sale	20	—	911,265
		<u>5,349,667</u>	<u>5,931,538</u>
<b>Current liabilities</b>			
Trade payables, deposits received and accrued charges	26	740,533	952,571
Contract liabilities	27	195,564	17,724
Income tax payable		864,604	831,087
Bank borrowings and other financial liabilities	29	320,572	1,025,140
Convertible bonds	28	—	199,719
Lease liabilities	15(b)	1,395	1,629
		<u>2,122,668</u>	<u>3,027,870</u>
<b>Net current assets</b>		<u>3,226,999</u>	<u>2,903,668</u>
<b>Total assets less current liabilities</b>		<u>14,169,629</u>	<u>13,563,218</u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current liabilities</b>			
Lease liabilities	15(b)	1,852	4,002
Deferred tax liabilities	31	1,042,761	1,051,369
Bank borrowings and other financial liabilities	29	1,898,677	1,731,718
		<u>2,943,290</u>	<u>2,787,089</u>
<b>Net assets</b>		<u>11,226,339</u>	<u>10,776,129</u>
<b>Capital and reserves</b>			
Share capital	32	87,269	63,740
Reserves		<u>10,245,138</u>	<u>9,807,276</u>
Equity attributable to owners of the Company		10,332,407	9,871,016
Non-controlling interests		<u>893,932</u>	<u>905,113</u>
<b>Total equity</b>		<u>11,226,339</u>	<u>10,776,129</u>

The consolidated financial statements on pages 60 to 158 were approved and authorised for issue by the Board of Directors on 20 March 2026 and are signed on its behalf by:

**Tang Yui Man Francis**  
*Executive director*

**Ou Jin Yi Hugo**  
*Non-Executive director*

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Translation reserve	Share option reserve	General and other reserves	Contributed surplus	Investments revaluation reserve	Retained earnings	Sub-total			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2025	63,740	2,334,899	54,545	67,905	168,762	941,442	457,479	5,782,244	9,871,016	905,113	10,776,129	
Loss for the year	—	—	—	—	—	—	—	(1,100,137)	(1,100,137)	20,364	(1,079,773)	
Other comprehensive income for the year	—	—	144,469	—	—	—	216,238	—	360,707	70,388	431,095	
Total comprehensive expense for the year	—	—	144,469	—	—	—	216,238	(1,100,137)	(739,430)	90,752	(648,678)	
Transfers	—	—	—	—	117	—	—	(117)	—	—	—	
Conversion of convertible bonds (Note 28)	23,529	1,150,588	—	—	—	—	—	—	1,174,117	—	1,174,117	
Share option lapsed	—	—	—	(67,905)	—	—	—	67,905	—	—	—	
Dividend paid to non-controlling interests of subsidiaries	—	—	—	—	—	—	—	—	—	(104,918)	(104,918)	
Capital reduction of a subsidiary attributable to non-controlling interests	—	—	—	—	—	—	—	—	—	(5,653)	(5,653)	
Derecognition of the non-controlling interests of a subsidiary	—	—	—	—	—	—	—	—	—	8,638	8,638	
Share of a joint venture's reserves	—	—	—	—	26,704	—	—	—	26,704	—	26,704	
As at 31 December 2025	<u>87,269</u>	<u>3,485,487</u>	<u>199,014</u>	<u>—</u>	<u>195,583</u>	<u>941,442</u>	<u>673,717</u>	<u>4,749,895</u>	<u>10,332,407</u>	<u>893,932</u>	<u>11,226,339</u>	

	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Translation reserve	Share option reserve	General and other reserves	Contributed surplus	Investments revaluation reserve	Retained earnings	Sub-total			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2024	637,400	2,334,899	147,946	79,300	151,002	367,782	699,558	1,802,240	6,220,127	1,262,017	7,482,144	
Profit for the year	—	—	—	—	—	—	—	3,968,652	3,968,652	9,763	3,978,415	
Other comprehensive expense for the year	—	—	(93,401)	—	—	—	(242,079)	—	(335,480)	(93,641)	(429,121)	
Total comprehensive income for the year	—	—	(93,401)	—	—	—	(242,079)	3,968,652	3,633,172	(83,878)	3,549,294	
Transfers	—	—	—	—	43	—	—	(43)	—	—	—	
Capital reduction (Note 32)	(573,660)	—	—	—	—	573,660	—	—	—	—	—	
Share option lapsed	—	—	—	(11,395)	—	—	—	11,395	—	—	—	
Dividend paid to non-controlling interests of subsidiaries	—	—	—	—	—	—	—	—	—	(273,026)	(273,026)	
Share of a joint venture's reserves	—	—	—	—	17,717	—	—	—	17,717	—	17,717	
As at 31 December 2024	<u>63,740</u>	<u>2,334,899</u>	<u>54,545</u>	<u>67,905</u>	<u>168,762</u>	<u>941,442</u>	<u>457,479</u>	<u>5,782,244</u>	<u>9,871,016</u>	<u>905,113</u>	<u>10,776,129</u>	

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes:

- The general and other reserves mainly represent the enterprise expansion fund and general reserve fund set aside by certain subsidiaries in accordance with the relevant laws and regulations of the People's Republic of China (the "PRC"), which are not available for distribution.
- Contributed surplus of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1998.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Cash flows from operating activities</b>			
Cash generated from operations	38(a)	259,239	151,760
Income taxes paid		(151,279)	(83,865)
Interest received from financing services business		7,094	8,165
<b>Net cash generated from operating activities</b>		<b>115,054</b>	<b>76,060</b>
<b>Cash flows from investing activities</b>			
Interest income received		105,893	101,955
Dividend received		44,204	10,954
Placement of bank deposits		(127,869)	(10,965)
Withdrawal of bank deposits		434,973	66,338
Placement of structured deposits		(1,140,984)	—
Withdrawal of structured deposits		1,086,339	—
Placement of pledged bank deposits		(176,100)	—
Withdrawal of pledged bank deposits		678,142	919,518
Proceeds from disposal of property, plant and equipment		—	765
Proceeds from disposal of investment properties		923,698	—
Purchase of property, plant and equipment	15	(8,703)	(10,619)
Additions to investments accounted for using the equity method		(1,728)	—
Advances to an investment accounted for using the equity method		—	(6,320)
Investment in overseas unlisted fund investments at FVTOCI		—	(6,774)
Proceeds from equity instruments at FVTOCI		—	46,024
Proceeds from return of capital from equity instruments at FVTPL		1,402	—
Cash acquired net with payments for acquisition of subsidiaries	30	—	100,969
Net cash outflow for disposal of a school business	20	(3,936)	—
<b>Net cash generated from investing activities</b>		<b>1,815,331</b>	<b>1,211,845</b>
<b>Cash flows from financing activities</b>			
Issuance of convertible bonds	28	—	200,000
Drawdown of borrowings		2,399,564	1,318,530
Repayment of borrowings		(3,001,068)	(2,335,985)
Principal portion of lease liabilities		(1,397)	(1,643)
Interest portion of lease liabilities		(227)	(348)
Interest paid		(122,437)	(83,888)
Dividend paid to non-controlling interests of subsidiary		(217,486)	(273,026)
<b>Net cash used in financing activities</b>		<b>(943,051)</b>	<b>(1,176,360)</b>
<b>Net increase in cash and cash equivalents</b>		<b>987,334</b>	<b>111,545</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>614,218</b>	<b>512,602</b>
Effect of foreign exchange rate changes on cash and cash equivalents		16,436	(9,929)
<b>Cash and cash equivalents at end of year</b>	24	<b>1,617,988</b>	<b>614,218</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

Z Fin Limited (formerly known as Sinolink Worldwide Holdings Limited) (the “Company”) is a public limited company incorporated in Bermuda as an exempted company with its shares listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Pursuant to a special resolution passed by the shareholders of the Company on 18 August 2025, the issue of the Certificate of Change of Name by Registry of Companies in Bermuda on 18 August 2025 and the issue of the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company by the Registrar of Companies in Hong Kong on 27 August 2025 confirming the registration of the new name of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the name of the Company was changed from “Sinolink Worldwide Holdings Limited” to “Z Fin Limited”.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are increasingly focused on financial technology (“FinTech”) investment and management, while it is also engaged in property development, property management, property investment and financing services.

The consolidated financial statements are presented in thousands of units of Hong Kong dollar (HK\$’000), unless otherwise stated. These consolidated financial statements have been approved by the board (the “Board”) of directors (the “Directors”) on 20 March 2026.

## 2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, except for investment properties and certain financial instruments which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 2 BASIS OF PREPARATION (Continued)

### (a) *New and amended standards adopted by the Group*

The Group has applied the following amendments to standards for the first time for the annual reporting period commencing 1 January 2025:

Amendments to HKAS 21                      Lack of Exchangeability

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

### (b) *New standards and interpretations not yet adopted*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKFRS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Hong Kong Interpretation 5	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 19 and HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2028
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 2 BASIS OF PREPARATION (Continued)

### *(b) New standards and interpretations not yet adopted (Continued)*

#### *HKFRS 18 Presentation and Disclosure in Financial Statements (“HKFRS 18”) (effective for annual periods beginning on or after 1 January 2027)*

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

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

- Although the adoption of HKFRS 18 will have no impact on the Group’s net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in the line item “other losses, net” in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of “useful structured summary” and the enhanced principles on aggregation and disaggregation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 2 BASIS OF PREPARATION (Continued)

### (b) *New standards and interpretations not yet adopted (Continued)*

*HKFRS 18 Presentation and Disclosure in Financial Statements (“HKFRS 18”) (effective for annual periods beginning on or after 1 January 2027) (Continued)*

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of HKFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

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

The Group will apply the above new standard, revised framework and amendments to standards when they become effective. Except for HKFRS 18 mentioned above, no new standard, revised framework and amendments to standards is expected to have a material effect on the entity in the current or future reporting periods and on foreseeable future transactions.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT

The Group's major financial instruments include equity instruments at FVTOCI, loans receivables, other financial assets at FVTPL, structured deposits at FVTPL, trade and other receivables and deposits, bank deposits, pledged bank deposits, cash and cash equivalents, bank borrowings and other financial liabilities, trade payables and accrued charges, convertible bonds and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. 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.

### 3.1 Financial risk factors

#### *Financial instruments by categories*

The Group holds the following financial instruments:

	2025 HK\$'000	2024 HK\$'000
<b>Financial assets</b>		
Financial assets at FVTPL:		
– Other financial assets at FVTPL	318,433	285,584
– Structured deposits	55,371	—
Financial assets at FVTOCI:		
– Equity instruments at FVTOCI	1,360,126	1,024,565
Financial assets at amortised cost:		
– Trade and other receivables and deposits	150,711	203,817
– Loans receivables	112,826	329,763
– Pledged bank deposits	181,209	710,583
– Bank deposits	157,253	419,008
– Cash and cash equivalents	1,617,988	614,218
Total	<u>3,953,917</u>	<u>3,587,538</u>
<b>Financial liabilities</b>		
Financial liabilities at FVTPL:		
– Convertible bonds	—	199,719
Financial liabilities at amortised cost:		
– Trade payables and accrued charges	275,479	379,699
– Bank borrowings and other financial liabilities	2,219,249	2,756,858
– Lease liabilities	3,247	5,631
Total	<u>2,497,975</u>	<u>3,341,907</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (a) Market risk

##### Foreign currency risk

Currency risk refers to the risk that movement in foreign currency exchange rate which will affect the Group's financial results and its cash flows. The management of the Group considers the Group is not exposed to significant foreign currency risk as majority of its transactions are denominated in RMB (the functional currency of the Company and its major subsidiaries). There were certain financial assets are denominated in foreign currencies other than the functional currency of the relevant group entities, which expose the Group to foreign currency risk.

At the end of the reporting period, the Group has the following financial assets/(liabilities) denominated in foreign currencies of the relevant group entities:

	2025		2024	
	HK\$ HK\$'000	USD HK\$'000	HK\$ HK\$'000	USD HK\$'000
RMB as functional currency				
– Cash and cash equivalents	371	303	4,806	1,501
– Financial assets at FVTOCI	1,303,290	—	950,940	—
– Other financial assets at FVTPL	9,011	—	2,007	—
– Convertible bonds	—	—	(199,719)	—
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

	2025		2024	
	RMB HK\$'000	USD HK\$'000	RMB HK\$'000	USD HK\$'000
HK\$ as functional currency				
– Cash and cash equivalents	1,202	294,689	2,315	117,359
– Financial assets at FVTOCI	—	39,851	—	53,217
– Other financial assets at FVTPL	—	105,465	—	98,988
– Bank borrowing and other financial liabilities	(267,996)	—	(539,957)	—
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (a) Market risk (Continued)

##### *Foreign currency risk (Continued)*

Since the exchange rate of HK\$ is pegged with USD, the Group does not expect any significant movements in USD/HK\$ exchange rates. Therefore, the following sensitivity analysis does not include the effect between USD and HK\$. The Group's sensitivity is based on 5% increase and decrease in the functional currency of the respective group entity against relevant foreign currencies and all other variables were held constant. 5% is the sensitivity rate used by management in the assessment of the reasonably possible change in foreign exchange rates.

If foreign currencies had weakened/strengthened 5% against the respective functional currencies and all other variables were held constant, the Group's loss after income tax for the year ended 31 December 2025 would increase/decrease by HK\$9,642,000 (2024: profit after income tax would decrease/increase by HK\$27,339,000). This is mainly attributable to the Group's exposure to foreign currency exchange rate on the bank balances, other financial assets at FVTPL, convertible bonds and bank borrowings and other financial liabilities.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent currency risk as the year end exposure does not reflect the exposure during the year.

##### *Cash flow and fair value interest rate risk*

The Group is exposed to fair value interest rate risk in relation to loan receivables, other financial liabilities and lease liabilities as at 31 December 2025 and 2024. The Group is also exposed to cash flow interest rate risk in relation to variable-rate structured deposits at FVTPL, bank deposits, pledged bank deposits, cash and cash equivalents, and bank borrowings as at 31 December 2025 and 2024.

The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management of the Group will review the proportion of borrowings in fixed and floating rates and ensure they are within reasonable range.

For floating rate bank borrowings in the PRC that are linked to Loan Prime Rate ("LPR"), the Group currently does not have any policy on cash flow hedges of interest rate risk. However, the management of the Group monitors its interest rate exposure and will consider hedging significant interest rate risk should the need arise.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (a) Market risk (Continued)

##### *Sensitivity analysis*

The management of the Group considers that the Group's exposure to cash flow interest rate risk on variable-rate structured deposits at FVTPL, bank deposits, pledged bank deposits and cash and cash equivalents as a result of the change of market interest rate is insignificant and thus no sensitivity analysis is prepared for interest rate risk.

The sensitivity analyses below have been determined based on the exposure to cash flow interest rate risk for financial instruments at the end of the reporting period. For variable-rate bank borrowings, the analysis is prepared assuming the stipulated changes took place at the beginning of the financial year with other variables held constant throughout the reporting period. A 50 basis points increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates. If interest rates on variable-rate bank borrowings in Hong Kong had been 50 basis points higher/lower and all other variables were held constant, the Group's loss after income tax for the year ended 31 December 2025 would increase/decrease by HK\$1,119,000 (2024: profit after income tax would decrease/increase by HK\$2,255,000).

If interest rates on variable-rate bank borrowings in the PRC had been 50 basis points higher/lower and all other variables were held constant, the Group's loss after income tax for the year ended 31 December 2025 would increase/decrease by HK\$7,163,000 (2024: profit after income tax would decrease/increase by HK\$8,166,000).

##### *Other price risk*

The Group is exposed to price risk through its financial assets at FVTPL and equity instruments at FVTOCI.

For equity securities measured at FVTPL quoted in the stock exchanges and the unlisted funds, the management of the Group manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group also invested in certain unquoted equity securities for investees operating in diversified industry sectors for long term strategic purposes which had been designed as FVTOCI. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent other price risk as the year end exposure does not reflect the exposure during the year.

The sensitivity analyses below have been determined based on the exposure to price risks.

If the prices of the respective instruments had been 10% higher/lower, loss after income tax for the year ended 31 December 2025 would decrease/increase by HK\$24,856,000 (2024: profit after income tax would increase/decrease by HK\$22,277,000) as a result of the changes in fair value of respective financial assets at FVTPL and investments revaluation reserve for the year ended 31 December 2025 would increase/decrease by HK\$97,747,000 (2024: HK\$71,321,000) as a result of the change in fair value of equity instruments at FVTOCI.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk

Credit risk arises from equity instruments at FVTOCI, loan receivables, other financial assets at FVTPL, trade and other receivables, deposits, pledged bank deposits, bank deposits, and cash and cash equivalents.

The carrying amounts of equity instruments at FVTOCI, loan receivables, other financial assets at FVTPL, trade and other receivables, deposits, pledged bank deposits, bank deposits, and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

#### (i) Risk management

The credit risk on bank deposits, including interest receivables, pledged bank deposits and cash and cash equivalents of the Group is limited because the counterparties are banks and financial institutions with high credit ratings assigned by international credit-rating agencies and no history of default in the past.

For trade receivables arising from contracts with customers and loans receivables, in order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit rating system to assess the potential customer's credit quality and defines credit limits by customer. Credit risk of loans receivables are assessed individually. The trade receivables from property management and property investment business are assessed individually. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

For other receivables, management of the Group makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also available reasonable and supportive forward-looking information.

56% (2024: 45%) of loan receivables as at 31 December 2025 is a debtor operating in commercial lending business (2024: commercial lending business). Other than the concentration of credit risk for loan receivables disclosed above, the Group does not have any other significant concentration of credit risk.

Collections of outstanding receivable balances are closely monitored on an ongoing basis to minimise such credit risk.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets

Trade receivables from property management and property investments business, and loan receivables are subject to the expected credit loss (“ECL”) model. While bank deposits, including interest receivables, pledged bank deposits and cash and cash equivalents are subject to the impairment requirement of HKFRS 9, the identified impairment loss was immaterial.

The Group’s internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ loan receivables	Other financial assets/others
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL (non-credit-impaired)	12-month ECL
Medium risk	Debtor with history of requesting the extension of due date but usually settle within the extended due date	Lifetime ECL (non-credit-impaired)	12-month ECL
High risk	There have been significant increase in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL(non-credit-impaired)	Lifetime ECL (non-credit-impaired)
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL (credit-impaired)	Lifetime ECL (credit-impaired)
Write-off	There is evidence indicating the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written-off	Amount is written-off

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets (Continued)

The tables below detail the credit risk exposures of the Group's financial assets and financial guarantee contracts which are subject to ECL assessment:

	Notes	Internal credit rating	12-month or lifetime ECL	Gross carrying amounts	
				2025 HK\$'000	2024 HK\$'000
<b>Financial assets at amortised costs</b>					
Loans receivables	22	Low risk	12-month ECL	—	55,637
		Medium risk	12-month ECL	<b>116,062</b>	334,385
		Loss	Lifetime ECL (credit-impaired)	<b>79,756</b>	—
Trade receivables	21	Low risk	Lifetime ECL (provision matrix)	<b>21,670</b>	10,796
Other receivables and deposits excluding interest receivables from bank deposits	21	Low risk	12-month ECL	<b>133,340</b>	115,527

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets (Continued)

###### Trade receivables

The Group estimates the lifetime loss allowance by applying simplified approach under HKFRS 9. The management assesses impairment loss using the risk parameter modelling approach that incorporates key measurement parameters, including probability of default, loss given default and exposure at default, with the consideration of forward-looking information. Trade receivables are assessed individually by the management of the Group.

In respect of trade receivables, sufficient rental deposits from tenants are held to cover potential exposure to credit risk. The expected loss rates are based on the historical credit loss rate for respective customers. Evaluations are made for the customers with reference to their repayment history and financial strength, as well as the economic environment in which the customer operates. The Group has estimated the expected credit losses with loss rate ranging from 0.16% to 17.1% (2024: 0.38% to 26%) applied on individual debtor with good credit history as at 31 December 2025. The Group has estimated the expected credit losses with loss rate ranging from 54.2% to 100% (2024: 22.4% to 100%) applied on individual debtor with poor credit history as at 31 December 2025.

As at 31 December 2025, the allowance for credit loss on trade receivables were HK\$8,369,000 (2024: HK\$5,025,000).

###### Loan receivables

The Group estimates the ECL under HKFRS 9 ECL models. The Group assesses whether the credit risk of loan receivables have increased significantly since their initial recognition, and apply a three-stage impairment model to calculate their ECL, the management assesses impairment loss using the risk parameter modelling approach that incorporates key measurement parameters, including probability of default, loss given default and exposure at default, with the consideration of forward-looking information. Loans receivables are assessed individually by the management of the Group. As at 31 December 2025, a specific loss allowance of HK\$21,220,000 was made to a debtor which there is objective evidence that the likelihood of settlement is remote.

The loss rate ranging from 2.20% to 15.52% (2024: 0.11% to 24.72%) is applied to the debtors. As at 31 December 2025, the allowance for 12-month credit loss on loans receivables is HK\$3,236,000 (2024: HK\$60,259,000).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (ii) Impairment of financial assets (Continued)

###### Other receivables

For the purpose of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

For other financial assets at amortised cost, including deposits and other receivables, the expected credit loss is based on the 12 months expected losses. It is the portion of lifetime expected credit loss that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since, origination, the allowance will be based on the lifetime expected credit loss.

The following tables show reconciliation of loss allowances that has been recognised for loans receivables which is measured under 12-month ECL and lifetime ECL and finance lease receivables which is measured under lifetime ECL:

	<b>Lifetime ECL (provision matrix)Trade receivables HK\$'000</b>	<b>12-month ECL Loans receivables HK\$'000</b>	<b>Lifetime ECL (credit- impaired) Loans receivables HK\$'000</b>
As at 1 January 2024	—	58,158	—
Acquisition of subsidiaries	5,025	—	—
Impairment losses written back	—	(1,177)	—
Additions	—	4,578	—
Currency realignment	—	(1,300)	—
As at 31 December 2024	5,025	60,259	—
Impairment losses written back	—	(2,118)	—
Additions	3,167	1,819	21,220
Transfer	—	(56,807)	56,807
Currency realignment	177	83	1,729
As at 31 December 2025	<b>8,369</b>	<b>3,236</b>	<b>79,756</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.1 Financial risk factors (Continued)

#### (c) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and bank balances (including structured deposits at FVTPL, bank deposits, pledged bank deposits, and cash and cash equivalents) which is expected adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of borrowings and ensures compliance with loan covenants.

The Group relies on borrowings as a source of liquidity.

	Repayable on demand <i>HK\$'000</i>	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>	Undiscounted cash flow <i>HK\$'000</i>	Carrying amount <i>HK\$'000</i>
<b>As at 31 December 2025</b>							
Trade payables, deposits received and accrued charges	275,479	—	—	—	—	275,479	275,479
Bank borrowings and other financial liabilities	267,996	112,750	178,139	378,728	1,806,174	2,743,787	2,219,249
Lease liabilities	—	1,535	1,535	384	—	3,454	3,247
	<u>543,475</u>	<u>114,285</u>	<u>179,674</u>	<u>379,112</u>	<u>1,806,174</u>	<u>3,022,720</u>	<u>2,497,975</u>
<b>As at 31 December 2024</b>							
Trade payables, deposits received and accrued charges	379,699	—	—	—	—	379,699	379,699
Bank borrowings and other financial liabilities	539,957	568,174	159,192	537,514	1,737,703	3,542,540	2,756,858
Lease liabilities	—	1,892	1,892	2,365	—	6,149	5,631
Convertible bonds	—	—	—	200,000	—	200,000	199,719
	<u>919,656</u>	<u>570,066</u>	<u>161,084</u>	<u>739,879</u>	<u>1,737,703</u>	<u>4,128,388</u>	<u>3,341,907</u>

The Group also provides guarantees to secure repayment obligations of certain purchasers of the Group's property units which will have contractual cash flows only if the guaranteed purchasers default the repayment (Note 35).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.2 *Capital risk 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 balances. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, which include the borrowings disclosed in Note 29, and equity attributable to owners of the Company, comprising share capital and reserves including retained earnings.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the drawdown of new bank borrowings or the redemption of existing debt.

### 3.3 *Fair value estimation*

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. 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 engaged an independent professional valuer to perform the valuation. The management of the Group works closely with the independent professional valuer to establish the appropriate valuation techniques and inputs to the model. The management of the Group reports to the executive directors of the Company semi-annually to explain the cause of fluctuations in the fair value of the assets.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.3 Fair value estimation (Continued)

*Fair value of the Group's financial assets that are measured at fair value on a recurring basis*

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s)
	2025 HK\$'000	2024 HK\$'000		
Equity securities of ZhongAn Online classified as equity instruments at FVTOCI	1,303,290	950,940	Level 1	Quoted bid prices in an active market
Unlisted fund investments classified as equity instruments at FVTOCI	52,521	67,884	Level 3	Fair value measurement conducted by fund managers (which is based on net asset value of fund (i.e. fair value of the portfolio included in the fund) (Note (i))
Unlisted equity securities classified as equity instruments at FVTOCI	4,315	5,741	Level 3	Fair value measurement conducted by independent professional valuer engaged by the management (which is based on net asset value of the entity (i.e. fair value of the portfolio included in the entity) (Note (ii))
Unlisted fund investments classified as financial assets at FVTPL	301,829	274,754	Level 3	Fair value measurement conducted by fund managers (which is based on net asset value of fund (i.e. fair value of the portfolio included in the fund) (Note (iii))
Equity securities listed in Hong Kong, PRC and the overseas classified as financial assets at FVTPL	16,604	10,830	Level 1	Quoted bid prices in active markets
Structured bank deposits at FVTPL	55,371	—	Level 2	Quoted prices from financial institutions (Note (iv))
<b>Financial liabilities</b>				
Convertible bonds	—	199,719	Level 3	Fair value measurement conducted by independent professional valuer engaged by the management using Binomial Option Pricing Model (Note (v))

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.3 Fair value estimation (Continued)

*Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)*

Notes:

- (i) As at 31 December 2025, the unlisted fund investments have no recent transactions, hence the fair value of unlisted fund investments classified as equity instruments at FVTOCI was determined based on the fair value measurement conducted by the fund managers. As the fair value of the underlying portfolio included in the funds is classified as Level 3 of the fair value hierarchy, thus unlisted fund investments classified as equity instruments at FVTOCI are classified as Level 3 of the fair value hierarchy as at 31 December 2025.

A 5% increase/decrease in fair value of the fund holding all other variables constant would increase/decrease the investments revaluation reserve for the year ended 31 December 2025 by HK\$1,970,000 (2024: HK\$2,546,000).

- (ii) As at 31 December 2025, the unlisted equity securities have no recent transactions, hence the fair value of unlisted equity securities classified as equity instruments at FVTOCI was determined based on valuation carried out by an independent qualified valuer. As the fair value of the underlying equity interests of the entities is classified as Level 3 of the fair value hierarchy, thus unlisted equity securities classified as equity instruments at FVTOCI classified as Level 3 of the fair value hierarchy as at 31 December 2025.

A 5% increase/decrease in fair value of the entity holding all other variables constant would increase/decrease the investments revaluation reserve for the year ended 31 December 2025 by HK\$162,000 (2024: HK\$215,000).

- (iii) As at 31 December 2025, the unlisted fund investments have no recent transactions, hence the fair value of unlisted fund investments classified as financial assets at FVTPL was determined based on fair value measurement conducted by the fund managers. As the fair value of the underlying portfolio included in the funds is classified as Level 3 of the fair value hierarchy, thus unlisted fund investments classified as financial assets at FVTPL classified as Level 3 of the fair value hierarchy as at 31 December 2025.

A 5% increase/decrease in fair value of the fund holding all other variables constant would decrease/increase the loss after income tax for the year ended 31 December 2025 by HK\$11,319,000 (2024: HK\$10,303,000).

- (iv) A 5% increase/decrease in quote prices from the financial institutions holding all other variables constant would decrease/increase the loss after income tax for the year ended 31 December 2025 by HK\$2,076,000 (2024: Not applicable).

- (v) As at 31 December 2024, the convertible bonds was determined based on valuation carried out by an independent qualified valuer. A 5% increase/decrease in discount rate of the convertible bonds holding all other variables constant would decrease/increase the profit after income tax for the year ended 31 December 2024 by HK\$170,000/178,000.

The transfers between levels of the fair value hierarchy is determined at the date of the event or change in circumstances that caused the transfer.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 FINANCIAL RISK MANAGEMENT (Continued)

### 3.3 Fair value estimation (Continued)

*Fair value of the Group's financial assets and financial liabilities that measured at amortised costs*

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.

The following table presents the changes in financial assets classified as level 3 for the year ended 31 December 2025 and 31 December 2024:

	Other financial assets at FVTPL HK\$'000	Loan receivable from an investment accounted for using the equity method at FVTPL HK\$'000	Amounts due from an investment accounted for using the equity method at FVTPL HK\$'000	Unlisted fund investments and equity securities at FVTOCI HK\$'000	Convertible bonds HK\$'000	Total HK\$'000
As at 1 January 2024	335,586	—	—	82,777	—	418,363
Addition	—	—	—	6,775	200,000	206,775
Transfer into level 3	5,519	—	—	—	—	5,519
Advance to an investment accounted for using the equity method	—	—	6,320	—	—	6,320
Share of results of investments accounted for using the equity method	—	125,068	—	—	—	125,068
Fair value change to profit or loss	(62,113)	(125,068)	(6,320)	—	(281)	(193,782)
Fair value change to other comprehensive income	—	—	—	(15,511)	—	(15,511)
Currency realignment	(4,238)	—	—	(416)	—	(4,654)
As at 31 December 2024 and 1 January 2025	<b>274,754</b>	—	—	<b>73,625</b>	<b>199,719</b>	<b>548,098</b>
Redemption	(1,402)	—	—	—	—	(1,402)
Fair value change to profit or loss	23,771	—	—	—	974,398	998,169
Fair value change to other comprehensive income	—	—	—	(17,191)	—	(17,191)
Conversion of convertible bonds (Note 28)	—	—	—	—	(1,174,117)	(1,174,117)
Currency realignment	4,706	—	—	402	—	5,108
As at 31 December 2025	<b>301,829</b>	—	—	<b>56,836</b>	—	<b>358,665</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below.

### *(a) Fair values of investment properties*

Investment properties are stated at fair value based on the valuation performed by an independent professional valuer. In determining the fair value, the independent professional valuer has based on a method of valuation which involves certain estimates including capitalisation rates, market rent and adjustments to market rent. In relying on the valuation report, the directors of the Company have exercised their judgment and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of fair value gain or loss reported in the profit or loss.

### *(b) Impairment of investment accounted for using the equity method – ZA Global*

The Group assesses at the end of each reporting period to consider whether there is any indication for impairment on the investment accounted for using the equity method – ZA Global and further assesses if they have suffered any impairment. The carrying amount of interests in ZA Global mainly consists of (a) Banking Business; (b) Insurance Business; and (c) Technology Business. The Group determines the respective recoverable amounts of the Banking Business, Insurance Business and Technology Business which was measured at the higher of the VIU and FVLCO with the assistance from an independent professional valuer engaged by the Group. Based on the assessment result, the recoverable amounts exceeds the carrying amount of the interests in ZA Global as at 31 December 2025 and hence no provision for impairment of interests in ZA Global have been recognised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### *(c) Estimate for net realisable value of stock of properties*

The net realisable value of stock of properties was determined by the expected selling prices with reference to the contracted selling prices or recent market transactions of comparable properties less to related future selling costs and costs to completion based on management's estimation. The determination of net realisable value of the Group's stock of properties involves critical accounting estimates on the selling price, the selling costs and the costs to completion of stock of properties. Management estimated the selling price by referencing to the contracted selling prices or current comparable market transactions, and the estimated selling costs were determined as a certain percentage of selling prices or quotations or contracts with sales agents, where available. With respect to the estimated costs to completion, these were estimated based on management's budget of estimated cost to completion with reference to quotations obtained or contracts signed. Changes in data input and estimations would result in changes in the net realisable value of stock of properties and the corresponding adjustments to the amount of impairment loss reported in the profit or loss.

### *(d) Impairment of hotel buildings and building improvements in hotel*

Assessing impairment of hotel buildings and building improvements in hotel requires an estimation of its recoverable amounts which is determined based on fair value less costs of disposal. The estimation made by an independent professional valuer is considered to be key areas of judgment, including adjusted room rent and capitalisation rate during the years ended 31 December 2025 and 2024. Where there are changes in assumptions due to market conditions, the estimate of recoverable amount may be affected. Details of the recoverable amount calculation of hotel buildings and building improvements in hotel are disclosed in Note 15. During the years ended 31 December 2025 and 2024, the Group has not recognised any impairment loss on hotel buildings and building improvement in hotel.

### *(e) Current and deferred income taxes*

The Group makes a provision for current income tax based on estimated taxable income for the year. The estimated income tax liabilities are primarily computed based on the tax computations as prepared by the Group. Nevertheless, from time to time, there are queries raised by the tax authorities of Hong Kong on the tax treatment of items included in the tax computations and certain non-routine transactions. If the Group considers it probable that these queries or judgements will result in different tax positions, the most likely amounts of the outcome will be estimated and adjustments to the income tax expense and income tax liabilities will be made accordingly.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. The Group recognises deferred income tax assets based on profits forecasts prepared by management. When the expectation is different from the original estimates, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 REVENUE AND SEGMENT INFORMATION

### (a) Revenue

#### (i) Disaggregation of revenue from contracts with customers

Revenue primarily represents revenue arising from property management fee income, rental income, interest income from financing services business and other service income, after deducting discounts and other sales related taxes. An analysis of the Group's revenue for the year is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Recognised over time under HKFRS 15		
"Revenue from Contracts with Customers" ("HKFRS 15")		
– Property management fee income	134,506	104,937
– Other service income	36,272	50,569
	<u>170,778</u>	<u>155,506</u>
Recognised under HKFRS 15		
Recognised under other HKFRS Accounting Standards:		
– Rental income	382,970	170,452
– Interest income from financing services business	12,262	20,370
	<u>566,010</u>	<u>346,328</u>

All of the Group's revenue is generated from the People's Republic of China (the "PRC") during the years ended 31 December 2025 and 2024.

#### (ii) Performance obligations for contracts with customers

##### *Property management fee income*

Under the terms of these contracts, the customers of the Group simultaneously receive and consume the benefits provided by the Group's performance as the Group performs (i.e. services rendered by the Group under property management contracts with the customers with standard contract period up to twelve years (2024: twelve years), and thus these income are recognised over time.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 REVENUE AND SEGMENT INFORMATION (Continued)

### (a) Revenue (Continued)

#### (iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations of property management services (unsatisfied or partially unsatisfied) and the expected timing of recognising revenue are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	98,174	43,431
More than one year but not more than two years	72,170	30,444
More than two years but not more than five years	69,677	43,319
More than five years	4,440	13,666
	<u>244,461</u>	<u>130,860</u>

All other services delivered by the Group are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

#### (iv) Leases

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
For operating leases properties:		
– Lease payments that are fixed	376,062	168,768
– Variable lease payments that do not depend on an index or a rate	6,908	1,684
Total revenue arising from leases	<u>382,970</u>	<u>170,452</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 REVENUE AND SEGMENT INFORMATION (Continued)

### (a) Revenue (Continued)

#### (v) Accounting policies

##### *Revenue recognition*

##### *Revenue from provision of property management services*

Revenue from provision of property management services is recognised when the services is provided to the customers throughout the contract period.

##### *Income from hotel operations*

Income from hotel operations is recognised in the accounting period in which the services are rendered.

##### *Tuition, registration and application fees income*

Income from tuition, registration and application fees from provision of education services for operating primary school are recognised when the services are rendered.

##### *Rental income*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant leases.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

##### *Interest income from financing services business*

Interest income accrued from the loan lending business is recognised based on the contractual interest rates to the gross carrying amount of financial assets measured at amortised cost using the effective interest method throughout the lending period except for financial assets that subsequently become credit-impaired.

When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues to unwind the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Details of other accounting policies relevant to revenue recognition are set out in Note 42.18.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 REVENUE AND SEGMENT INFORMATION (Continued)

### (b) *Segment information*

Management has determined the operating segments based on the internal reports reviewed by the Group's chief operating decision maker ("CODM"), being the Chairman, Chief Executive Officer and executive director of the Company. The Group is organised into the following operating segments in their internal reports:

Financing services: provision of efficient financial leasing solutions and multiple consultancy services

Property investment: property leasing

Property management: provision of property management services

Property development: property development and sale of properties

Others: Income from operating hotel and primary school

The CODM assesses the performance of the operating segments based on a measure of segment result.

Segment result represents the (loss)/profit before income tax incurred by each segment without allocation of other income, unallocated corporate expenses, unallocated other losses, net, gains arising from the business combination, gain on dilution of investments accounted for using the equity method, share of results of investments accounted for using the equity method, fair value gain/(loss) on other financial assets at FVTPL, fair value loss on loan receivable from an investment accounted for using the equity method at FVTPL and amounts due from an investment accounted for using the equity method at FVTPL, fair value (losses)/gains on convertible bonds and unallocated finance costs.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 REVENUE AND SEGMENT INFORMATION (Continued)

### (b) Segment information (Continued)

For the year ended 31 December 2025

	Financing services HK\$'000	Property investment HK\$'000	Property management HK\$'000	Property development HK\$'000	Others HK\$'000	Total HK\$'000
Revenue	12,262	382,970	134,506	—	36,272	566,010
Segment results	(10,127)	82,793	(8,414)	(4,406)	(28,962)	30,884
Other income						58,416
Unallocated corporate expenses						(60,641)
Unallocated other losses						(91)
Fair value losses on convertible bonds						(974,398)
Fair value gains on other financial assets at FVTPL						28,898
Share of results of investments accounted for using the equity method						(91,799)
Unallocated finance costs						(13,560)
Loss before income tax						(1,022,291)

For the year ended 31 December 2024

	Financing services HK\$'000	Property investment HK\$'000	Property management HK\$'000	Property development HK\$'000	Others HK\$'000	Total HK\$'000
Revenue	20,370	170,452	104,937	—	50,569	346,328
Segment results	15,398	44,404	(4,546)	(907)	(19,307)	35,042
Other income						78,060
Unallocated corporate expenses						(56,464)
Unallocated other losses						(27,232)
Gains arising from the business combination						4,252,273
Fair value gains on convertible bonds						281
Gain on dilution of investments accounted for using the equity method						114,804
Fair value losses on other financial assets at FVTPL						(62,012)
Fair value loss on loan receivable from an investment accounted for using the equity method at FVTPL and amounts due from an investment accounted for using the equity method at PVTPL						(131,388)
Share of results of investments accounted for using the equity method						(70,507)
Finance costs						(73,931)
Profit before income tax						4,058,926

No analysis of the Group's assets and liabilities by reportable and operating segments is disclosed as it is not regularly provided to the CODM for review. There is no seasonality of the operation of the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 REVENUE AND SEGMENT INFORMATION (Continued)

### (b) Segment information (Continued)

#### Other segment information

	Financing services HK\$'000	Property Investment HK\$'000	Property management HK\$'000	Property development HK\$'000	Others in operating segments HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
<b>For the year ended 31 December 2025</b>							
Amounts included in measure of segment results:							
Depreciation of other property, plant and equipment	—	—	361	—	15,021	3,819	19,201
Depreciation of right-of-use assets included in property, plant and equipment	—	4,294	—	—	—	1,258	5,552
Fair value loss of investment properties	—	31,322	—	—	—	—	31,322
Net impairment loss on financial assets	20,921	2,490	677	—	—	—	24,088
Finance costs	—	113,237	—	—	—	13,560	126,797
<b>For the year ended 31 December 2024</b>							
Amounts included in measure of segment results:							
Depreciation of other property, plant and equipment	—	80	377	—	16,888	619	17,804
Depreciation of right-of-use assets included in property, plant and equipment	—	1,182	—	—	—	1,598	2,780
Fair value loss of investment properties	—	100,172	—	—	—	—	100,172
Net impairment loss on financial assets	3,401	—	—	—	—	—	3,401

All the Group's revenue for both years is generated from the PRC. The Group's non-current assets other than financial instruments, deferred tax assets and investments accounted for using the equity method of HK\$6,996,468,000 (2024: HK\$7,062,294,000) and HK\$22,134,000 (2024: HK\$15,533,000), respectively, are located in the PRC and Hong Kong, based on the place of domicile of the group entities that hold such assets. No individual customer of the Group has contributed sales over 10% of the revenue of the Group during each of the year ended 31 December 2025 or 2024.

## 6 OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Dividends from financial assets at FVTPL	24,532	10,954
Interest income on bank deposits	12,563	5,060
Interest income on pledged bank deposits	10,814	56,035
Interest income on structured deposits	1,642	—
Others	8,865	6,011
	<b>58,416</b>	<b>78,060</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 7 OTHER LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/gain on disposal of property, plant and equipment	(545)	1,018
Loss on disposal of a school business (Note 20)	(1,488)	—
Gain on derecognition of the non-controlling interests of a subsidiary (Note 39)	8,638	—
Net exchange losses, net	(8,183)	(26,519)
	<u>(1,578)</u>	<u>(25,501)</u>

## 8 FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on borrowings	123,501	72,614
Interest on lease liabilities	227	348
Interest on deposits received for rental	3,069	969
	<u>126,797</u>	<u>73,931</u>

## 9 EXPENSES BY NATURE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Staff cost (Note 10)	170,215	136,665
Depreciation on property, plant and equipment and rights-of-use assets (Note 15)	24,753	20,584
Legal and professional fee	13,979	12,769
Repair and maintenance	44,213	14,838
Utilities	22,239	17,731
Cleaning charges	16,039	9,052
Property land use tax	33,256	7,948
Marketing expenses	34,373	—
Bank charges	2,636	7,791
Auditor's remuneration		
– Audit services	2,500	4,500
– Non-audit services	800	800
Others	60,630	33,230
Total cost of sales, selling and administrative expenses	<u>425,633</u>	<u>265,908</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 10 EMPLOYEE BENEFIT EXPENSES

### (a) Staff cost (including directors' remuneration)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Wages and salaries	148,278	123,925
Retirement benefits schemes contributions	21,937	12,740
Total employee benefit expenses	<u>170,215</u>	<u>136,665</u>

### (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included one (2024: five) directors whose emoluments are included in Note 11. The details of the emoluments of the remaining four (2024: Nil) highest paid individuals are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Salaries and other benefits	9,490	—
Retirement benefits schemes contributions	25	—
Total employee benefit expenses	<u>9,515</u>	<u>—</u>

During the years ended 31 December 2025 and 2024, no remuneration was paid by the Group to the five highest paid individuals or directors of the Group as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any remunerations for the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

The emoluments paid or payable to each of the 8 (2024: 9) directors of the Company were as follows:

	Year ended 31 December 2025								Total HK\$'000
	Executive director	Non-executive directors			Independent non-executive directors			Mr. Cheung Adrian	
	Mr. Tang Yui Man Francis HK\$'000 (Note c)	Mr. Ou Jin Yi Hugo HK\$'000	Mr. Ou Jin Yao Norris HK\$'000 (Note e)	Ms. Xu Xiujuan HK\$'000 (Note g)	Mr. Xin Luo Lin HK\$'000	Dr. Mr. Tian Jin HK\$'000	Ms. Chen Hui HK\$'000 (Note f)	Mr. Cheung Adrian Jeremy Ka Hing HK\$'000 (Note f)	Total HK\$'000
Fees (Note a)	—	—	—	—	250	250	166	84	750
Other emoluments									
Salaries and other benefits (Notes b and c)	4,932	1,200	1,200	343	—	—	—	—	7,675
Bonuses	500	—	—	144	—	—	—	—	644
Retirement benefits schemes contributions	18	18	18	6	—	—	—	—	60
<b>Total emoluments</b>	<b>5,450</b>	<b>1,218</b>	<b>1,218</b>	<b>493</b>	<b>250</b>	<b>250</b>	<b>166</b>	<b>84</b>	<b>9,129</b>

  

	Year ended 31 December 2024									Total HK\$'000
	Executive directors			Non-executive directors			Independent non-executive directors			
	Mr. Xiang Ya Bo HK\$'000 (Note d)	Mr. Chen Wei HK\$'000 (Note d)	Mr. Tang Yui Man Francis HK\$'000 (Note c)	Mr. Ou Jin Yi Hugo HK\$'000	Mr. Ou Yaping HK\$'000 (Note e)	Mr. Ou Jin Yao Norris HK\$'000 (Note e)	Mr. Xin Luo Lin HK\$'000	Dr. Mr. Tian Jin HK\$'000	Ms. Chen Hui HK\$'000 (Note f)	Total HK\$'000
Fees (Note a)	—	—	—	—	—	—	250	250	250	750
Other emoluments										
Salaries and other benefits (Notes b and c)	1,645	300	2,240	1,200	1,194	706	—	—	—	7,285
Bonuses	—	—	300	100	—	100	—	—	—	500
Retirement benefits schemes contributions	8	18	18	18	18	11	—	—	—	91
<b>Total emoluments</b>	<b>1,653</b>	<b>318</b>	<b>2,558</b>	<b>1,318</b>	<b>1,212</b>	<b>817</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>8,626</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

Notes:

- (a) The director's fees of independent non-executive directors are determined by the Board and the remuneration committee of the Company with reference to their duties and responsibilities with the Group and to be authorised by the shareholders of the Company at the annual general meeting.
- (b) The executive directors' emoluments (including Mr. Xiang Ya Bo, Mr. Chen Wei and Mr. Tang Yui Man Francis) shown above were for their services in connection with the management of the affairs of the Company and the Group. The directors' emoluments of the non-executive directors (including Mr. Ou Yaping, Mr. Ou Jin Yi Hugo, Mr. Ou Jin Yao Norris and Ms. Xu Xiujian) were for their services as directors of the Company and certain subsidiaries undertaking. The independent non-executive directors' emoluments were for their services as directors of the Company.
- (c) Mr. Tang Yui Man Francis was re-designated as executive director on 30 May 2024. He is also the chief executive of the Company and his remuneration disclosed above included these services rendered by him as chief executive.
- (d) Mr. Xiang Ya Bo and Mr. Chen Wei retired as executive director on 30 May 2024.
- (e) Mr. Ou Yaping retired on 30 May 2024, while Mr. Ou Jin Yao Norris was appointed as non-executive director on the same date.
- (f) Ms. Chen Hui resigned on 30 August 2025, while Mr. Cheung Adrian Jeremy Ka Hing was appointed as independent non-executive director on the same date.
- (g) Ms. Xu Xiujian was appointed as non-executive director on 30 August 2025.
- (h) Directors' termination benefits  
None of the directors received or will receive any termination benefits during the years ended 31 December 2025 and 2024.
- (i) Consideration provided to third parties for making available directors' services  
During the years ended 31 December 2025 and 2024, the Group did not pay consideration to any third parties for making available directors' services.
- (j) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the years ended 31 December 2025 and 2024, there were no loans, quasi-loans and other dealing arrangements in favour of directors, or controlled bodies corporate by and connected entities with such directors.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 12 INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
– PRC corporate income tax	44,118	41,269
– PRC withholding tax	22,777	54,605
– PRC land appreciation tax	109,357	72,708
– Under provision in prior year	15	918
Deferred income tax (Note 31)	(118,785)	(88,989)
	<u>57,482</u>	<u>80,511</u>

### *PRC corporate income tax*

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof.

The corporate income tax rate applicable to the group entities located in the PRC is 25% (2024: 25%) according to the Corporate Income Tax Law of the PRC (the “CIT Law”).

### *PRC land appreciation tax (“LAT”)*

Pursuant to the requirements of the Provisional Regulations of the PRC on LAT effective 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective on 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

### *PRC withholding tax*

Pursuant to the Detailed Implementation Regulations for implementation of the CIT Law issued on 6 December 2017, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%, a lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated in Hong Kong and fulfill the requirements to the tax treaty arrangements between the PRC and Hong Kong.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 12 INCOME TAX EXPENSE (Continued)

### *Hong Kong profits tax*

The applicable Hong Kong profits tax rate is 16.5% for the year ended 31 December 2025 (2024: 16.5%). Hong Kong profits tax has not been provided as the Group did not have any assessable profits for both years.

The taxation for the year can be reconciled to the (loss)/profit before income tax per consolidated statement of profit or loss as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit before income tax	(1,022,291)	4,058,926
Adjust for share of results of investments accounted for using the equity method	<u>91,799</u>	<u>70,507</u>
	<b>(930,492)</b>	4,129,433
Tax calculated at domestic tax rates applicable to (loss)/profit in the respective countries	<b>(149,047)</b>	682,904
Tax effect of expenses not deductible for tax purpose	<b>182,162</b>	37,232
Tax effect of income not taxable for tax purpose	<b>(98,238)</b>	(806,666)
Tax effect on deferred tax liabilities resulting from withholding tax on undistributed profits of subsidiaries	<b>7,930</b>	78,975
Tax effect of tax losses not recognised	<b>2,545</b>	230
PRC land appreciation tax deductible for income purpose	—	(18,177)
Withholding tax on interest income	<b>3,176</b>	—
Under provision in prior year	<b>15</b>	918
Utilisation of tax losses previously not recognised	<b>(418)</b>	(348)
Tax effect of deductible temporary differences not recognised	—	32,847
Utilisation of deductible temporary difference previously not recognised	<u>—</u>	<u>(112)</u>
	<b>(51,875)</b>	7,803
PRC land appreciation tax	<u>109,357</u>	<u>72,708</u>
Income tax expense for the year	<u><b>57,482</b></u>	<u>80,511</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 12 INCOME TAX EXPENSE (Continued)

### *Hong Kong profits tax (Continued)*

#### *Sinolink Shanghai Investment Limited ("SSI") tax case in relation to the chargeability of notional interest income received from an investment accounted for using the equity method*

Since 2012, Hong Kong Inland Revenue Department ("IRD") queried against SSI, a subsidiary of the Group, regarding the chargeability of notional interest income received from an investment accounted for using the equity method of the Group in the tax returns for the years of assessment 2005/2006 to 2013/2014.

Up to 31 December 2025, the IRD has issued Notice of Assessments for the years of assessment 2006/2007 to 2013/2014 and the Group has purchased tax reserve certificates of approximately HK\$134,750,000 (2024: HK\$134,750,000) for conditional standover order of objection against the notices of Assessments for the years of assessment 2006/2007 to 2013/2014. The amount was presented as "other receivables" in the Group's consolidated statement of financial position as at 31 December 2025.

In 2016, the IRD issued a letter informing the Group, that the IRDs would put up the case for Commissioner's determination. In 2020, the Commissioner has issued notice of objection to the Group, and the Group has filed notice of appeal to Board of Review (Inland Revenue Ordinance) for hearing and determining tax appeals ("SSI Appeal"). In June 2023, the SSI Appeal hearing was held.

On 29 December 2023, the Board of Review released the decision of SSI Appeal ("Decision"), dismissed the appeal and upheld the determination of the notices of Assessments for the years of assessment 2006/2007 to 2013/2014.

On 29 January 2024, the Group filed a Summons for leave to appeal from the Decision of Board of Review ("Leave Application"), a Statement of Grounds and Reasons in Support and an affirmation in support.

On 14 February 2024, Commissioner filed an affirmation in opposition to leave application and the Statement of Opposition. Having considered the leave application and Commissioner's Statement of Opposition, instead of disposing of the Leave Application, the High Court assigned the Leave Application to a High Court Judge and directed both the Group and the Commissioner to fix a hearing for argument on leave to appeal ("Leave Application Hearing") on 27 February 2024. The Leave Application Hearing was held on 30 October 2024. On 4 February 2025, the Leave Application was granted by the Court of First Instance. On 23 May 2025, a notice of hearing was received by the Group and the appeal hearing was held on 9 December 2025. Up to the date of issuance of the consolidated financial statements, the result of appeal hearing is yet to be announced.

Having taken advices from legal and tax representatives, and with reference of certain precedent cases, the directors of the Company are of the view that it is more likely than not they will be able to successfully argue that the merits of the referenced precedent cases apply, and hence it is not probable that an outflow of resources will be required to settle this obligation as at 31 December 2025. Therefore, no provision is recognised for the year ended 31 December 2025.

#### *Knatwood Limited ("Knatwood") tax case in relation to the claim of offshore income*

Furthermore, since 2011, the IRD has queried against Knatwood, another subsidiary of the Company regarding the offshore claim in respect of certain income on the transactions between group entities for the year of assessment 2007/2008.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 12 INCOME TAX EXPENSE (Continued)

### *Hong Kong profits tax (Continued)*

#### *Knatwood Limited ("Knatwood") tax case in relation to the claim of offshore income (Continued)*

Up to 31 December 2025, the Group has purchased tax reserve certificate of approximately HK\$23,649,000 (2024: HK\$23,649,000) for conditional standover order of objection. The amount is presented as "other receivables" in the Group's consolidated statement of financial position as at 31 December 2025. In 2016, the IRD issued a letter informing the Group that the IRD would put up the case for Commissioner's determination. In 2020, the Commissioner has issued notice of objection to the Group and the Group has filed notice of appeal to Board of Review (Inland Revenue Ordinance) for hearing and determining tax appeals. The appeal hearing was held on 10 September 2024. Up to the date of issuance of these consolidated financial statements, the result of appeal hearing is yet to be announced.

Having taken advices from tax and legal representatives, the directors of the Company were of the view that there were ample grounds to contest the tax positions of the subsidiary for the relevant year of assessment and hence it is not probable that an outflow of resources will be required to settle this obligation. Thus no provision is recognised for the year ended 31 December 2025.

Should the decision of these tax disputes turn out to be unfavourable to the Group, the Group may need to record additional provision in respect of these tax disputes in future reporting periods.

## 13 DIVIDENDS

The directors of the Company do not recommend the payment or declaration of a dividend in respect of the year ended 31 December 2025 (2024: nil).

## 14 (LOSS)/EARNINGS PER SHARE

### (a) Basic

The calculation of the basic (loss)/earnings per share attributable to owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit for the year attributable to owners of the Company for the purpose of basic loss per share (HK\$'000)	<u>(1,100,137)</u>	<u>3,968,652</u>
Weighted average number of ordinary shares in issue (Note)	<u>369,949,146</u>	<u>318,700,154</u> (Restated)
Basic (loss)/earnings per share (HK\$)	<u>(2.97)</u>	<u>12.45</u>

Note:

The weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share have been adjusted for the effects of share consolidation (the "Share Consolidation") effective from 27 May 2025 (Note 32) on the basis that every 20 issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into 1 consolidated share of HK\$0.20 each as if the Share Consolidation had occurred at 1 January 2024, the beginning of the earliest reporting period. The loss per share for year ended 31 December 2024 has been restated.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 14 (LOSS)/EARNINGS PER SHARE (Continued)

### (b) Diluted

Diluted (loss)/earnings per share is calculated by adjusting the net (loss)/profit and the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive shares.

For the year ended 31 December 2025, the Group has one (2024: three) categories of potentially dilutive shares: share options issued by an investment accounted for using the equity method - ZA Global (2024: convertible bonds issued by the Company, and share options issued by the Company and an investment accounted for using the equity method - ZA Global).

The diluted loss per share for the year ended 31 December 2025 equal to the basic loss per share as the impact of dilution of the share options of ZA Global was anti-dilutive.

The computation of diluted earnings per share for the years ended 31 December 2024 did not assume the exercise of the Company's share options because the exercise prices of these options were higher than the average market price for shares.

For the year ended 31 December 2024, the calculation of diluted earnings per share does not assume the exercise of the share option of ZA Global as it would have an anti-dilutive impact to the basic earnings per share.

	2024
Profit for the year attributable to owners of the Company for the purpose of diluted earnings per share (HK\$'000)	3,968,371
	(Restated)
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	318,700,154
Adjustment for calculation of diluted earnings per share: convertible bonds	117,647,058
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	436,347,212
Diluted earnings per share (HK\$)	9.09

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 15(a) PROPERTY, PLANT AND EQUIPMENT

	Construction in progress HK\$'000	Leasehold lands and buildings HK\$'000	Right-of-use assets HK\$'000 (Note 15(b))	Hotel buildings HK\$'000	Building improvement in hotel HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
At 1 January 2024								
Cost	—	201,827	106,838	243,702	178,244	70,322	16,384	817,317
Accumulated depreciation	—	(152,553)	(48,619)	(157,176)	(178,244)	(63,567)	(13,418)	(613,577)
Net book amount	—	49,274	58,219	86,526	—	6,755	2,966	203,740
Year ended 31 December 2024								
Opening net book amount	—	49,274	58,219	86,526	—	6,755	2,966	203,740
Disposals	—	—	—	—	—	(25)	(170)	(195)
Additions	—	—	—	—	—	6,154	4,465	10,619
Acquisition of subsidiaries (Note 30)	12,650	97,046	81,933	—	—	4,577	—	196,206
Charge for the year	—	(7,082)	(2,780)	(7,555)	—	(1,948)	(1,219)	(20,584)
Currency realignment	—	(446)	(1,891)	(1,621)	—	(196)	(72)	(4,226)
Closing net book amount	12,650	138,792	135,481	77,350	—	15,317	5,970	385,560
At 31 December 2024								
Cost	12,650	317,419	205,823	238,438	174,394	89,046	17,202	1,054,972
Accumulated depreciation	—	(178,627)	(70,342)	(161,088)	(174,394)	(73,729)	(11,232)	(669,412)
Net book amount	12,650	138,792	135,481	77,350	—	15,317	5,970	385,560
	Construction in progress HK\$'000	Leasehold lands and buildings HK\$'000	Right-of-use assets HK\$'000 (Note 15(b))	Hotel buildings HK\$'000	Building improvement in hotel HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Year ended 31 December 2025								
Opening net book amount	12,650	138,792	135,481	77,350	—	15,317	5,970	385,560
Disposals	—	—	—	—	—	(138)	(407)	(545)
Additions	—	—	—	—	—	8,703	—	8,703
Transfer	(12,650)	12,650	—	—	—	—	—	—
Transfer to assets classified as held for sale (Note 20)	—	—	—	—	—	(4,098)	(161)	(4,259)
Impairment	—	—	—	—	—	1,169	—	1,169
Lease modification	—	—	(987)	—	—	—	—	(987)
Charge for the year	—	(7,017)	(5,552)	(8,190)	—	(2,673)	(1,321)	(24,753)
Currency realignment	—	3,265	3,578	1,493	—	649	89	9,074
Closing net book amount	—	147,690	132,520	70,653	—	18,929	4,170	373,962
At 31 December 2025								
Cost	—	312,395	207,780	244,511	178,836	83,896	13,279	1,040,697
Accumulated depreciation	—	(164,705)	(75,260)	(173,858)	(178,836)	(64,967)	(9,109)	(666,735)
Net book amount	—	147,690	132,520	70,653	—	18,929	4,170	373,962

The carrying amount of the Group's leasehold land and buildings and hotel buildings comprises properties mainly situated in the PRC.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 15(a) PROPERTY, PLANT AND EQUIPMENT (Continued)

### (i) *Non-current assets pledged as security*

As at 31 December 2025, carrying amounts of HK\$189,620,000 (2024: HK\$178,979,000) were pledged respectively as security for the bank borrowings by the Group (Note 29).

### (ii) *Depreciation methods and useful lives*

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Leasehold land and buildings	Over the shorter of its estimated useful life and the lease term
Hotel buildings	Over the shorter of the lease term and 20 years
Building improvement in hotel	20%
Furniture, fixtures and equipment	20% to 50%
Motor vehicles	20% to 30%

Details of other accounting policies relevant to property, plant and equipment are set out in Note 42.4.

### (iii) *Impairment assessment on hotel buildings*

In previous years, the Group recorded an impairment loss on hotel buildings due to the loss-making hotel operation suffered by the Group. As at 31 December 2025, the aggregate impairment losses on hotel buildings was HK\$58,882,000 (2024: HK\$58,882,000).

Management considers the loss incurred by the hotel operation for the years ended 31 December 2025 and 2024 to be an impairment indicator. As a result, the Group carried out an impairment assessment of the carrying amount of the hotel as at 31 December 2025 and 2024. The recoverable amount of the hotel buildings as at 31 December 2025 and 2024 has been arrived at on the basis of a valuation carried out by an independent professional valuer which is not connected with the Group, who are the members of The Hong Kong Institute of Surveyors.

As at 31 December 2025 and 2024, the recoverable amount of hotel buildings was assessed based on fair value less costs of disposal. The fair value of the hotel building was determined based on income capitalisation approach, which the fair value measurement categorised within Level 3 of the fair value hierarchy. The key unobservable inputs used in the valuation are adjusted room rent and capitalisation rate of RMB27 (2024: RMB26) and 10% (2024: 13%), respectively.

Since the recoverable amount of the hotel buildings and building improvement in hotel determined based on the above is higher than the carrying amount as at 31 December 2025 and 2024, no impairment loss is recognised in profit or loss during the years ended 31 December 2025 and 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 15(b) LEASES

This note provides information for leases where the Group is a lessee.

### (i) Amounts recognised in the consolidated statement of financial position

The balance sheet shows the following amounts relating to leases:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Right-of-use assets</b>		
Leasehold land	129,875	130,590
Leased properties	2,645	4,891
	<u>132,520</u>	<u>135,481</u>
<b>Lease liabilities</b>		
Current	1,395	1,629
Non-current	1,852	4,002
	<u>3,247</u>	<u>5,631</u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Acquisition of subsidiaries (Note 30)	—	52,763
Lease modification (Note)	<u>(987)</u>	<u>—</u>

Note:

During the year ended 31 December 2025, the Group modified a lease contract with lessor to revise the monthly rent amount. As the modification did not add the right to use one or more underlying assets, it was not accounted for as a separate lease. Accordingly, the Group recognised a decrease in amount of approximately HK\$987,000 of right-of-use assets and lease liabilities, respectively.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 15(b) LEASES (Continued)

### (ii) Amounts recognised in the consolidated statement of profit or loss

The consolidated statement of profit or loss shows the following amounts relating to leases:

	2025 HK\$'000	2024 HK\$'000
Depreciation charge of right-of-use assets (Note 15)		
- Leasehold land	4,294	1,179
- Leased properties	1,258	1,601
	<u>5,552</u>	<u>2,780</u>
Interest expense (included in finance cost)	227	348
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	14	—
	<u>14</u>	<u>—</u>

The total cash outflow for leases for the year ended 31 December 2025 was HK\$1,638,000 (2024: HK\$1,991,000).

### (iii) The Group's leasing activities and how these are accounted for

The Group leases various offices for its operation. Rental contracts are typically made for fixed periods of four years (2024: two to six years) but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by lessor.

### (iv) Extension and termination options

The Group has extension option in a lease for an office. It is used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension option held is exercisable only by the Group and not by the lessor.

During the years ended 31 December 2025 and 2024, the Group did not exercise any renewal options.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 16 INVESTMENT PROPERTIES

The Group leases out various offices, retail premises and car parks located in the PRC under operating leases with rentals payable monthly. The leases of office and retail premises typically run for an initial period of one to twelve years. The leases of retail stores contain variable lease payment that are based on 1.0% to 23.0% (2024: 2.5% to 25.0%) sales and minimum annual lease payment that are fixed over the lease term.

The lease contracts do not contain residual value guarantee or lessee's option to purchase the property at the end of lease term.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Opening net book amount	6,290,164	2,285,002
Acquisition of subsidiaries (Note 30)	—	4,153,172
Fair value loss on investment properties	(31,322)	(100,172)
Currency realignment	166,623	(47,838)
Closing net book amount	<u>6,425,465</u>	<u>6,290,164</u>

### (i) Amounts recognised in profit or loss for investment properties

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Rental income from operating leases	382,970	170,452
Direct operating expenses from investment properties that generated rental income during the year	(19,707)	(12,185)
Direct operating expenses from investment properties that did not generate rental income during the year	(2,846)	(1,979)
Fair value loss of investment properties	<u>(31,322)</u>	<u>(100,172)</u>

### (ii) Non-current assets pledged as security

At 31 December 2025, the Group's investment properties with carrying values of HK\$4,431,894,000 (2024: HK\$4,574,338,000) were pledged to secure general banking facilities granted to the Group.

### (iii) Valuation processes of the Group

The Group measures its completed investment properties at fair value at 31 December 2025 and 2024, which have been arrived at on the basis of a valuation carried out on those dates by an independent qualified professional valuer, who is the member of the Hong Kong Institute of Surveyors.

The management of the Group works closely with the independent professional valuer to establish and determine the appropriate valuation techniques and inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the executive directors of the Company to explain the cause of the fluctuations.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 16 INVESTMENT PROPERTIES (Continued)

### (iv) Valuation techniques

The fair values of investment properties were determined by making reference to comparable sales evidence as available in the relevant market, or where appropriate by the investment method by capitalising the net income derived from the existing tenancies with allowance for the reversionary income potential of the properties.

The fair value measurement of the Group's investment properties is categorised into level 3 in the fair value hierarchy based on the inputs to valuation techniques used. During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3. There has been no change from the valuation technique used in the prior year for offices and retail premises. There were no changes to the valuation techniques during the year.

#### Information about fair value measurements using significant unobservable inputs

The following table shows the valuation techniques used in the determination of fair values for investment properties and unobservable inputs used in the valuation models.

Description	Fair value HK\$'000	Valuation techniques	Key inputs	Range of significant inputs	Relationship of inputs to fair value
As at 31 December 2025					
Office and retail premises	5,815,941	Income capitalisation approach	(i) Capitalisation rate  (ii) Market rent (sq.m./ month)	4.25% - 5.75%  (a) Office: RMB110 to 315  (b) Retail: RMB78 to 969	(i) The higher the capitalisation rate, the lower the fair value. (ii) The higher the market rent, the higher the fair value.
Car parks	609,524	Income capitalisation approach	(i) Capitalisation rate  (ii) Monthly market rent	3.50% - 5.75%  RMB300 to 1,800	(i) The higher the capitalisation rate, the lower the fair value. (ii) The higher the market rent, the higher the fair value.
	<u>6,425,465</u>				

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 16 INVESTMENT PROPERTIES (Continued)

### (iv) Valuation techniques (Continued)

Description	Fair value HK\$'000	Valuation techniques	Key inputs	Range of significant inputs	Relationship of inputs to fair value
As at 31 December 2024					
Office and retail premises	5,706,494	Income capitalisation approach	(i) Capitalisation rate  (ii) Market rent (sq.m./ month)	4.25% - 5.75%  (a) Office: RMB114 to 311  (b) Retail: RMB81 to 942	(i) The higher the capitalisation rate, the lower the fair value. (ii) The higher the market rent, the higher the fair value.
Car parks	583,670	Income capitalisation approach	(i) Capitalisation rate  (ii) Monthly market rent	4.76%  RMB320 to 1,800	(i) The higher the capitalisation rate, the lower the fair value. (ii) The higher the market rent, the higher the fair value.
	<u>6,290,164</u>				

### (v) Accounting policies

Investment properties are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. Investment properties are initially measured at cost, included related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are presented in consolidated statement of profit or loss as part of a fair value loss of investment properties.

## 17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	2025 HK\$'000	2024 HK\$'000
Cost of unlisted investments accounted for using the equity method	3,026,091	3,024,367
Share of post-acquisition results and gain on dilutions	(787,436)	(758,849)
	<u>2,238,655</u>	<u>2,265,518</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

Details of the Group's principal investments accounted for using the equity method as at 31 December 2025 and 2024 are as follows:

Name of company	Place of incorporation/ establishment and form of business structure	Principal place of operation	Percentage of equity interest attributable to the Group		Principal activities
			2025	2024	
<i>Interest directly held by the Group</i>					
ZA Global	Hong Kong - limited liability company	Hong Kong	<b>43.50%</b>	43.50%	Technology development/ Technology consulting
Chongqing ZhongAn Loan Co., Ltd. ("Chongqing ZhongAn")	PRC - sino-foreign equity joint venture	PRC	<b>17.64%</b>	17.64%	Money lending in the PRC
<i>Key subsidiaries of ZA Global</i>					
Peak 3 (Hong Kong) Limited	Hong Kong	Hong Kong	<b>43.50%</b>	43.50%	Technology development/ Technology consulting
ZA Bank Limited	Hong Kong	Hong Kong	<b>43.50%</b>	43.50%	Virtual banking
ZA Life Limited	Hong Kong	Hong Kong	<b>43.50%</b>	36.98%#	Life insurance

# The percentage represented the effective interest in these entities by the Group.

Summarised financial information in respect of each of the Group's material investments accounted for using the equity method is set out below. The summarised financial information below represents amounts shown in the investments' financial statements prepared in accordance with HKFRS Accounting Standards.

### ***ZA Global and its subsidiaries (collectively known as "ZA Global Group")***

In February 2024 (the "February 2024 Subscription"), ZA Global has issued 28,952,677 ordinary shares to another shareholder of ZA Global, and thus, the Group's equity interests in ZA Global decreased from 45.53% to 45.08%. The dilution of the interests in ZA Global resulted in a gain of HK\$56,379,000, being the difference between the proportionate share of ZA Global's net assets attributable to the Group, and the carrying amount of the interests in ZA Global before the dilution, recognised in the consolidated statement of profit or loss during the year ended 31 December 2024.

In August 2024 (the "August 2024 Subscription"), ZA Global entered into a share purchase agreement with other shareholders of ZA Global and certain individual third parties (the "Investors") ("ZA Global Share Subscription"), pursuant to which ZA Global agreed to issue and allot up to 110,354,279 new ordinary shares to the Investors for a total subscription price of US\$32,200,000 equivalent to HK\$250,407,000 and 12,415,993 new ordinary shares to the existing shareholders. Thus, the Group's equity interests in ZA Global decreased from 45.08% to 43.50%. The dilution of the interests in ZA Global resulted in a gain of HK\$58,425,000, being the difference between the proportionate share of ZA Global's net assets attributable to the Group, and the carrying amount of the interests in ZA Global before the dilution, recognised in the consolidated statement of profit or loss during the year ended 31 December 2024.

In August 2025 (the "August 2025 Subscription"), ZA Global entered into a share purchase agreement with other shareholder of ZA Global ("Investor"), pursuant to which ZA Global agreed to issue and allot up to 135,423,860 new ordinary shares to the Investor for a total subscription price of US\$57,217,000 equivalent to HK\$443,429,000 and 9,252,543 new ordinary shares to the existing shareholders for nil considerations. Upon completion of this issuance, the Group's equity interests in ZA Global will further decrease from 43.50% to 41.71%. Up to the date of issuance of the financial statements, the transaction is yet to be completed.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

### *ZA Global and its subsidiaries (collectively known as "ZA Global Group") (Continued)*

Summarised consolidated statement of financial position

Details of the financial information of ZA Global Group are as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loans and advances to customers	<b>5,556,868</b>	5,627,295
Financial assets at FVOCI	<b>16,631,418</b>	14,180,678
Cash and cash equivalents	<b>2,645,086</b>	2,848,149
Other current assets	<b>1,847,637</b>	1,800,095
	<hr/>	<hr/>
Total assets	<b>26,681,009</b>	24,456,217
Deposits from customers	<b>(22,229,855)</b>	(18,898,125)
Other current liabilities	<b>(1,658,650)</b>	(2,482,485)
	<hr/>	<hr/>
Total liabilities	<b>(23,888,505)</b>	(21,380,610)
Net assets	<b>2,792,504</b>	3,075,607
	<hr/> <hr/>	<hr/> <hr/>
	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Surplus in equity attributable to owners of ZA Global Group	<b>2,793,021</b>	2,979,829
Non-controlling interests of subsidiaries of ZA Global Group	<b>(517)</b>	95,778
	<hr/>	<hr/>
	<b>2,792,504</b>	3,075,607
	<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

### *ZA Global and its subsidiaries (collectively known as "ZA Global Group") (Continued)*

Summarised consolidated statement of comprehensive income

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	1,733,378	1,465,363
Interest income	51,260	76,652
Other income, other gains and losses	16,804	(19,230)
Interest expense	(413,612)	(484,827)
Depreciation and amortisation	(42,311)	(62,418)
Other expenses	(1,540,616)	(1,418,537)
Share of results of investments accounted for using the equity method	<u>(30,703)</u>	<u>(22,419)</u>
Loss before income tax expense	(225,800)	(465,416)
Income tax expense	<u>(207)</u>	<u>—</u>
Loss after income tax expense	(226,007)	(465,416)
Other comprehensive income for the year	<u>84,470</u>	<u>116,801</u>
Total comprehensive expense for the year	<u><u>(141,537)</u></u>	<u><u>(348,615)</u></u>
Loss for the year attributable to:		
Owners of ZA Global	(227,949)	(459,638)
Non-controlling interests of subsidiaries of ZA Global	<u>1,942</u>	<u>(5,778)</u>
	<u><u>(226,007)</u></u>	<u><u>(465,416)</u></u>
Other comprehensive income for the year attributable to:		
Owners of ZA Global	83,918	114,908
Non-controlling interests of subsidiaries of ZA Global	<u>552</u>	<u>1,893</u>
	<u><u>84,470</u></u>	<u><u>116,801</u></u>
Group's share of loss of investments accounted for using the equity method for the year	<u>(99,158)</u>	<u>(203,505)</u>
Group's share of other comprehensive income of investments accounted for using the equity method for the year	<u><u>36,504</u></u>	<u><u>51,177</u></u>

The reconciliation of the carrying amounts of investments in ZA Global mainly represents the share of results of profit or loss and other comprehensive income of ZA Global for the year, and gains on dilution of investments in ZA Global of HK\$114,804,000 in respect of the February 2024 Subscription and August 2024 Subscription by other shareholders of ZA Global.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

### *ZA Global and its subsidiaries (collectively known as "ZA Global Group") (Continued)*

Reconciliation of the above summarised financial information of ZA Global Group to the carrying amount of the investments accounted for using the equity method recognised in the consolidated financial statements:

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Net assets attributable to owners of ZA Global Group	<b>2,793,021</b>	2,979,829
Proportion of the Group's ownership interest in ZA Global Group	<b>43.50%</b>	43.50%
	<b>1,214,964</b>	1,296,226
Other adjustment (Note)	<b>789,170</b>	743,858
Carrying amount of the Group's interest in ZA Global Group	<b>2,004,134</b>	2,040,084

Note:

Other adjustment represented the Group's contribution to ZA Global Group which is not in proportion to equity interest shared by the Group and transaction with non-controlling shareholder by ZA Global.

## 18 EQUITY INSTRUMENTS AT FVTOCI

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Equity securities of ZhongAn Online, at fair value (Note (i))	<b>1,303,290</b>	950,940
Unlisted fund investments in the PRC and overseas, at fair value	<b>52,521</b>	67,884
Unlisted equity securities in Hong Kong and the PRC	<b>4,315</b>	5,741
Total (Note (ii))	<b>1,360,126</b>	1,024,565

Notes:

- (i) As at 31 December 2024, the Group held 81,000,000 publicly-traded ordinary share capital of ZhongAn Online ("ZhongAn Online H Shares") which are subject to lock-up mechanisms of which 18,942,222 ZhongAn Online H Shares has been expired in 31 December 2021 and the remaining 62,057,778 ZhongAn Online H Shares has been expired in December 2024. The fair value of investment in ZhongAn Online as at 31 December 2025 and 31 December 2024 have been arrived based on the quoted bid prices in an active market.
- (ii) The Group has made an irrevocable election to designate these investments in equity instruments as at FVTOCI. These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.
- (iii) Details of the fair value estimation on equity instruments at FVTOCI are set out in Note 3.3.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 19 STOCK OF PROPERTIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Completed properties held for sale	<u>3,097,038</u>	<u>2,956,253</u>

Completed properties held for sale of the Group were all located in the PRC and expected to be available for sale within normal operating cycle.

As at 31 December 2025, completed properties held for sale of HK\$2,176,241,000 were pledged as securities for the Group's borrowings (2024: HK\$2,102,462,000).

### *Accounting policies*

Completed properties remaining unsold at the end of reporting period are stated at the lower of cost and net realisable value. Cost comprises development costs attributable to the unsold properties. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less all necessary selling expenses, or by management estimates based on prevailing marketing conditions.

## 20 ASSETS CLASSIFIED AS HELD FOR SALE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Assets classified as held for sale		
- Investment properties	<u>—</u>	<u>911,265</u>

### *Disposal of investment properties*

On 30 April 2024, the RGAP Group entered into a sale and purchase agreement with the purchaser for two investment properties (collectively, the "Properties") at the aggregated consideration of RMB1,436,553,000 (equivalent to approximately HK\$1,564,543,000). On 20 December 2024, the assets classified as held for sale amounted to HK\$1,548,870,000 was recognised upon the acquisition of the subsidiaries (Note 30). On 27 December 2024, the RGAP Group had disposed of a property amounted to RMB591,369,000 (equivalent to approximately HK\$637,605,000). On 9 December 2025, the RGAP Group disposed of the remaining property amounting to RMB845,184,000 (equivalent to approximately HK\$923,698,000).

As at 31 December 2024, assets classified as held for sale of HK\$911,265,000 were pledged as security for the Group's borrowings.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 20 ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

### *Disposal of a school business*

On 3 March 2025, Sinolink Properties Limited (“Sinolink Properties”), an indirect 80% owned subsidiary, entered into a transfer agreement (the “Transfer Agreement”) with Shenzhen Baihuan Education Consulting Service Co., Ltd. (深圳百喚教育諮詢服務有限公司) (“Shenzhen Baihuan”). Pursuant to the Transfer Agreement, Sinolink Properties has agreed to transfer the operation right and assets and liabilities of Shenzhen Luohu Sinolink Primary School (深圳市羅湖區百仕達小學) (the “School”) to Shenzhen Baihuan at nil consideration. Consequently, assets and liabilities of the School were classified as assets and liabilities classified as held for sale.

In June 2025, the School was informed by Shenzhen Luohu District Education Bureau (深圳市羅湖區教育局) (“Education Bureau”) that the Private School Operating Permit of the People’s Republic of China and the Registration Certificate of Private Non-enterprise Unit (Legal Person) (collectively, the “School Operating Certificates”) shall be revoked in accordance with existing regulations. Pursuant to the revocation of the School Operating Certificates, Sinolink Properties and Shenzhen Baihuan agreed to rescind the Transfer Agreement, and the Transfer Agreement shall become null and void whatsoever, and Sinolink Properties and Shenzhen Baihuan shall be fully discharged from all and any obligations and liabilities under the Transfer Agreement.

On 31 July 2025, Sinolink Properties and Education Bureau entered into another transfer agreement, pursuant to which Sinolink Properties has agreed to transfer the assets and liabilities of the School to Education Bureau at nil consideration. A loss on disposal amounted to HK\$1,488,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2025. Net cash outflow related to the disposal amounted to HK\$3,936,000 was recognised in the consolidated statement of cash flows the year ended 31 December 2025.

Details of the loss on disposal, the carrying amounts of assets and liabilities as at the date of disposal are as follows:

	<i>HK\$’000</i>
Consideration	—
Net assets as at date of disposal	1,488
Loss on disposal (Note 7)	1,488
	<b>31 July 2025 HK\$’000</b>
Property, plant and equipment, net with impairment	<b>3,090</b>
Cash and cash equivalents	<b>3,936</b>
Total assets of disposal group held for sale	<b>7,026</b>
Other payables	<b>(5,294)</b>
Tax payables	<b>(244)</b>
Total liabilities of disposal group held for sale	<b>(5,538)</b>
<b>Net assets</b>	<b>1,488</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 20 ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

### *Cash flow*

	<i>HK\$'000</i>
Outflow of cash related to dispose of subsidiary:	
Cash consideration	—
Cash and cash equivalents disposed of	3,936
	<hr/>
	3,936
	<hr/> <hr/>

### *Accounting policies*

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered high probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of derecognition.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the consolidated statements of financial position.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 21 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables from property management and property investment business	21,670	10,796
Less: loss allowance	<u>(8,369)</u>	<u>(5,025)</u>
Total trade receivables, net	13,301	5,771
Interest receivables from bank deposits	4,070	79,504
Rental receivables	109,949	79,723
Other receivables, deposits and prepayments	44,834	58,324
Tax reserve certificate	<u>158,399</u>	<u>158,399</u>
	<u><b>330,553</b></u>	<u><b>381,721</b></u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current	179,399	230,937
Current	<u>151,154</u>	<u>150,784</u>
	<u><b>330,553</b></u>	<u><b>381,721</b></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 21 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

The Group allows an average credit period ranging from 0 to 60 days to its customers of property management and property investment business from invoices issuance dates. The Group allows a credit period of 30 days to its customers of financing business. The following is an aged analysis of trade receivables presented based on invoice dates at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Aged:		
0 to 60 days	10,437	4,930
61 to 180 days	2,078	688
Over 181 days	786	153
	<u>13,301</u>	<u>5,771</u>

### *Accounting policies*

#### *(i) Trade receivables pledged as security*

As at 31 December 2025, the Group's trade receivables with gross carrying values of HK\$11,452,000 (2024: HK\$6,018,000) were pledged to secure general banking facilities granted to the Group.

#### *(ii) Classification of trade receivables*

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other debtors is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less provision for impairment.

When trade receivables are uncollectible, it is written off against the allowance account for trade and loans receivables. Subsequent recoveries of amounts previously written off are credited against "administrative expenses" in the consolidated statement of profit or loss.

#### *(iii) Impairment assessment and risk exposure*

Management of the Group closely monitors the credit quality of trade receivables and considers the trade receivables that are neither past due nor impaired to be of a good credit quality.

The Group applies simplified approach to provide for ECL for trade receivables prescribed by HKFRS 9. As at 31 December 2025, trade receivables from property management and property investment of HK\$2,864,000 (2024: HK\$841,000) are past due. Management of the Group considers that the ECL for trade receivables from property management and property investment business is insignificant as the debtors have good settlement history as at 31 December 2025 and 2024.

Details of the ECL of trade receivables, other receivables and deposits, and the group's exposure to credit risk and foreign currency risk were disclosed in Note 3.1.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 22 LOANS RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loans receivables	195,818	390,022
Less: loss allowance	<u>(82,992)</u>	<u>(60,259)</u>
Total	<u>112,826</u>	<u>329,763</u>
The loan receivables analysed as follows:		
Non-current	4,339	1,079
Current	<u>108,487</u>	<u>328,684</u>
Total	<u>112,826</u>	<u>329,763</u>

### *Accounting policies*

#### *(i) Classification as loans receivables*

Loans receivables are corporate loans granted to customers in the ordinary course of business. If collection of loans receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Loans receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the loans receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less provision for impairment.

When loans receivables are uncollectible, it is written off against the allowance account for loans receivables. Subsequent recoveries of amounts previously written off are credited against "administrative expenses" in the consolidated statement of profit or loss.

#### *(ii) Impairment assessment and risk exposure*

Loans receivables to independent third parties are unsecured, carried at fixed interest rate ranged from 3.0% to 5.0% (2024: 3.0% to 6.0%) per annum and will be matured in 2026 to 2027 (2024: 2025 to 2026).

The Group applies general approach to provide for ECL for loan receivables prescribed by HKFRS 9. Details of the ECL of loan receivables was disclosed in Note 3.1(b).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 23 OTHER FINANCIAL ASSETS AT FVTPL

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Equity securities listed in Hong Kong	9,011	2,007
Equity securities listed in the PRC	7,593	8,823
Unlisted fund investments in the PRC	196,364	175,765
Unlisted fund investments in the overseas	105,465	98,989
	<u>318,433</u>	<u>285,584</u>
Other financial assets analysed as follows:		
Non-current	301,829	274,754
Current	16,604	10,830
	<u>318,433</u>	<u>285,584</u>

Details of the fair value estimation on other financial assets at FVTPL are set out in Note 3.3. Details of the relevant accounting policies are set out in Note 42.6.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 24 BANK DEPOSITS, PLEDGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

### *Bank deposits*

Bank deposits classified as non-current assets are deposits with banks with a maturity period of more than twelve months at the date of inception and will mature after twelve months from the end of the reporting period. Bank deposits classified as current assets are deposits with banks with a maturity period of more than twelve months that will mature within twelve months from the end of the reporting period. The bank deposits carry interest at prevailing market rate ranging from 1.58% to 3.35% (2024: ranging from 2.85% to 3.50%) per annum as at 31 December 2025.

### *Pledged bank deposits*

The Group's pledged bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group. As at 31 December 2025, there are pledged bank deposits of HK\$174,830,000 (2024: HK\$710,583,000) to secure the bank borrowings granted to the Group, and they carry interest at prevailing market rate ranging from 1.10% to 3.50% (2024: from 2.15% to 3.50%) per annum.

As at 31 December 2025, pledged bank deposit of approximately HK\$6,379,000 (31 December 2024: Nil) was pledged as security for issuing commercial bills to suppliers.

### *Cash and cash equivalents*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cash and cash equivalents comprise:		
Bank balances and cash	1,617,457	613,418
Deposits in the brokers' house that can be withdrawn anytime with no penalty	531	800
Total	<u>1,617,988</u>	<u>614,218</u>

Bank balances carry interest at prevailing market rates which range from 0.01% to 2.50% (2024: 0.01% to 2.50%) per annum as at 31 December 2025.

Deposits in the brokers' house are for securities trading purpose. The deposits are interest-free, have no maturity date and there is no restriction on withdrawal of the deposits.

Details of ECL on bank deposits, pledged bank deposits and cash and cash equivalents are set out in Note 3.1. Details of the relevant accounting policies are set out in Note 42.6.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 25 STRUCTURED DEPOSITS

The Group placed deposits in banks in the PRC. The bank guaranteed 100% of the deposited principal amount and returns of which are determined by reference to the change in certain exchange rates or gold price quoted in the market as specified in the relevant agreements.

Because the contractual cash flows of structured deposits do not represent solely the payments of principal and interest on the principal amount outstanding, structured deposits are measured at FVTPL. Details of the fair value measurement over the structured deposits at FVTPL are disclosed in Note 3.3.

Key terms of the structured deposits at FVTPL at the end of the reporting period are as follows:

### As at 31 December 2025

Principal amount	Maturity	Annual coupon rate	Notes
RMB30,000,000	January 2026	from 1.00% to 1.65%	(i)
RMB20,000,000	January 2026	from 1.00% to 2.20%	(ii)

Notes:

- (i) The annual interest rate is dependent on whether the gold price is higher than that as specified in the relevant deposit placements during the period from inception date to maturity date of the relevant agreements.
- (ii) The annual interest rate is dependent on whether exchange rate between euro and USD is higher than that as specified in the relevant deposit placements during the period from inception date to maturity date of the relevant agreements.

## 26 TRADE PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	25,700	31,909
Accruals for construction work	337,409	430,527
Deposits received for rental	127,941	126,890
Advance lease payments	27,759	37,525
Deposits received for management fee	31,674	35,552
Dividend payable	13,289	111,231
Other tax payables	42,857	40,473
Salaries payable and staff welfare payables	57,030	56,304
Other payables and accrued charges	76,874	82,160
	<u>740,533</u>	<u>952,571</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 26 TRADE PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES (Continued)

Trade payables are unsecured and are usually settle within the contract terms. The carrying amounts of trade and other payables are considered to be the same as their fair values. The following is an aged analysis of trade payables, based on the invoice date, at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Aged:		
0 to 90 days	4,715	7,008
91 to 180 days	1,188	966
181 to 360 days	1,978	383
Over 360 days	17,819	23,552
	<u>25,700</u>	<u>31,909</u>

## 27 CONTRACT LIABILITIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sales of properties	189,203	—
Property management	6,163	10,210
Others	198	7,514
	<u>195,564</u>	<u>17,724</u>

When the Group receives a deposit before the provision of services and sales of properties, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit.

The following table shows how much of the revenue recognised in the current year relates to carried- forward contract liabilities.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	<u>17,724</u>	<u>11,259</u>

## 28 CONVERTIBLE BONDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Financial liabilities at fair value through profit or loss - convertible bonds	<u>—</u>	<u>199,719</u>

On 30 April 2024, the Company entered into the subscription agreement (the "Subscription Agreement") with Mr. Ou Yaping (the "Controlling Shareholder" or "Subscriber"). Pursuant to the Subscription Agreement, the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, or procure his nominee to subscribe for, the convertible bonds with an aggregate principal amount of HK\$200,000,000.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 28 CONVERTIBLE BONDS (Continued)

On 12 July 2024 (the "Issue Date"), the Company issued a three-year zero coupon convertible bonds (the "Convertible Bonds") with a nominal value of HK\$200,000,000 to Asia Pacific Promotion Limited ("Asia Pacific"), a company wholly owned by the Subscriber. The Convertible Bonds are denominated in HK\$. The Convertible Bonds entitle the holders to convert them into ordinary shares of the Company at any time between the 181 days after the Issue Date of the Convertible Bonds and their settlement date on 12 July 2027 (the "Maturity Date") at an initial conversion price of HK\$0.085 per ordinary share. If the Convertible Bonds have not been converted, they will be redeemed on the Maturity Date at par. The principal terms of the Convertible Bonds are set out below:

Principal amount	HK\$200,000,000
Maturity Date	The third anniversary of the date of issue of the Convertible Bonds
Interest rate	The Convertible Bonds will not bear any interest
Conversion rights (the "Conversion Rights")	A holder of the Convertible Bonds shall have the right to convert the whole or in part of the principal amount of the Convertible Bonds into conversion shares at the conversion price (subject to adjustments) on any business day during the period commencing from the date falling on the 181st day after the issue date of the Convertible Bonds, and ending on the Maturity Date of the Convertible Bonds, subject to the restrictions on the exercise of the Conversion Rights.
Conversion price (the "Conversion Price")	HK\$0.085 per share of HK\$0.01 each, subject to adjustments for, among other things, capitalisation issue, sub-division, consolidation and reclassification of shares, issue of shares in lieu of the whole or any part of specifically declared cash dividend, capital distributions, cash dividend, offers to shareholders, issue of new shares for convertible or exchangeable securities at discount, issue of new shares at discount, consideration issues and other dilutive events. Upon the completion of Share Consolidation on 27 May 2025 (Note 32), the Conversion Price was adjusted from HK\$0.085 to HK\$1.70 per share of HK\$0.20 each.
Conversion shares	Assuming full conversion of the aggregate principal amount of the Convertible Bonds of HK\$200,000,000 at the initial conversion price of HK\$0.085 per share, the Convertible Bonds will be convertible into a total of 2,352,941,176 new shares of the Company. Upon the completion of Share Consolidation on 27 May 2025 (Note 32), the maximum number of conversion shares that will be issued upon conversion was adjusted from 2,352,941,176 to 117,647,058 at adjusted Conversion Price of HK\$1.70 per share.
Redemption at option of the Company	The Company shall be entitled at its sole discretion, by giving not less than seven days' notice to the holder of the Convertible Bonds, propose to the holder of the Convertible Bonds to redeem the whole or any part of the outstanding Convertible Bonds (in multiples of HK\$500,000 or such lesser amount as may represent the entire principal amount thereof) at any time after the date of issue of the Convertible Bonds up to and including the date falling seven days immediately before the Maturity Date of the Convertible Bonds.
Redemption at maturity	Unless previously redeemed in full as disclosed above, the Company shall be required upon the Maturity Date to redeem at 100% of all or any part of the principal amount of the Convertible Bonds in respect of which the Conversion Rights have not been exercised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 28 CONVERTIBLE BONDS (Continued)

The Convertible Bonds are classified as financial liabilities at fair value through profit or loss in accordance with the substance of the contractual arrangements and the definitions of a financial liability. Refer to Note 3.3 for fair value measurement of Convertible Bonds.

On 24 July 2025, the Company received a conversion notice from Asia Pacific in respect of the exercise of the Conversion Rights attached to the Convertible Bonds with the principal amount of HK\$200,000,000 at the Conversion Price of HK\$1.70 (the "Conversion"). Accordingly, 117,647,058 ordinary shares were allotted and issued to Asia Pacific on 25 July 2025.

Upon the Conversion, fair value loss on Convertible Bonds of HK\$974,398,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2025. Consequently, the Convertible Bonds of HK\$1,174,117,000 was derecognised as at 25 July 2025, amounts of HK\$23,529,000 and HK\$1,150,588,000 were credited to share capital and share premium, respectively.

## 29 BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank borrowings - secured	2,178,265	2,717,641
Other financial liabilities - unsecured	40,984	39,217
	<u>2,219,249</u>	<u>2,756,858</u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Carrying amounts of bank borrowings and other financial liabilities are repayable:		
Within one year	52,576	485,183
Within one year which contain a repayment on demand clause	267,996	539,957
Within a period of more than one year but not exceeding two years	63,091	102,576
Within a period of more than two years but not exceeding five years	273,396	359,015
Over five years	1,562,190	1,270,127
	<u>2,219,249</u>	<u>2,756,858</u>
Less: Amount classified as current liabilities	<u>(320,572)</u>	<u>(1,025,140)</u>
Amount due after one year and classified as non-current liabilities	<u>1,898,677</u>	<u>1,731,718</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 29 BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES (Continued)

### (i) Bank borrowings

As at 31 December 2025 and 2024, bank borrowings denominated in RMB amounted to HK\$2,178,265,000 (2024: HK\$2,717,641,000) carried interest at benchmark interest rate as stipulated by Chinese Yuan in Hong Kong Interbank Offered Rate ("HIBOR") plus a certain percentage and Loan Prime Rate ("LPR") minus 50 basis points respectively.

The interest rates of bank borrowings in RMB as at the end of the reporting period range from 2.70% to 3.55% per annum in 2025 (2024: range from 2.70% to 4.63%).

Below assets were pledged respectively to banks to secure general banking facilities granted to the Group:

	2025 HK\$'000	2024 HK\$'000
Property, plant and equipment	189,620	178,979
Investment properties	4,431,894	4,574,338
Completed properties held for sale	2,176,241	2,102,462
Assets classified as held for sale	—	911,265
Pledged bank deposits	174,830	710,583
Trade receivables	11,452	6,018

As at 31 December 2025 and 2024, the Group has the following undrawn borrowing facilities:

	2025 HK\$'000	2024 HK\$'000
Expiring within one year	586,267	718,575

Bank borrowings denominated in RMB of HK\$267,996,000 (2024: 539,957,000) are required to comply with covenants. Such covenants are terms that commonly applicable to borrowers based on the prevalent financial market practice. The Group has complied with these covenants throughout the reporting period. There is no indication that the Group would have difficulties complying with the covenant within 12 months after the reporting period.

### (ii) Other financial liabilities

A subsidiary of the Company in PRC has entered into a fund arrangement with an asset management company. As at 31 December 2025, the Group has contractual obligation to repay the loan of HK\$40,984,000 (2024: HK\$39,217,000) with a fixed interest of 10% and it is repayable in 2065.

### (iii) Accounting policies

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 29 BANK BORROWINGS AND OTHER FINANCIAL LIABILITIES (Continued)

### *(iii) Accounting policies (Continued)*

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statements of profit or loss as finance costs.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

## 30 BUSINESS COMBINATION

### *Acquisition of RGAP Group*

Sinolink Shanghai Investments Limited (“SSI”), a wholly-owned subsidiary of the Company, holds 490 Series B Shares in RGAP, which was classified and accounted for under “Investments accounted for using the equity method” as at 31 December 2023, the carrying amount was zero after recognising the accumulated losses of RGAP.

On 20 December 2024, SSI entered into a sales and purchase agreement (“Agreement”) with Rock- Shanghai Inc. (“RSI”), pursuant to the Agreement, RSI agreed to sell and SSI agreed to purchase all 510 Series A Shares held by RSI in RGAP at a cash consideration of US\$2,000,000 (equivalent to approximately HK\$15,560,000).

Upon the completion of the acquisition on 20 December 2024, the Group’s effective equity interest in RGAP Group increased to 100%, the Group acquired controls over RGAP Group and it became an indirectly wholly-owned subsidiary of the Group.

The fair value of the Group’s previously held 490 Series B Shares in RGAP Group formed part of the total consideration of the acquisition. The fair value of the previously held 490 Series B Shares in RGAP Group by the Group prior to the completion of the acquisition was estimated by an independent professional qualified valuer, to be HK\$3,725,017,000, resulting in a remeasurement gain of HK\$3,725,017,000 which was recognised in the consolidated statement of profit or loss for the year ended 31 December 2024.

RGAP Group is principally engaged in property development, property management and property investment and the presence in Shanghai, the PRC.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 30 BUSINESS COMBINATION (Continued)

### *Acquisition of RGAP Group (Continued)*

Details of the purchase consideration, the net assets acquired and negative goodwill were as follows:

	<i>HK\$'000</i>
Cash consideration	15,560
Fair value of previously held equity interests in RGAP Group	3,725,017
	<hr/>
Total consideration	3,740,577
	<hr/>
	Fair value on
	20 December
	2024
	<i>HK\$'000</i>
Property, plant and equipment	196,206
Investment properties	4,153,172
Stock of properties	2,102,462
Trade and other receivables and deposits	94,115
Cash and cash equivalents	116,529
Assets classified as held for sale	1,548,870
Bank borrowings and other financial liabilities	(2,216,902)
Deferred tax liabilities	(591,258)
Trade and other payables	(1,125,209)
Amounts due to related parties	(3,718)
Income tax payable	(6,434)
	<hr/>
Net identifiable assets acquired	4,267,833
Less: Negative goodwill	(527,256)
	<hr/>
Total	3,740,577
	<hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 30 BUSINESS COMBINATION (Continued)

### Cash flow

	<i>HK\$'000</i>
Inflow of cash to acquire subsidiary, net of cash acquired:	
Cash consideration	(15,560)
Cash and cash equivalents acquired	116,529
	<u>100,969</u>

#### (i) Acquired receivables

The fair value of acquired trade receivables was HK\$2,202,000. The gross contractual amount for trade receivables due was HK\$7,227,000, with a loss allowance of HK\$5,025,000 recognised on acquisition.

#### (ii) Acquisition related costs

Acquisition-related costs of HK\$3,224,000 were included in administrative expenses in profit or loss for the year ended 31 December 2024.

#### (iii) Revenue and profit contribution

If the acquisition had occurred on 1 January 2024, consolidated pro-forma revenue and consolidated profit after income tax for the year ended 31 December 2024 would have been HK\$612,144,000 and HK\$3,268,975,000, respectively.

#### (iv) Amounts recognised in the consolidated statement of profit or loss in relation to the business combination

	<b>2024</b> <b>HK\$'000</b>
Fair value gain on step acquisition on investment accounted for using the equity method	<b>3,725,017</b>
Negative goodwill (Note (v))	<b>527,256</b>
Total gains arising from the business combination	<b><u>4,252,273</u></b>

#### (v) Negative goodwill

In the opinion of the directors of the Company, the shareholders of RSI agreed on the consideration which is lower than the fair value of net identifiable assets acquired taking into consideration of i) the net liabilities and net loss recorded by RGAP Group in prior years, which was primarily due to the shareholder's loan from the Group and related interest expenses; ii) the status of the development of Rockbund project; and iii) an opportunity for RSI's shareholders to realise their investment in RGAP Group. Hence, the consideration of the transaction was determined based on arm's length negotiation and negative goodwill of HK\$527,256,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 31 DEFERRED TAX ASSETS/(LIABILITIES)

The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025 HK\$'000	2024 HK\$'000
Deferred tax assets	23,418	16,886
Deferred tax liabilities	<b>(1,042,761)</b>	<b>(1,051,369)</b>
	<b><u>(1,019,343)</u></b>	<b><u>(1,034,483)</u></b>

The following are the major deferred tax (liabilities) and assets recognised and movements thereon during the current and prior year:

	Fair value change on investment properties HK\$'000	Fair value change of equity instruments at FVTOCI HK\$'000	Fair value change of other financial assets at FVTPL HK\$'000	ECL provision HK\$'000	Lease liabilities HK\$'000	Undistributed profits of subsidiaries HK\$'000	Right-of-use assets HK\$'000	Effective rent HK\$'000	Withholding tax on interest income HK\$'000	Tax losses HK\$'000	Total HK\$'000
As at 1 January 2024	(275,922)	(336,929)	(35,206)	14,966	1,201	(33,151)	(1,201)	—	—	—	(666,242)
Acquisition of subsidiaries (Note 30)	(560,939)	—	—	1,404	—	—	—	(19,929)	(31,763)	19,969	(591,258)
Currency realignment	5,580	5,437	536	(336)	—	1,083	—	—	—	—	12,300
Credited to consolidated profit or loss	97,751	—	14,756	852	(267)	(24,370)	267	—	—	—	88,989
Credited to other comprehensive income	—	121,728	—	—	—	—	—	—	—	—	121,728
As at 31 December 2024 and 1 January 2025	(733,530)	(209,764)	(19,914)	16,886	934	(56,438)	(934)	(19,929)	(31,763)	19,969	(1,034,483)
Currency realignment	(17,167)	(6,377)	(588)	510	—	(1,240)	—	(632)	(851)	477	(25,868)
Credited to consolidated profit or loss	114,055	—	(6,079)	6,022	(364)	14,887	364	(6,924)	(3,176)	—	118,785
Credited to other comprehensive income	—	(77,777)	—	—	—	—	—	—	—	—	(77,777)
As at 31 December 2025	<b><u>(636,642)</u></b>	<b><u>(293,918)</u></b>	<b><u>(26,581)</u></b>	<b><u>23,418</u></b>	<b><u>570</u></b>	<b><u>(42,791)</u></b>	<b><u>(570)</u></b>	<b><u>(27,485)</u></b>	<b><u>(35,790)</u></b>	<b><u>20,446</u></b>	<b><u>(1,019,343)</u></b>

At the end of the reporting period, the Group has estimated unused tax losses of HK\$111,636,000 (2024: HK\$103,139,000) available to offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams and such losses may be carried forward indefinitely.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 31 DEFERRED TAX ASSETS/(LIABILITIES) (Continued)

Deferred tax on undistributed profits of subsidiaries has been recognised taking into account the dividends to be distributed from profits earned by the subsidiaries in the PRC starting from 1 January 2008 under the New Law of the PRC that requires withholding tax with tax rate ranging from 5% to 10% upon the distribution of such profits to the shareholders. Deferred tax has not been recognised in respect of certain undistributable retained earnings earned by the subsidiaries in the PRC starting from 1 January 2008 amounting to HK\$1,438,348,000 (2024: HK\$1,830,615,000) as the directors of the Company are of the opinion that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

## 32 SHARE CAPITAL

	Number of shares	Amount HK\$'000
Shares of HK\$0.20 each (2024: HK\$0.10 each)		
Authorised:		
As at 1 January 2024	15,000,000,000	1,500,000
Capital diminution (Note (a)(ii))	(8,625,996,904)	—
Capital increase (Note (a)(iii))	143,625,996,904	—
	<u>150,000,000,000</u>	<u>1,500,000</u>
At 31 December 2024 and 1 January 2025	150,000,000,000	1,500,000
Share consolidation (Note (b))	(142,500,000,000)	—
	<u>7,500,000,000</u>	<u>1,500,000</u>
As at 31 December 2025	<u>7,500,000,000</u>	<u>1,500,000</u>
Issued and fully paid:		
As at 1 January 2024	6,374,003,096	637,400
Capital reduction (Note (a)(i))	—	(573,660)
	<u>6,374,003,096</u>	<u>63,740</u>
As at 31 December 2024 and 1 January 2025	6,374,003,096	63,740
Share consolidation (Note (b))	(6,055,302,942)	—
Conversion of convertible bonds (Note 28)	117,647,058	23,529
	<u>436,347,212</u>	<u>87,269</u>
As at 31 December 2025	<u>436,347,212</u>	<u>87,269</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 32 SHARE CAPITAL (Continued)

Notes:

(a) Capital Reorganisation

On 30 May 2024, the Board proposed to implement the capital reorganisation which involved the capital reduction, the capital diminution and the capital increase (the "Capital Reorganisation"). The Capital Reorganisation was approved by the shareholders of the Company at a special general meeting held on 3 July 2024 and became effective on 5 July 2024.

(i) Capital reduction

The capital reduction involved the reduction of par value of all the issued existing shares from HK\$0.10 each to HK\$0.01 each by cancelling the paid-up capital of the Company to the extent of HK\$0.09 on each issued existing share.

(ii) Capital diminution

Subject to the capital reduction taking effect, the capital diminution took place which involved the cancellation of all authorised but unissued share capital of the Company in its entirety resulting in the diminution of the authorised share capital of the Company by such amount representing the amount of shares cancelled.

(iii) Capital increase

Subject to the capital diminution taking effect, the capital increase took place which involved the increase in the authorised share capital of the Company to HK\$1,500,000,000 by the creation of such number of additional new shares as shall be sufficient to increase the authorised share capital of the Company to HK\$1,500,000,000 divided into 150,000,000,000 new shares of par value of HK\$0.01 each.

Upon the completion of Capital Reorganisation, the authorised share capital of the Company becomes HK\$1,500,000,000 divided into 150,000,000,000 shares of par value of HK\$0.01 each, of which 6,374,003,096 new shares would have been issued and were fully paid or credited as fully paid. In addition, the par value of HK\$0.1 of each of the 6,374,003,096 issued existing shares was reduced from HK\$0.1 to HK\$0.01 per issued new share by cancelling the paid-up share capital to the extent of HK\$0.09 per issued existing share by way of a reduction of capital, the Company's existing issued share capital of approximately HK\$637,400,000 was reduced by approximately HK\$573,660,000 to HK\$63,740,000, the amount was credited to the contributed surplus.

(b) Share Consolidation

Pursuant to shareholders' approval on 23 May 2025, the Share Consolidation on the basis that every 20 issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into 1 consolidated share of HK\$0.20 each has become effective on 27 May 2025. Upon the effective of Share Consolidation, the authorised share capital of the Company remained at HK\$1,500,000,000 but are divided into 7,500,000,000 consolidated shares of HK\$0.20 each and the total number of issued ordinary shares of the Company has adjusted from 6,374,003,096 to 318,700,154.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 33 SHARE OPTIONS

A share option scheme was adopted by shareholders of the Company on 17 May 2012 (the “2012 Share Option Scheme”), under which the Board of directors may, at its discretion, offer any employee (including any executive director) of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2012 Share Option Scheme had a life of 10 years.

A share option scheme was adopted by shareholders of the Company on 31 May 2022 (the “2022 Share Option Scheme”), under which the Board of directors may, at its discretion, offer any employee (including any executive director) of the Company or its subsidiaries options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The 2022 Share Option Scheme has a life of 10 years. During the year ended 31 December 2025, no share options have been granted (31 December 2024: Nil).

The Company’s share options held by the directors and the employees are as follows:

	<b>Number of share options</b>		
	<b>As at 1 January 2025</b>	<b>Lapsed during the year</b>	<b>As at 31 December 2025</b>
Exercisable 2012 Share Option Scheme	<u>114,444,000</u>	<u>(114,444,000)</u>	<u>—</u>

	<b>Number of share options</b>		
	<b>As at 1 January 2024</b>	<b>Lapsed during the year</b>	<b>As at 31 December 2024</b>
Exercisable 2012 Share Option Scheme	<u>124,848,000</u>	<u>(10,404,000)</u>	<u>114,444,000</u>

During the year ended 31 December 2025, all share options granted under 2012 Share Option Scheme were fully lapsed and expired before the Share Consolidation. As at 31 December 2024, the share option under 2012 Share Option Scheme were exercisable from the completion of vesting period to 14 May 2025 with exercise price of HK\$1.185.

As at 31 December 2024, the number of shares in respect of which options had been granted and remained outstanding under the 2012 Share Option Scheme was 114,444,000, representing 1.8% of the shares of the Company in issue.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 34 RETIREMENT BENEFITS SCHEMES

The Group's subsidiaries operating in the PRC have participated in defined contribution retirement schemes organised by the relevant local government authorities in the PRC. All PRC employees are entitled to an annual pension equal to a fixed portion of their basic salaries at their retirement dates. The Group is required to make specific contributions to the retirement schemes at a certain percentage of basic salary of its PRC employees and have no further obligation for post-retirement benefits beyond the annual contributions made.

The Group has joined a Mandatory Provident Fund ("MPF") Scheme for all its non-PRC employees. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. The retirement benefits scheme contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss represent contributions payable to the funds by the Group at rates specified in the rules of the scheme.

There is no forfeited contributions may be used by the Group to reduce the existing level of contributions during the years ended 31 December 2025 and 2024.

During the year ended 31 December 2025, the Group made contributions to the retirement benefits schemes amounting to HK\$21,937,000 (2024: HK\$12,740,000).

## 35 FINANCIAL GUARANTEE CONTRACTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Guarantees given to banks for the mortgage loans arranged for the purchasers of the Group's properties	<u>1,544</u>	<u>2,695</u>

No financial liabilities were recognised in respect of financial guarantee contracts. In the opinion of the Board of directors, the fair values of the financial guarantee contracts at initial recognition were insignificant and it is not probable that the counterparties would default on the relevant loans.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 36 COMMITMENTS

Saved as disclosed elsewhere in the consolidated financial statements, the Group has following capital commitment at the end of the reporting period.

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Commitments in respect of completed properties for sale: - contracted for but not provided in the consolidated financial statements	<b>48,574</b>	52,355

## 37 OPERATING LEASE COMMITMENTS

### *The Group as lessor*

The Group has lease payments receivable on leases are as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	<b>275,326</b>	239,063
In the second year	<b>215,751</b>	140,426
In the third year	<b>95,536</b>	55,852
In the fourth year	<b>65,156</b>	31,838
In the fifth year	<b>50,168</b>	12,997
After five years	<b>4,440</b>	5,268
	<b>706,377</b>	485,444

Operating lease payments represent rentals receivable by the Group from leasing of its investment properties. The leases are negotiated and rentals are fixed for lease term of one to twelve years (2024: one to twelve years). Certain leases include rentals received with reference to turnover of tenants.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 38 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

### (a) Reconciliation of (loss)/profit before tax to net cash generated from operations

	2025 HK\$'000	2024 HK\$'000
(Loss)/profit before income tax	(1,022,291)	4,058,926
Adjustments for:		
Share of results of investments accounted for using the equity method	91,799	70,507
Depreciation of property, plant and equipment	24,753	20,584
Interest income	(25,019)	(61,095)
Interest income from financing services business	(12,262)	(20,370)
Interest expenses	126,797	73,931
Dividend income	(24,532)	(10,954)
Fair value loss of investment properties	31,322	100,172
Fair value (gains)/losses on other financial assets at FVTPL	(28,898)	62,012
Fair value loss of loan receivable from an investment accounted for using the equity method at FVTPL and amounts due from an investment accounted for using the equity method at FVTPL	—	131,388
Fair value loss/(gains) of convertible bonds	974,398	(281)
Gains arising from the business combination	—	(4,252,273)
Net impairment loss on financial assets	24,088	3,401
Impairment loss on property, plant and equipment	1,169	—
Loss/(gain) on disposal of property, plant and equipment	545	(1,018)
Gain on dilution of investments accounted for using the equity method	—	(114,804)
Loss on disposal of a school business	1,488	—
Gain on derecognition the non-controlling interests of the subsidiary	8,638	—
<b>Operating cash flows before movements in working capital</b>	<b>171,995</b>	<b>60,126</b>
Increase in stock of properties	(88,191)	(7,559)
Decrease in loans receivables	206,267	31,807
(Increase)/decrease in trade and other receivables, deposits and prepayments	(49,542)	779
(Decrease)/increase in trade payables, deposits received and accrued charges	(156,352)	65,846
Increase in contract liabilities	175,062	761
Cash generated from operations	<b>259,239</b>	<b>151,760</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 38 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

### (b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Convertible bonds <i>HK\$'000</i>	Interest payable <i>HK\$'000</i>	Bank borrowings and other financial liabilities <i>HK\$'000</i>	Lease liabilities <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 January 2024	—	12,275	1,565,700	7,274	1,585,249
Acquisition of subsidiaries (Note 30)	—	—	2,216,902	—	2,216,902
Financing cash flow	200,000	(83,888)	(1,017,455)	(1,991)	(903,334)
Non-cash changes:					
– Interest expenses	—	72,614	—	348	72,962
– Fair value gains on convertible bonds	(281)	—	—	—	(281)
Currency realignment	—	—	(8,289)	—	(8,289)
As at 31 December 2024 and 1 January 2025	199,719	1,001	2,756,858	5,631	2,963,209
Financing cash flow	—	(122,437)	(601,504)	(1,624)	(725,565)
Non-cash changes:					
– Interest expenses	—	123,501	—	227	123,728
– Interest payables	—	4,790	(4,790)	—	—
– Fair value gains on convertible bonds	974,398	—	—	—	974,398
– Conversion of convertible bonds (Note 28)	(1,174,117)	—	—	—	(1,174,117)
– Lease modification	—	—	—	(987)	(987)
Currency realignment	—	—	68,685	—	68,685
As at 31 December 2025	<u>—</u>	<u>6,855</u>	<u>2,219,249</u>	<u>3,247</u>	<u>2,229,351</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 39 LIST 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/ operation	Issued and fully paid upshare capital/ registered capital	Attributable proportion of nominal value of issued/registered capital held by the Company				Principal activities
			Directly 2025	2024	Indirectly 2025	2024	
AA Investment Management Limited	Hong Kong	HK\$75,100,000	100%	100%	—	—	Provision of securities trading, investment advisory and asset management services
Cnhooray Internet Technology Co., Ltd. ("Cnhooray Internet") 深圳日訊網絡科技股份有限公司	PRC - Sino-foreign equity joint venture	RMB10,000,000 (2024: RMB 40,000,000)	—	—	80%	80%	Consultancy services in relation to information, multimedia and communication technologies
Real Achieve Limited	BVI/Hong Kong	USD1	100%	100%	—	—	Investment holding
Shanghai Sinolink Xijiao Property Development Co., Ltd. ("Shanghai Sinolink Xijiao") 上海百仕達西郊地產發展有限公司	PRC - Limited liability company	RMB 190,000,000	—	—	80%	80%	Property development
深圳市百仕達置地有限公司 ("百仕達置地")	PRC - Limited liability company	RMB10,000,000	—	—	80%	80%	Investment holding
Shenzhen Mangrove West Coast Property Development Co., Ltd. ("SMWC") 深圳紅樹西岸地產發展有限公司	PRC - Limited liability company	RMB5,000,000 (2024: RMB 200,000,000)	—	—	87%	87%	Property management services
深圳百仕達商業管理有限公司 ("百仕達商業")	PRC - Limited liability company	RMB1,000,000	—	—	80%	80%	Property management services
Shenzhen Sinolink Property Management Co., Ltd. ("Sinolink Management") 深圳百仕達物業管理有限公司	PRC - Limited liability company	RMB5,000,000	—	—	80%	80%	Property management services
Sinolink Properties Limited ("Sinolink Properties") 百仕達地產有限公司	PRC - Sino-foreign equity joint venture	RMB 375,000,000	—	—	80%	80%	Property development and property investment
Sinolink Worldwide (HK) Company Limited 香港百仕達有限公司	Hong Kong	HK\$10,000,000	—	—	100%	100%	Investment holding
上海眾聯商業管理服務有限公司 (formerly known as 眾聯融資租賃(上海)有限公司)	PRC - Limited liability company	RMB110,000,000 (2024: RMB 300,000,000)	—	—	100%	100%	Finance leasing
眾安商業管理(天津)有限公司 (formerly known as 眾安國際商業保理(天津)有限公司)	PRC - Limited liability company	RMB1,000,000 (2024: RMB 50,000,000)	—	—	100%	100%	Business factoring and other loan financing services

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 39 LIST OF PRINCIPAL SUBSIDIARIES (Continued)

Name of subsidiary	Place of incorporation/ establishment/ operation	Issued and fully paid upshare capital/ registered capital	Attributable proportion of nominal value of issued/registered capital held by the Company				Principal activities
			Directly		Indirectly		
			2025	2024	2025	2024	
深圳市百仕達信息諮詢有限公司	PRC - Limited liability company	RMB1,000,000	—	—	100%	100%	Consultancy services in relation to information, investment and corporate management
Shanghai Bund de Rockefeller Group Master Development Co., Limited	PRC- sino-foreign equity joint venture	USD 125,000,000	—	—	100%	100%	Property development and property investment
Shanghai Rockbund Property Management Limited 上海洛克外灘源物業管理有限公司	PRC - Limited liability company	RMB5,000,000	—	—	100%	100%	Property management

\* These companies were investments accounted for using the equity method in 2024, they became wholly-owned subsidiaries on 20 December 2024 (Note 30).

Except for the investment holding companies or dormant companies which have no definite place of operation, all the above subsidiaries operate principally in their respective place of incorporation/establishment.

None of the subsidiaries had issued any debt securities at the end of the year.

The table below shows details of non-wholly-owned subsidiaries of the Group that has material non- controlling interests:

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests		Accumulated non- controlling interests	
		2025	2024	2025	2024	2025	2024
				HK\$000	HK\$000	HK\$000	HK\$000
Sinolink Properties and its subsidiaries (Note)	Hong Kong/PRC	20%	20%	20,792	9,590	614,314	668,963
Cnhooray Internet	PRC	20%	20%	(428)	173	279,618	244,788
Individual immaterial subsidiaries with non-controlling interests				—	—	—	(8,638)
				<u>20,364</u>	<u>9,763</u>	<u>893,932</u>	<u>905,113</u>

Note: The subsidiaries of Sinolink Properties include Shanghai Sinolink Xijiao, 百仕達蘇河灣, 百仕達置地, 百仕達商業, 百仕達酒店管理, Sinolink Management and 百仕達教育投資.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 39 LIST OF PRINCIPAL SUBSIDIARIES (Continued)

During the year ended 31 December 2025, the Group derecognised the non-controlling interests in the subsidiary as a result of being struck off. The transaction resulted in a gain of HK\$8,638,000. This gain has been recognised in the consolidated statement of profit or loss under "Other Loss, net."

Summarised consolidated financial information for the years ended 31 December 2025 and 2024 in respect of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised consolidated financial information below represents amounts before intragroup eliminations.

### *Sinolink Properties and its subsidiaries*

#### *Summarised consolidated statement of financial position*

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Non-current assets	<b>2,055,870</b>	2,097,475
Current assets	<b>2,784,829</b>	2,718,232
Non-current liabilities	<b>(288,339)</b>	(310,618)
Current liabilities	<b>(1,448,528)</b>	(1,708,876)
Net assets	<b>3,103,832</b>	2,796,213
	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Equity attributable to owners of the Company	<b>2,489,518</b>	2,127,250
Non-controlling interests of Sinolink Properties	<b>614,314</b>	668,963
Total equity	<b>3,103,832</b>	2,796,213

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 39 LIST OF PRINCIPAL SUBSIDIARIES (Continued)

### *Sinolink Properties and its subsidiaries (Continued)*

#### *Summarised consolidated statement of comprehensive income*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	305,473	327,545
Fair value loss of investment properties	(21,486)	(100,172)
Other income	43,594	55,327
Other gains/(losses), net	9,668	(45,628)
Expenses	<u>(228,538)</u>	<u>(181,400)</u>
Profit for the year	<u>108,711</u>	<u>55,672</u>
Total comprehensive income/(expense) for the year	<u>86,113</u>	<u>(83,156)</u>
Profit for the year attributable to non-controlling interests of Sinolink Properties	<u>20,792</u>	<u>9,590</u>
Dividends paid to non-controlling interests of Sinolink Properties	<u>(91,803)</u>	<u>(273,026)</u>

#### *Summarised consolidated statement of cash flow*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Net cash outflow from operating activities	(249,036)	(251,153)
Net cash inflow from investing activities	809,146	958,790
Net cash outflow from financing activities	<u>(217,486)</u>	<u>(1,365,132)</u>
Net cash inflow/(outflow)	<u>342,624</u>	<u>(657,495)</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 39 LIST OF PRINCIPAL SUBSIDIARIES (Continued)

### *Cnhooray Internet*

#### *Summarised statement of financial position*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current assets	1,411,091	1,057,914
Current assets	444,812	514,513
Non-current liabilities	(327,453)	(239,784)
Current liabilities	(18,294)	(133,120)
Net assets	<u>1,510,156</u>	<u>1,199,523</u>
Equity attributable to owners of the Company	1,230,538	954,735
Non-controlling interests of Cnhooray Internet	<u>279,618</u>	<u>244,788</u>
Total equity	<u>1,510,156</u>	<u>1,199,523</u>

#### *Summarised statement of comprehensive income*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other income	1,468	6,062
Other losses, net	(18)	(149)
Expenses	(3,593)	(5,046)
(Loss)/profit for the year	<u>(2,143)</u>	<u>867</u>
Total comprehensive income/(expense) for the year	<u>270,120</u>	<u>(389,190)</u>
(Loss)/profit for the year attributable to non-controlling interests of Cnhooray Internet	<u>(428)</u>	<u>173</u>
Dividends paid to non-controlling interests of Cnhooray Internet	<u>(13,289)</u>	<u>—</u>
Summarised statement of cash flow		
Net cash outflow from operating activities	(3,693)	(105,263)
Net cash inflow from investing activities	34,017	—
Net cash inflow from financing activities	—	—
Net cash inflow/(outflow)	<u>30,324</u>	<u>(105,263)</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 40 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### (a) Statement of financial position of the Company

	Note	2025 HK\$'000	2024 HK\$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment		2,772	5,841
Interests in subsidiaries		4,498,385	4,361,912
Investments accounted for using the equity method		2,852,591	2,852,591
Financial assets at FVTPL		12,500	12,500
		<u>7,366,248</u>	<u>7,232,844</u>
<b>Current assets</b>			
Other receivables, deposits and prepayments		2,981	2,148
Bank balances and cash		593	2,007
Financial assets at FVTPL		9,011	6,086
		<u>12,585</u>	<u>10,241</u>
<b>Current liabilities</b>			
Other payables and accrued charges		2,688	2,667
Lease liabilities		1,395	1,629
Convertible bonds	28	—	199,719
		<u>4,083</u>	<u>204,015</u>
Net current assets/(liabilities)		<u>8,502</u>	<u>(193,774)</u>
Total assets less current liabilities		<u>7,374,750</u>	<u>7,039,070</u>
<b>Non-current liabilities</b>			
Amounts due to subsidiaries		3,457,183	3,298,804
Lease liabilities		1,852	4,002
		<u>3,459,035</u>	<u>3,302,806</u>
<b>Net assets</b>		<u>3,915,715</u>	<u>3,736,254</u>
<b>Equity</b>			
<b>Capital and reserves</b>			
Share capital		87,269	63,740
Reserves	40(b)	3,828,446	3,672,514
Total equity		<u>3,915,715</u>	<u>3,736,254</u>

The balance sheet of the Company was approved by the Board of Directors on 20 March 2026 and was signed on its behalf by:

**Tang Yui Man Francis**  
Executive director

**Ou Jin Yi Hugo**  
Non-Executive director

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 40 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

### (b) Reserve movement of the Company

	Share premium <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Retained earnings/ (accumulated losses) and other reserves <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 January 2024	2,334,899	572,174	79,300	140,316	3,126,689
Loss and total comprehensive expense for the year	—	—	—	(27,835)	(27,835)
Capital reduction (Note 32)	—	573,660	—	—	573,660
Share option lapsed	—	—	(11,395)	11,395	—
As at 31 December 2024 and 1 January 2025	2,334,899	1,145,834	67,905	123,876	3,672,514
Loss and total comprehensive expense for the year	—	—	—	(994,656)	(994,656)
Conversion of convertible bonds	1,150,588	—	—	—	1,150,588
Share option lapsed	—	—	(67,905)	67,905	—
As at 31 December 2025	<b>3,485,487</b>	<b>1,145,834</b>	<b>—</b>	<b>(802,875)</b>	<b>3,828,446</b>

## 41 RELATED PARTIES TRANSACTIONS

The major related parties that had transactions with the Group were as follows:

Name of related parties	Relationship with the Group
ZA Bank Limited	A subsidiary of a joint venture of the Group
ZhongAn Online	Controlling Shareholder is member of the key management personnel of ZhongAn Online

The following is a summary of significant related party transactions which, in the opinion of the directors, are entered into in the ordinary course of business between the Group and its related parties, and the balances arising from related party transactions, including those disclosed in Note 11.

### (a) Transactions

Name of related party	Nature of transaction	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
ZhongAn Online	Rental income	128,165	—
	Property management income	16,881	—
	Disposal of investment property	923,698	—
	Other income	4,239	—

The transactions were entered into at prices and terms mutually agreed by the relevant parties.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 41 RELATED PARTIES TRANSACTIONS (Continued)

### (b) Year-end balances with related parties

	2025 HK\$'000	2024 HK\$'000	Nature
Amount due to ZA Bank Limited (Note (i))	22,359	6,512	Non-trade
Advance lease payments from ZhongAn Online (Note (ii))	11,197	—	Trade
Deposits received for rental (Note (ii))	56,715	—	Trade
Contract liability (Note (ii))	2,686	—	Trade

Notes:

- (i) The balance was unsecured, interest free and repayable on demand and is denominated in HK\$.
- (ii) The balances were unsecured, interest free and repayable on demand and are denominated in RMB.

### (c) Key management compensation

The key management personnel are the executive directors of the Company. The details of the remuneration paid are disclosed in Note 11.

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES

This note provides a list of other accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of the Company and its subsidiaries.

### 42.1 Principles of consolidation and equity accounting

#### (a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.1 Principles of consolidation and equity accounting (Continued)

#### (b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (d) below), after initially being recognised at cost.

Gains or losses on deemed disposal on dilution arising from interests in associated companies are recognised in the consolidated statement of profit or loss.

The cost of an associated company acquired in stages is measured as the sum of consideration paid for each purchase plus a share of investee's profits and other equity movements.

The Group ceases to use the equity method from the date an investment ceases to be an associated company that is the date on which the Group ceases to have significant influence over the associated company or on the date it is classified as held for sale.

#### (c) Joint venture

Under HKFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint venture.

Interests in joint venture are accounted for using the equity method (see (d) below), after initially being recognised at cost in the consolidated statement of financial position.

#### (d) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates or joint venture are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

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

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 42.5.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.1 Principles of consolidation and equity accounting (Continued)

#### (e) Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.1 Principles of consolidation and equity accounting (Continued)

#### (f) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards.

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

### 42.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Board of the Company has appointed a strategic steering committee which assesses the financial performance and position of the Group and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

### 42.3 Foreign currency translation

#### (a) Functional and presentation currency

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 Hong Kong dollar ("HK\$"), which is the Company's presentation currency while Renminbi ("RMB") is the functional currency of the Company.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.3 Foreign currency translation (Continued)

#### (b) Transactions and balances

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

All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within "other gains, net".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in consolidated statement of profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as FVTOCI are recognised in other comprehensive income.

#### (c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at closing rate.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.3 Foreign currency translation (Continued)

#### (d) Disposal of foreign operation

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency realignment accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency realignment are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint venture that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

### 42.4 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the assets can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated statement of profit or loss during the reporting period in which they are incurred.

The residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 42.5).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and these are included in the consolidated statement of profit or loss.

### 42.5 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.6 Investments and other financial assets

#### (a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVTOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### (b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### (c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.6 Investments and other financial assets (Continued)

#### (c) Measurement (Continued)

##### *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is recognised in the consolidated statement of profit or loss using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in consolidated statement of profit or loss and presented in "other gains/(losses), net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

- FVTOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in consolidated statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to consolidated statement of profit or loss and recognised in "other gains/(losses), net". Interest income from these financial assets is recognised in the consolidated statement of profit or loss using the effective interest rate method. Foreign exchange gains and losses are presented in "other gains/(losses), net" and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.

- FVTPL

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the consolidated statement of profit or loss and presented net in the period in which it arises.

##### *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to consolidated statement of profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the consolidated statement of profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in the consolidated statement of profit or loss as applicable. Investments in equity instruments at FVTOCI are not subject to impairment assessment.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.6 Investments and other financial assets (Continued)

#### (d) Impairment of financial assets

The Group's financial assets measured at amortised cost, including trade receivables arising from contracts with customers, loans receivables, finance lease receivables, other receivables and deposits, bank deposits, pledged bank deposits, cash and bank balances, and other items (financial guarantee contracts) are subject to ECL model under HKFRS 9 "Financial Instruments" ("HKFRS 9").

For trade receivables and finance lease receivables, the Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision.

For all other instruments, the Group measures the loss allowance equal to 12-month expected credit loss, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime expected credit loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1 details how the Group determines whether there has been a significant increase in credit risk.

### 42.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

### 42.8 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under HKFRS 9 Financial Instruments, and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

### 42.9 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### *42.10 Share capital*

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### *42.11 Trade and other payables*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### *42.12 Borrowing costs*

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### *42.13 Current and deferred income tax*

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### *Current income tax*

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.13 Current and deferred income tax (Continued)

#### *Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through use.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### 42.14 Employee benefits

#### *(a) Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.14 *Employee benefits (Continued)*

#### (b) *Defined contribution plans*

A defined contribution plan is a pension plan under which the Group pays contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans, including the Mandatory Provident Fund ("MPF") Scheme and employee pension schemes established by municipal government in The People's Republic of China ("PRC") are expensed as incurred. Contributions are reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions, where applicable.

#### (c) *Employee leave entitlements*

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

#### (d) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

#### (e) *Long service payment*

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

The liabilities for long service payment that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. The discount rate is the yield at the reporting date on high quality corporate bonds which have terms to maturity approximating the terms of the related liability.

The obligations are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### *42.15 Share-based payments*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of the reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings.

### *42.16 Provisions*

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### *42.17 Contingent liabilities*

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability, other than that assumed in a business combination, is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### *42.18 Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax and other revenue reducing factors after eliminating sales with the Group companies. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- 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.

### *42.19 Contract liabilities*

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceed the measure of the remaining rights.

Contract liabilities are recognised as revenue when the Group transfers the goods or services to the customers and therefore satisfies its performance obligation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.20 Leases

#### *The Group as a lessee*

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The Group leases various properties. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments are allocated between principal and finance cost. The finance cost is charged to consolidated statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 42 SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)

### 42.20 Leases (Continued)

#### *The Group as a lessee (Continued)*

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of and leases of low-value assets are recognised on a straight-line basis as an expense in consolidated statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

### 42.21 Interest income

Interest income from financial assets at FVTPL is included in the other income on these assets.

Interest income on financial assets at amortised cost and financial assets at FVTOCI calculated using the effective interest method is recognised in profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 42.22 Dividend income

Dividends are recognised as other income in the statement of profit or loss when the right to receive payment is established.

# PARTICULARS OF MAJOR PROPERTIES

AS AT 31 DECEMBER 2025

## PROPERTY HELD FOR DEVELOPMENT/SALE

Description	Type of use	GFA (M <sup>2</sup> )	Effective % held	Stage of completion
1. Land lot No. 240 of Xinjingzhen, Changning District, Shanghai	Residential	13,600	80%	Completed
2. Residential sale portion of Rockbund #2 to #4 Phase 1, Waitanyuan 38, 58, 68, 78, 88 Hu Qiu Road Huangpu District, Shanghai	Residential	11,776	100%	Completed
3. 68 Car parks at sale portion of Rockbund #2 to #4 Phase 1 Waitanyuan 38, 58, 68, 78, 88 Hu Qiu Road Huangpu District, Shanghai	Car parks	11,676	100%	Completed

## PROPERTIES HELD FOR INVESTMENT

Properties	Type of use	GFA (M <sup>2</sup> )	Effective % held
1. 518 car parks at Residence Club House Phase 1, Sinolink Garden Taining Road Luohu District Shenzhen	Car parks	16,500	80%
2. Unit Nos. 101,102 ad 103 Ancillary Building West District, Phase 4, Sinolink Garden Taining Road Luohu District Shenzhen	Retail	20,232	80%
3. 4 lorry parking spaces and 1,070 car parks Phase 4, Sinolink Garden Taining Road Luohu District Shenzhen	Car parks	44,000	80%
4. 1,700 car parks at Residence Club House Mangrove West Coast Land lot No. T207-0026 Bin Hai Da Dao Bay Sha He Dong Road, Nanshan District Shenzhen	Car parks	84,834	80%

# PARTICULARS OF MAJOR PROPERTIES

AS AT 31 DECEMBER 2025

Properties	Type of use	GFA (M <sup>2</sup> )	Effective % held
5. Levels 1 to 3 of commercial podium The Vi City, Phase 5, Sinolink Garden Taining Road Luohu District Shenzhen	Retail	39,434	80%
6. 1,942 car parks Phase 5, Sinolink Garden Taining Road Luohu District Shenzhen	Car parks	72,381	80%
7. Levels 24 to 36 of office portion and 115 car parks Sinolink Tower Taining Road Luohu District Shenzhen	Office and car parks	20,075	80%
8. National Industrial Bank Building Rockbund Phase 1, Waitanyuan 130 Beijing Dong Road Huangpu District Shanghai	Retail and office	8,494	100%
9. Ampire & Co. Building Rockbund Phase 1, Waitanyuan 97 Yuan Ming Yuan Road Huangpu District Shanghai	Retail	2,545	100%
10. Yuanmingyuan Apartments Rockbund Phase 1, Waitanyuan 115 Yuan Ming Yuan Road Huangpu District Shanghai	Retail	2,129	100%
11. Y.W.C.A. Building Rockbund Phase 1, Waitanyuan 133 Yuan Ming Yuan Road Huangpu District Shanghai	Retail and office	5,998	100%

# PARTICULARS OF MAJOR PROPERTIES

AS AT 31 DECEMBER 2025

Properties	Type of use	GFA (M <sup>2</sup> )	Effective % held
12. Somekh Building Rockbund Phase 1, Waitanyuan 149 Yuan Ming Yuan Road Huangpu District Shanghai	Retail and office	3,196	100%
13. Associate Mission Building Rockbund Phase 1, Waitanyuan 169 Yuan Ming Yuan Road Huangpu District Shanghai	Retail and office	4,306	100%
14. Investment portion of Lyceum Building Rockbund Phase 1, Waitanyuan 185 Yuan Ming Yuan Road Huangpu District Shanghai	Retail	1,096	100%
15. China Baptist Publication Building and Christian Literature Society Building Rockbund Phase 1, Waitanyuan 209 Yuan Ming Yuan Road and 128 Hu Qiu Road Huangpu District Shanghai	Retail and office	7,354	100%
16. Capitol Theatre Building Rockbund Phase 1, Waitanyuan 142-146 Hu Qiu Road Huangpu District Shanghai	Retail and office	5,136	100%
17. Investment portion of Rockbund #2 to #4 with carparks Phase 1, Waitanyuan 38, 58, 68, 78, 88 Hu Qiu Road Huangpu District Shanghai	Retail, office and car parks	14,547	100%
18. Rockbund Rongfu Phase 1, Waitanyuan 28 Hu Qiu Road Huangpu District Shanghai	Retail	7,689	100%

