

SHANGHAI INTERNATIONAL SHANGHAI GROWTH INVESTMENT LIMITED

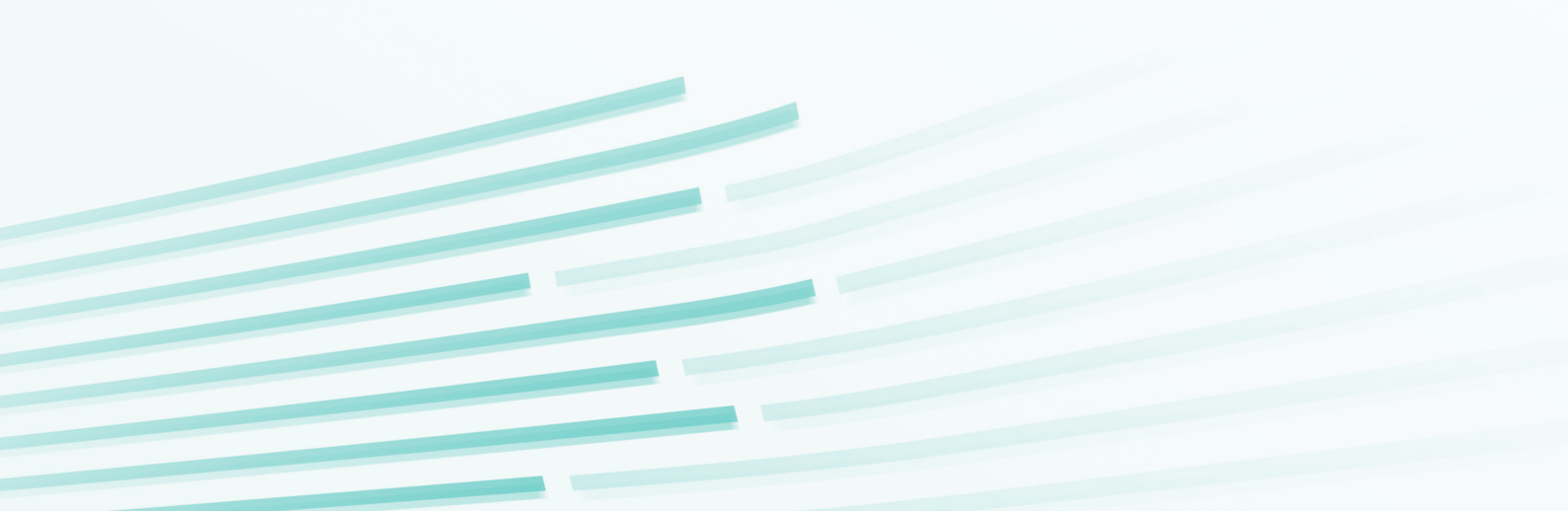
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 770)

2025
ANNUAL REPORT

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CORPORATE INFORMATION

DIRECTORS

Executive Director:

Mr. ZHAO Tian

Independent Non-executive Directors:

Dr. HUA Min (*retired on 27 June 2025*)

Mr. ONG Ka Thai (*resigned on 29 January 2025*)

Mr. YICK Wing Fat Simon (*resigned on 14 February 2025*)

Ms. LAU Mei Suet (*resigned on 30 January 2026*)

Mr. CHOI Tak Fai (*appointed on 14 February 2025*)

Mr. WONG Albert Ka Wah

(*appointed on 26 September 2025*)

Mr. LEE Chan Wah (*appointed on 30 January 2026*)

Non-executive Directors:

Mr. LU Xuefang (*resigned on 25 March 2025*)

Mr. LAM Wai Tsin (*appointed on 25 March 2025 and
resigned on 29 August 2025*)

Mr. CHING Jason (*appointed on 25 March 2025*)

Ms. SHIH Mei Ling (*appointed on 29 August 2025*)

COMPANY SECRETARY

Ms. CHEUNG Yuet Fan (*resigned on 30 January 2026*)

Ms. LAU Mei Suet (*appointed on 30 January 2026*)

INVESTMENT MANAGER

SIIC Capital (Hong Kong) Investment Management Company Limited (*formerly known as "Shanghai International Asset Management (Hong Kong) Company Limited"*) (*terminated on 7 May 2025*)

In Hong Kong:

Room 1501, 15/F.

Shanghai Industrial Investment Building

48-62, Hennessy Road,

Wanchai, Hong Kong

LEGAL ADVISERS

In Hong Kong:

Bird & Bird

In the Cayman Islands:

Maples and Calder

AUDITOR

Wilson & Partners CPA Limited

Certified Public Accountants

Registered Public Interest Entity Auditor

Suite 1503, 15/F,

Grand Millennium Plaza

181 Queen's Road Central

Sheung Wan, Hong Kong

CUSTODIAN

Shanghai Pudong Development Bank Co., Ltd.

Standard Chartered Bank (Hong Kong) Limited

(*terminated on 31 January 2025*)

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

REGISTERED OFFICE

P.O. Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

PRINCIPAL PLACE OF BUSINESS

Unit 3205, 32/F

AIA Tower

183 Electric Road

North Point, Hong Kong

COMPANY'S WEBSITE

<http://shanghaigrowth.etnet.com.hk>

STOCK CODE

770

BOARD OF DIRECTORS' STATEMENT

The Board of Directors (the "Board") of Shanghai International Shanghai Growth Investment Limited (the "Company") is pleased to present its annual report of the Company for the year ended 31 December 2025.

REVIEW OF RESULTS

The Group recorded a net loss of US\$861,291 for the year ended 31 December 2025, compared with a net loss of US\$357,498 in 2024. The increase in net loss was mainly due to the net loss on investment in securities recorded by the Group for the year ended 31 December 2025 as compared with the net gain on investment recorded by the Group for last year.

The Group recorded a realised gain on disposal of securities of US\$2,225 for the year ended 31 December 2025 (2024: US\$56,354) and a net change in unrealised loss on investment in securities of US\$348,574 (2024: US\$2,484). Dividend income from the listed investment portfolio of US\$6,050 was recorded in the reporting period as compared to US\$15,395 in the last year. As a result, the Group recorded an overall loss of US\$340,299 on securities investments together with the operating costs of US\$516,292 in 2025 that led to net loss.

Continuing with the strong momentum in the first half, the Hong Kong stock market delivered strong performance in 2025, with the Hang Seng Index ("HSI") being one of the world's top-performing markets for the year. The strong market was driven by record capital inflows from mainland investors via the Southbound Stock Connect, surge in IPO activities, optimism on Artificial Intelligence and Tech breakthroughs, interest rate cuts as well as policy support from the government, which markedly boosted investor confidence. At the same time, the HSI experienced significant volatility in 2025, with a year high of 27,287 points and a year low of 18,874 points.

The Hong Kong stock market started the year on a strong note, with the HSI reached 24,771 points on 19 March 2025. Yet, on the back of escalating US-China trade tensions in April, the HSI corrected by about 20% with about two weeks to reach 19,828 points on 7 April 2025. Driven by a combination of factors including China's stimulus measures, including monetary easing and consumption-boosting policies, surge in IPO activities and southbound fund inflows via the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programs, which restored investor confidence and the HSI gradually recovered to reach the year high in October.

As at 31 December 2025, the Group's net asset value ("NAV") per share was US\$0.06, which was lower than the NAV per share of US\$0.11 at the end of 2024. Owing to the fact that, while securities investment recorded a negative return, and the increase in operating costs, resulting in a 45.4% drop in NAV. As of 31 December 2025, the Company's share price was US\$0.315 (2024: US\$0.34), reflecting a 425% premium to its NAV per share.

BOARD OF DIRECTORS' STATEMENT

DIVIDEND DISTRIBUTION

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

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at Unit 3205, 32/F, AIA Tower, 183 Electric Road, North Point, Hong Kong on Friday, 26 June 2026 at 11:00 a.m.. Notice of annual general meeting will be published and sent to shareholders of the Company in the manner as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") in due course.

RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining the right to attend and vote at the Company's annual general meeting to be held on Friday, 26 June 2026 ("2026 AGM"), the Register of Members of the Company will be closed as set out below:

Latest time to lodge transfer documents for registration	4:30 p.m. on Monday, 22 June 2026
Record date	Tuesday, 23 June 2026
Closure of Register of Members	Tuesday, 23 June 2026 to Friday, 26 June 2026 (both dates inclusive)

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2026 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

The Chinese version of this annual report is a translation of the English version. Should there be any discrepancies or inconsistencies between the two versions, the English version shall prevail.

BOARD OF DIRECTORS' STATEMENT

OUTLOOK FOR 2026

Market outlook is cautiously optimistic in 2026. While we saw significant market volatility recently due to ongoing conflicts in the Middle East, which caused oil prices to spike, on the back of expectation of continued policy support, continued southbound capital inflow, and ongoing technology breakthroughs, investment sentiment is likely to see gradual recovery. Valuation in the Hong Kong market still remains attractive as compared with global markets.

As always, the Company will continue to seek opportunities to enhance our shareholders' value, and will focus primarily in locking in profits and be vigilant on the coming volatility of the global stock markets.

On behalf of the Board

Shanghai International Shanghai Growth Investment Limited

ZHAO Tian

Executive Director

Hong Kong, 30 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

China Economy

China's major economic indicators:

Growth (year-on-year, percent)	2025	2024	2023
Gross domestic product ("GDP")	+5.0	+5.0	+5.2
Industrial value-added output (designated size)	+5.9	+5.8	+4.6
Retail sales	+3.7	+3.5	+7.2
Consumer price index ("CPI")	0.0	+0.2	+0.2
Fixed asset investments ("FAI")	-3.8	+3.2	+3.0
Actual foreign direct investments	-9.5	-27.1	8.0
Exports	+6.1	+7.1	+0.6
Imports	+0.5	+2.3	-0.3
Trade surplus (US\$ billion)	1,189.0	992.0	823.2
Foreign exchange reserve (US\$ billion)	3,357.9	3,202.4	3,238.0

(Source: Published information)

Despite China economy slowed in the second and third quarter of 2025 under the impact of slowing domestic consumption and macroeconomic control on housing market, the introduction of swap facilities and relending program through financial institutions are unprecedented policies, providing abundant liquidity to the market. As such the GDP growth for the fourth quarter reached 45%.

China manufacturing sector grew by 6.0% over last year. The most notable expansion were new energy vehicles, integrated circuits and industrial robots. China's total goods imports and exports reached RMB 45.47 trillion, up 3.8% over last year. Exports amounted to RMB 26.99 trillion, up 6.1% while imports up 0.5% to RMB 18.48 trillion.

The consumer price index ("CPI") remained steady which increased by 0.0% (unchanged year-on-year) in 2025.

Relevant stock markets' performance in 2025

Indices	31 December 2025	31 December 2024	Change
Hang Seng Index	25,630.54	20,059.95	27.77%
Hang Seng China Enterprises Index	8,913.68	7,289.90	22.27%
Hang Seng China-Affiliated Corporations Index	4,015.50	3,780.97	6.20%
Shanghai SE Composite Index	3,968.84	3,351.76	18.41%
SZSE Component Index	13,525.02	10,414.61	29.87%
Taiwan Exchange Index	28,963.60	23,035.10	25.74%
Dow Jones Industrial Average Index	48,063.29	42,544.22	12.97%
Standard and Poor's 500 Index	6,845.50	5,881.63	16.39%
NASDAQ Composite Index	23,241.99	19,310.79	20.36%

MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL INVESTMENT OBJECTIVE, POLICIES AND RESTRICTIONS

Principal Investment Objective

The principal investment objective of the Company is to achieve long term capital appreciation through investing in listed and unlisted equity and debt securities as well as in other financial instruments and investment vehicles (which are established or have significant operations or businesses primarily in the Greater China Region which consists of the People's Republic of China, Hong Kong and, the Macau Special Administration Region and Taiwan). The Company sought Shareholders' approval in November 2019 to broaden the scope of investment such that the Company have the flexibility to invest in a wider variety of investment products.

Investment Policies and Restrictions

The Board is responsible for formulating the Company's investment strategy, policies and guidelines. Based on these, the Investment Manager is responsible for identifying and evaluating investment opportunities, executing investment decisions, monitoring and enhancing investments of the Company. The Company will comply with investment restrictions as set out in the Listing Rules as updated from time to time, principally (i) it will not take legal or effective management control of any invested company through which it has or controls more than 30% of the voting rights; and (ii) a reasonable spread of investments will be maintained meaning that it will not invest more than 20% of the net asset value of the Company in securities issued in any one company at the time of making such investment.

INVESTMENT REVIEW

Portfolio Allocation

	31 December 2025	31 December 2024
Listed investments	58%	11%
Cash and cash equivalents	31%	89%
Unlisted investments	11%	0%
Total	100%	100%

LISTED INVESTMENTS REVIEW

Hong Kong Stock Market

The Hong Kong stock market delivered strong performance in the year of 2025, with the Hang Seng Index ("HSI") being one of the world's top-performing markets. The HSI reached 27,287 points on 2 October 2025, while we saw significant volatility during the year due to escalating US-China trade tensions, particularly following the imposition of US tariffs on Chinese goods, which caused the HSI to correct by about 20% to reach 19,828 points on 7 April 2025.

The HSI resumed rising in late April after a period of consolidation on the back of macro policies on supporting property developments and the introduction of "Nine-Point Guideline", a surge in IPO activities, interest rate cuts, which markedly restored market confidence. Consequently, the HSI rose to the highest 27,287 point in October, before seeing another consolidation period to close the year at 25,631 points, yet it still represented a notable gain of over 5,500 points for the year.

MANAGEMENT DISCUSSION AND ANALYSIS

LISTED INVESTMENTS REVIEW (Cont'd)

Hong Kong Stock Market (Cont'd)

For the full year of 2025, the HSI was up 27.8%. The most outperforming industry sectors for the year were materials/resources, pharmaceuticals/biotech and artificial intelligence/technology. On the other hand, utilities, energy and property were the most underperforming sectors.

Listed Investments Portfolio

As at 31 December 2025

Listed securities	Nature of business	Number of shares held	% held of total issued shares %	Cost US\$	Market value US\$	% of net asset value %	% of total asset %	Dividend received US\$
<u>Listed on Hong Kong Stock Exchange</u>								
Canopy Skyfire Group Limited	Manufacturing two-way radios and baby monitors	26,200,000	10.56	622,099	276,144	37.29	24.99	–
Lenovo Group Limited	Provision of intelligent devices, infrastructure solutions, and software related services	30,000	0.00	42,145	35,707	4.82	3.23	327
Talent Property Group Limited	Property development, investment, and management in the People's Republic of China (the "PRC")	1,500,000	0.00	29,993	30,848	4.17	2.79	–
Metallurgical Corporation of China Ltd	Provision of engineering construction related businesses	100,000	0.29	21,801	23,522	3.18	2.13	–
Other listed securities				–	–	–	–	5,723
				716,038	366,221	49.46	33.14	6,050

MANAGEMENT DISCUSSION AND ANALYSIS

LISTED INVESTMENTS REVIEW (Cont'd)

Listed Investments Portfolio (Cont'd)

As at 31 December 2024

Listed securities	Nature of business	Number of shares held	% held of total issued shares	Cost US\$	Market value US\$	% of net asset value	% of total asset	Dividend received US\$
<u>Listed on Hong Kong Stock Exchange</u>								
China Mobile Limited	Telecommunication	8,500	0.00004	78,157	83,811	6.21	6.72	9,558
Tencent Holdings Limited	E-Commerce & Internet Services	1,000	0.00001	56,188	53,678	3.98	4.30	2,746
Other listed securities				-	-	-	-	3,091
Total investment in listed securities				134,345	137,489	10.19	11.02	15,395

Particulars of listed securities investments held by the Company as at 31 December 2025 are stated as follows:

Canopy Skyfire Group Limited (“Canopy”, stock code 8245)

Canopy is engaged in manufacturing two-way radios and baby monitors. 26,200,000 shares (approximately 10.56% held of total issued shares) are held by the Company as at 31 December 2025 at a cost of US\$622,099, with a fair value of US\$ 276,144 (approximately 24.99% of the Company's total assets).

Lenovo Group Limited (“Lenovo”, stock code 0992)

Lenovo is engaged in the provision of intelligent devices, infrastructure solutions, and software related services. 30,000 shares (approximately 0.00% held of total issued shares) are held by the Company as at 31 December 2025 at a cost of US\$42,145, with a fair value of US\$35,707 (approximately 3.23% of the Company's total assets).

A dividend income of US\$327 from Lenovo were recorded for the year of 2025.

Talent Property Group Limited (“Talent”, stock code 0760)

Talent is engaged in the property development, investment, and management in the People's Republic of China. 1,500,000 shares (approximately 0.00% held of total issued shares) are held by the Company as at 31 December 2025 at a cost of US\$29,993, with a fair value of US\$30,848 (approximately 2.79% of the Company's total assets).

Metallurgical Corporation of China Ltd (“Metallurgical”, stock code 1618)

Metallurgical is engaged in the Provision of engineering construction related businesses. 100,000 shares (approximately 0.29% held of total issued shares) are held by the Company as at 31 December 2025 at a cost of US\$21,801, with a fair value of US\$23,522 (approximately 2.13% of the Company's total assets).

MANAGEMENT DISCUSSION AND ANALYSIS

UNLISTED INVESTMENTS REVIEW

Unlisted Investment Portfolio

As at 31 December 2025

Invested project	Nature of business	% of equity interest	Amount invested at cost	Unrealised gain/(loss)	Fair value	% of net asset value	% of total assets	Dividend income	Accumulated dividend income
		%	US\$	US\$	US\$	%	%	US\$	US\$
Law's Business Group Holding Ltd	Provision of integrated financing accounting and corporate consultancy services	4.89%	71,189	-	71,189	9.61	6.44	-	-

As at 31 December 2024

Invested project	Nature of business	% of equity interest	Amount invested at cost	Unrealised gain/(loss)	Fair value	% of net asset value	% of total assets	Dividend income	Accumulated dividend income
		%	US\$	US\$	US\$	%	%	US\$	US\$
Global Market Group Limited (Note)	B2B platform	9.36	5,847,458	(5,847,458)	-	-	-	-	1,814,613
ICBC CICC Money Market ETF Class I (USD)	Exchange-traded fund (ETF)	-	300,000	7,773	307,773	19.79	18.91	-	-

Note: An investment in shares through private placement in a B2B internet trading service provider, whose common shares were once listed on London Alternative Investment Market and delisted in September 2015 and reclassified as the Company's unlisted securities investment. This investment was fully impaired since 30 June 2019.

Global Market Group Limited ("GMG")

GMG is a B2B internet trading service provider in the mainland China. It developed cross-border E-commerce platform since 2016 and finally launch its own hot-selling T-shirt products on the new platform in the second half of 2018. However, the revenue from the hot-selling products was disappointing and far from its original target, coupled with failing capital raising for its business expansion, GMG's business deteriorated significantly over these years.

The Company invested in GMG for a consideration of US\$5 million in 2008. GMG's ordinary shares were once admitted to trading on the Alternative Investment Market of the London Stock Exchange in June 2012 but was subsequently cancelled from trading in September 2015. GMG's main operating subsidiary had been once listed on the New Third Board in mainland China in 2016 but subsequently delisted in May 2017 due to insufficient fund-raising capability. The Investment Manager had been in negotiation vigorously with GMG for an exit after those rounds of delisting decisions.

As at 31 December 2024, given that the fair value of GMG had been valued at nil since 30 June 2019 and GMG has no restructuring plans, the Company concluded that GMG will not contribute much to the Company's economic value in the future and has written off the investment during the year ended 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

KEY PERFORMANCE INDICATOR

The Board considers that periodic NAV of the Group is a significant financial indicator by which the development and performance of the Group's business can be measured effectively.

Performance of the Group's NAV for the past five years are summarised in the annual report of the Company under the heading "Five Year Financial Summary". In the opinion of the Board, fluctuations in past NAV performances are mainly attributable to fluctuations in unrealised fair value loss in one of the Group's investments.

LIQUIDITY, FINANCIAL RESOURCES, GEARING AND CAPITAL COMMITMENT

The Group's cash and bank balances as of 31 December 2025 were US\$194,816 (2024: US\$1,064,658). No dividends were paid during the year. Apart from securities investments, cash were used for operating and administrative expenses.

CHARGE ON ASSETS, CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

As at 31 December 2025, there were charges on the Group's assets amounted to US\$366,221 and the Group had no material capital commitment on equity investments or any significant contingent liabilities (31 December 2024: Nil).

As at 31 December 2025, as far as the Directors were aware, the Group was not involved in any material litigation or arbitration and no material litigation or claim was pending or threatened or made against the Group.

GEARING RATIO

The Group's borrowings as of 31 December 2025 were US\$318,582 (31 December 2024: Nil). As at 31 December 2025, the Group's current ratio (current assets to current liabilities) was approximately 2.92 (2024: 24.77). The ratio of total liabilities to total assets of the Group was approximately 33.00% (2024: 4.04%).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's assets, liabilities and transactions are denominated either in Hong Kong dollars or US dollars. As long as the Hong Kong dollar continues its peg to the US dollar in the foreseeable future, the Group does not envisage any material exposure to exchange fluctuations. Accordingly, no hedging instruments were made nor transacted to cushion for such exposure.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year ended 31 December 2025, the Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures.

EMPLOYEES

The Company has one employee and during the period from 1 January 2025 to 7 May 2025, has delegated the day-to-day administration and its investment portfolio to SIIC Capital (Hong Kong) Investment Management Company Limited, which provided investment management services to the Company under an investment management and administration agreement (the "Investment Management Agreement").

BIOGRAPHICAL DETAILS OF DIRECTORS

ZHAO Tian

Executive Director

Aged 37, was appointed as an Executive Director of the Company on 28 June 2021. Mr. Zhao has been appointed the Managing Director of the Investment Manager since October 2020. He is currently registered as one of the licensed responsible officers of the Investment Manager to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Commission. Besides, Mr. Zhao has been a director of S.I.- Paul Y. – Canvest Tunnel Company Limited, an indirect subsidiary of Shanghai Industrial Holdings Limited (a company listed on the Hong Kong Stock Exchange and an indirect subsidiary of Shanghai Industrial Investment (Holdings) Company Limited, (stock code: 363), since 2022.

Mr. Zhao has over 13 years' experience in legal and compliance, securities and fund investment sectors in Hong Kong. Prior to joining the Company, he had been the chief executive officer and head of Compliance and Risk Management of Donghai International Financial Holdings Company Limited ("DIFH") since 2018 and 2015 respectively. His past experiences prior to joining DIFH included working in a corporate team of an international law firm in Hong Kong.

Mr. Zhao graduated in 2011 with a Bachelor of Law from the East China University of Political Science and Law majoring in Economic Law. He also obtained a Master degree in Global Political Economy from the Chinese University of Hong Kong in 2014. Mr. Zhao is currently a qualified PRC lawyer.

CHING Jason

Non-executive Director

Member of Remuneration Committee and Investment Committee

Aged 46, was appointed as a Non-executive Director and a member of each of the Remuneration Committee and the Investment Committee since 25 March 2025. He is a Chartered Financial Analyst (CFA) and a Financial Risk Manager (FRM). Mr. Ching has around 24 years of experience in the financial and real estate industries, specializing in asset management, property investment and financial analysis.

Since March 2019, Mr. Ching has been the director and chief executive officer of Eminence Asset Management (Asia) Limited ("Eminence"), where he has been serving as a responsible officer licensed to carry out type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") since December 2019. He is responsible for overseeing Eminence's overall operations, ensuring compliance with regulatory requirements, and developing business strategies. Additionally, Mr. Ching has been a director and shareholder of Embition Holdings Limited, a substantial shareholder of the Company, since October 2024. Prior to founding Eminence in March 2019, he had held senior position at Deutsche Bank AG, Hong Kong branch, as director of Asia Property, and served as an associate of Hong Kong/China Property at Merrill Lynch (Asia Pacific) Limited and a senior associate of strategy and research in Asia at ING Real Estate Investment Management. His experience includes financial modelling, asset allocation, capital raising, and investment advisory services.

Mr. Ching is a regular member of CFA Society Hong Kong (formerly known as "The Hong Kong Society of Financial Analysts") and a member of the Real Estate Institute of New Zealand (REINZ). His expertise spans over property valuation, market research, and portfolio management, with a focus on Asia-Pacific markets.

Mr. Ching obtained a Bachelor of Commerce in Finance and a Bachelor of Property majoring in property valuation, investment, and management both from The University of Auckland in 1999. He also obtained a Professional Certificate in Electronic Commerce from The Open University of Hong Kong (currently known as "Hong Kong Metropolitan University") in 2001.

BIOGRAPHICAL DETAILS OF DIRECTORS

SHIH Mei Ling

Non-executive Director

Member of Investment Committee and Chairlady of Nomination Committee

Aged 44, was appointed as a Non-executive Director and a member of the Investment Committee since 20 August 2025 and a chairlady of the Nomination Committee on 30 January 2026. She has more than 20 years of experience working in licensed corporations regulated under Securities and Futures Commission in dealing in securities and futures contracts, advising on securities and asset management. Ms. Shih is currently a licensed person registered under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities. Since March 2023, Ms. Shih has served as a director and responsible officer in Type 1 (dealing in securities) regulated activities in Hang Tai Securities Limited (“Hang Tai Securities”), a licensed corporation registered under the SFO. In addition, from August 2024, Ms. Shih has also served as a responsible officer in Type 4 (advising on securities) and Type 9 (asset management) regulated activities in Hang Tai Asset Management Limited, a licensed corporation registered under the SFO.

Ms. Shih joined Vantum Futures Limited, a licensed corporation under the SFO, as a licensed representative for Type 2 (dealing in futures contracts) from March 2023 to April 2023. She then served as a responsible officer at Vantum Futures Limited for Type 2 (dealing in futures contracts) from April 2023 to October 2023.

From February 2023 to March 2023, she was a licensed representative at Hang Tai Securities for Type 1 (dealing in securities) regulated activities. She joined Sino Capital Securities Limited, a licensed corporation under the SFO, as a licensed representative for Type 1 (dealing in securities) in October 2022. She then served as a responsible officer at Sino Capital Securities Limited for Type 1 (dealing in securities) regulated activities from October 2022 to January 2023.

Additionally, Ms. Shih served as a licensed representative at KGI Asia Limited, a licensed corporation under the SFO, for Type 1 (dealing in securities) regulated activities from September 2006 to September 2022, and for Type 4 (advising on securities) regulated activities from March 2008 to September 2022. She also worked as a licensed representative at KGI Futures (Hong Kong) Limited, a licensed corporation under the SFO, from September 2006 to September 2022 for Type 2 (dealing in futures contracts) regulated activities.

Ms. Shih was an independent non-executive director of Huakang Biomedical Holdings Company Limited (stock code: 8622), a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), from December 2024 to February 2025.

Ms. Shih was a director of Greenwalker Asia Limited (“Greenwalker Asia”) and JS Capital Limited (“JS Capital”), which were companies incorporated in Hong Kong and were dissolved by deregistration on 13 April 2017 and 28 September 2012 respectively. Ms. Shih was a director of each of Greenwalker Asia and JS Capital when each such company was dissolved. Greenwalker Asia and JS Capital were engaged in marketing and trading business respectively. As confirmed by Ms. Shih all such companies had ceased operation before dissolution, and each company was solvent at the time when it was dissolved. The dissolution of these companies has not resulted in any obligations or liabilities against Ms. Shih.

Ms. Shih graduated from the University of Portsmouth in the United Kingdom in April 2008 with an honours degree in Bachelor of Arts in Business Administration.

BIOGRAPHICAL DETAILS OF DIRECTORS

CHOI Tak Fai

Independent Non-executive Director

Chairman of Remuneration Committee, Member of Audit Committee, Nomination Committee and Investment Committee

Aged 37, was appointed as an Independent Non-executive Director, the chairman of the Remuneration Committee and a member of each of the Nomination Committee and the Audit Committee since 14 February 2025. He was also appointed as a member of the Investment Committee on 25 March 2025. Mr. Choi has over 10 years of experience in the finance field specializing in securities brokerage. Mr. Choi is an associate sales director and a licensed representative of Yuanta Securities (Hong Kong) Company Limited, a licensed corporation under the SFO to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), and type 4 (advising on securities) regulated activities. He has been serving as an independent non-executive director of Zijing International Financial Holdings Limited (stock code: 8340), a company listed on GEM of the Hong Kong Stock Exchange, since 31 May 2021. Mr. Choi has obtained a Bachelor of Science in Mathematics from The Chinese University of Hong Kong in 2011.

WONG Albert Ka Wa

Independent Non-executive Director

Member of Audit Committee and Nomination Committee

Aged 51, was appointed as an Independent Non-executive Director, a member of each of the Audit Committee and the Nomination Committee since 26 September 2025. He obtained Bachelor of Commerce major in Accountancy from the Australian National University in 1997.

Mr. WONG has 28 years' experience in corporate finance, fund management and wealth management. His exceptional financial knowledge enables him to provide expert advice on various corporate matters including start up, re-structuring and exit strategies.

Mr. WONG is currently a licensed person registered under the SFO to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities.

Mr. WONG had previously served as chairman and executive director of Wealth Glory Holdings Limited (stock code. 8269), a company listed on GEM of the Stock Exchange; chief executive officer and co-founder of IFN-GT Financial Group Ltd; chairman of supervisory committee of Boshi Fund Management Co. Ltd; and managing director of Sun Hung Kai Wealth Management Limited. Mr. Wong also served as director and member of investment committee in various collective investment schemes.

LEE Chan Wah

Independent Non-executive Director,

Chairman of Audit Committee and Member of Remuneration Committee

Aged 57, was appointed as an Independent Non-executive Director, a chairman of the Audit Committee and member of the Remuneration Committee since January 2026. He obtained his Bachelor of Business Administration degree from the Hong Kong Baptist University in 1991. He has been a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants since 1996. He has over 20 years of experience in the field of auditing, accounting and finance. From 14 February 2022 to 10 July 2023, Mr. Lee served as an executive director of Zijing International Financial Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8340).

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

The Company is committed to maintaining sound corporate governance standards and procedures to ensure integrity, transparency and quality of disclosure to promote the ongoing development of the long term best interests of the Company and to enhance value for all its Shareholders. The Board has established procedures on corporate governance that comply with the requirements of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 of the Listing Rules. The Board has reviewed and taken measures to adopt the CG Code as the Company’s code of corporate governance practices. During the financial year ended 31 December 2025, the Company has complied with the code provisions (the “Code Provisions”) under the CG Code, save and except for the deviations as described below.

Code Provisions C.2.1 to C.2.9 set out the division of responsibilities between the chairman and chief executive as well as set out key responsibilities of the chairman from a corporate governance perspective, including Code Provision C.2.7 which stipulates that the chairman should at least annually hold meetings with the independent non- executive directors without the presence of other directors.

No chairman or chief executive has been appointed or designated by the Company. However, the Board is of the view that all Directors together bring diverse experience and expertise to the Board, and are collectively responsible for the stewardship of the Company. In view of the streamlined structure of the Company, contributions to the Company are made by the Board as a whole, including the investment portfolio and daily operations of the Company. The Board considers that this existing structure will not impair the balance of power and authority between the management of the Board and the management of its business as set out in the principle of C.2 of CG Code.

Code Provision F.2.2 provides that, among others, the chairman of the board should attend the annual general meeting of the listed issuer. As stated in the above, no chairman has been appointed or designated by the Company. Given all Directors are collectively responsible for the Company’s stewardship, the Board considers that it was adequate for the Board to elect a Director to chair the annual general meeting of the Company held on 27 June 2025.

CORPORATE GOVERNANCE REPORT

THE BOARD

Corporate Culture and Strategies

As a company with investment as its core business, enhancement of shareholder value and long-term return for all stakeholders are the key objectives of the Company. The Company believes that good corporate governance strategies and practices are crucial to the business in the long run, especially in enhancing investment values and returns.

The Company instils a culture that promotes and maintains a high standard of integrity, openness, probity and accountability. The Board is responsible to set the tone and to shape the Company's culture, which is underpinned by the core values of acting lawfully, ethically and responsibly across all levels of the Company. The Board plays a leading role in defining the purpose, core values and strategic direction of the Company which are in line with its corporate culture. In order to promote and implement the purpose and core values continuously, the Company has established a range of strategies, measures and tools over time, in which the Board is responsible for approving and monitoring of the same, including establishment of internal policies and guidelines in compliance with relevant laws and regulations; stringent investment approval and financial reporting procedures; establishment of whistleblowing mechanism; provision of employee welfare and training; formation of continuous communication channels with the stakeholders; as well as taking the lead and provision of directions to all levels of the Company by laying down strategies, and conveying corporate values and desired culture through formal reporting lines.

To conclude, the Board considers that the culture and the purpose, core values and strategies of the Company are aligned.

Role of the Board

The Board has overall responsibility for the stewardship of the Company, which includes, inter alia, the determination of long term corporate objectives and strategies, assessment of investment projects, adoption of corporate governance practices, management of the Company's investment to ensure that the Company's operations are conducted in accordance with the objectives of the Company, and in reviewing financial performance.

All Directors have full and timely access to all the information of the Company. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expense for discharging their duties to the Company.

All Directors commit to devote sufficient time and attention to the Company's affairs. Each have disclosed to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

CORPORATE GOVERNANCE REPORT

THE BOARD *(Cont'd)*

Composition

The Board comprised six Directors of whom one is Executive Director, two are Non-executive Directors and three are INEDs. There is no designated chairman or chief executive of the Board. All Directors are, collectively and individually, aware of their responsibilities to the Shareholders. The Directors' respective biographical information is set out on pages 12 to 14 under the heading "Biographical Details of Directors". In addition, a list containing the names of the Directors and their roles and functions is published on the websites of the Company at <http://shanghaigrowth.etnet.com.hk> and of Hong Kong Exchanges and Clearing Limited ("HKEX") at <http://www.hkexnews.hk>.

The Board believes that the balance between Executive Director and Non-executive Directors (including INEDs) is reasonable and adequate to safeguard the interests of the Company and its Shareholders. Non-executive Directors (including INEDs) provide the Company with diversified expertise and experience. Their participation in Board and/or Board committee meetings bring an independent judgement and advice on various aspects, including the Company's goals and objectives, strategies, policies, performance, accountability, potential conflicts of interests and other management process.

All Directors have entered into respective letters of appointment with the Company. Executive Director and Non-executive Directors of the Company do not have a specific term of appointment. All INEDs are engaged for a term of three years. All Directors (including those appointed for a specific term) are subject to retirement by rotation at least once every three years pursuant to the Company's Articles of Association.

Board Diversity

The Board adopted a board diversity policy ("Board Diversity Policy") setting out the approach to diversity of members of the Board. The Company recognises the benefits of a Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company.

The Company maintains that Board appointment should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The full Board of the Company is responsible for reviewing the structure, size and composition of the Board and the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board. The Board as a whole is also responsible for reviewing the succession plan for the directors of the Company which has been set out in the Director Nomination Policy.

The Board will review and monitor from time to time the implementation of this policy to ensure its effectiveness and will at an appropriate time set measurable objectives for achieving Board diversity.

Currently, the Board comprise of five male directors and one female director. The Company considers that gender diversity has been maintained on the Board level.

CORPORATE GOVERNANCE REPORT

THE BOARD *(Cont'd)*

Board Diversity (Cont'd)

Currently, the existing employee of the Company is female. In view of the simple business and operation structure of the Company, the Company recognizes that they have already maintained a balance perspective and are beneficial to the business operation of the Company. Thus, the Company considers that gender diversity across the workforce (including senior management) is already taken into account.

Director Nomination Policy

The Board has adopted a director nomination policy (“Director Nomination Policy”) since January 2019, setting out the criteria and process in the nomination and appointment of Directors of the Company; ensuring the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company; setting out the succession planning of Directors; and ensuring the Board continuity and appropriate leadership at Board level.

The Board has delegated its responsibilities and authority for selection and appointment of Directors of the Company to the Nomination Committee. Without prejudice to the authority and duties of the Nomination Committee as set out in its terms of reference, the entire Board has the ultimate responsibility for selection and appointment of the Directors of the Company.

The Director Nomination Policy sets out the criteria in evaluation and selection of any candidate for directorship of the Company, including but not limited to, his/her character and integrity, qualifications, experience, diversity aspects under the Board Diversity Policy, potential contributions to the Board, willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board Committee(s), and in the nomination of Independent Non-executive Director, meeting the independence requirements with reference to the guidelines set out in the Listing Rules.

In addition, the nomination processes with regard to the appointment of new Director and the re-election of Director at the general meeting of the Company are set out in the Director Nomination Policy. Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, relevant information of the candidate will be disclosed in the circular to the shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

The Nomination Committee will conduct regular review of the Director Nomination Policy and where appropriate, make recommendations on changes to the Board to complement the Company’s corporate strategy and business needs.

Independent Non-executive Directors

On 27 June 2025, following the retirement of Dr. HUA Min, the Board comprises five Directors, including only two independent non-executive Directors. Accordingly, the Company is not in compliance with (i) Rule 3.10(1) of the Listing Rules which requires that the Board must include at least three independent non-executive directors; and (ii) Rule 3.21 of the Listing Rules which requires that the Audit Committee must comprise a minimum of three members.

On 26 September 2025, following the appointment of Mr. WONG Albert Ka Wah, (i) the Board comprises one executive Director, two non-executive Directors and three independent non-executive Directors; (ii) the three independent non-executive Directors represent over one-third of the Board; and (iii) the Audit Committee comprises all three independent non-executive Directors. Accordingly, the Company has re-complied with the requirements under Rules 3.10(1) and 3.21 of the Listing Rules.

CORPORATE GOVERNANCE REPORT

THE BOARD *(Cont'd)*

Independent Non-executive Directors (Cont'd)

Save as disclosed above, during the year ended 31 December 2025, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three INEDs representing one-third of the Board.

INEDs are selected with the necessary skills and experience to provide strong independent element on the Board and to exercise independent judgment. At least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise as provided under Rule 3.10 of the Listing Rules. Each of the INEDs has provided an annual confirmation to the Company confirming their independence and has undertaken to inform the Hong Kong Stock Exchange as soon as practicable if there is any subsequent change in circumstances which may affect their independence.

Assessment of independence of INEDs

The Nomination Committee has assessed the independence of all INEDs.

The Nomination Committee believes that the extensive knowledge and experience of the INEDs in the Company's business will continue to generate valuable contribution to the Board, the Company and the Shareholders as a whole. The Nomination Committee also believes that each of the INEDs has demonstrated their ability to provide an independent view on the Company's matters notwithstanding the length of their service on the Board. None of the INEDs are involved in the daily management of the Company nor are there any relationships or circumstances which would interfere with the exercise of their independent judgment and ability to provide independent, balanced and objective view to the affairs of the Company. Each of the INEDs has provided an annual written confirmation of their independence to the Company. The Company is of the view that all INEDs meet the guidelines for assessing independence as set out in Rule 3.13 of the Listing Rules and are independent.

Retirement and Re-election of Directors

The Company's Articles of Association provides that any Director appointed by the Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election by ordinary resolution. At such annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, including those appointed for a specific term. All Directors are subject to retirement by rotation at least once every three years or such other period as the Hong Kong Stock Exchange may from time to time prescribe. The Directors to retire by rotation shall include any Director who wishes to retire and does not offer himself for re-election. Further Directors to retire shall be those having been in office the longest since their last re-election of appointment and subject to retirement by rotation. Re-election of retiring Directors at general meetings is dealt with by separate individual resolutions.

In accordance with Articles 98(b) and 98(c) of the Company's Articles of Association, Mr. ZHAO Tian will retire by rotation at the 2026 AGM.

In accordance with Article 93 of the Company's Article of Association. Ms. SHIH Mei Ling who was appointed by the Board as non-executive Director on 29 August 2025, and Mr. WONG Albert Ka Wah and Mr. LEE Chan Wah who were appointed by the Board as INEDs on 26 September 2025 and 30 January 2026 respectively, will retire and, being eligible, offer themselves for re-election at the 2026 AGM.

CORPORATE GOVERNANCE REPORT

THE BOARD (Cont'd)

Board Meetings and Attendance

The Board meets regularly at least 4 times every year with Directors participating either in person or through electronic means of communication. Schedule of Board meetings are made available to Directors in advance to provide sufficient notice to Directors and facilitate maximum attendance. Formal notices of regular Board meetings are served to all Directors at least 14 days before the meetings while reasonable notice is generally given for other Board and committee meetings. Minutes of each Board/Board committee meeting are sent to all Directors/respective Board committee members for their comments and records within a reasonable time. The Company also keeps detailed minutes of each Board/Board committee meeting, which are available for inspection by all Directors.

The Board held 6 Board meetings during the year ended 31 December 2025. Appropriate and sufficient information were provided in Board papers to Directors in a timely manner to keep them apprised of the Company's latest developments to enable them to make informed decisions on matters to be placed before the Board. The Board had also approved certain matters by way of passing written resolutions during the year. Monthly reports are provided to Directors to keep them updated on the Company's operational and financial performance.

Attendance of individual Directors at such meetings was:

Name of Director	Attendance	Name of Director	Attendance
Mr. ZHAO Tian	4/6	Mr. ONG Ka Thai ⁶	0/1
Mr. LU Xuefang ¹	2/3	Mr. YICK Wing Fat Simon ⁷	1/2
Mr. LAM Wai Tsin ²	1/2	Ms. LAU Mei Suet ⁸	5/6
Mr. CHING Jason ³	2/3	Mr. CHOI Tak Fai ⁹	4/4
Ms. SHIH Mei Ling ⁴	1/1	Mr. WONG Albert Ka Wah ¹⁰	0/1
Dr. HUA Min ⁵	3/3	Mr. LEE Chan Wah ¹¹	N/A

¹ Resigned as NED on 25 March 2025

² Appointed as NED on 25 March 2025 and resigned as NED on 29 August 2025

³ Appointed as NED on 25 March 2025

⁴ Appointed as NED on 29 August 2025

⁵ Retired as INED on 27 June 2025

⁶ Resigned as INED on 29 January 2025

⁷ Resigned as INED on 14 February 2025

⁸ Resigned as INED on 30 January 2026

⁹ Appointed as INED on 14 February 2025

¹⁰ Appointed as INED on 26 September 2025

¹¹ Appointed as INED on 30 January 2026

During the year ended 31 December 2025, certain Directors of the Company at such time, namely Mr. ZHAO Tian and Mr. LU Xuefang were also directors of the Company's Investment Manager. Mr. LU Xuefang is a director and the president of SIIC Investment Company Limited, the holding company of the Investment Manager and is a wholly-owned subsidiary of Shanghai Industrial Investment (Holdings) Company Limited.

Save as disclosed above, to the best knowledge of the Company, there are no financial, business or family relationship among members of the Board as at 31 December 2025. All of them are free to exercise their individual judgment.

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, Remuneration Committee, Nomination Committee and Investment Committee for overseeing particular aspects of the Company's affairs. All Board committees are established with defined written terms of reference, which are on no less exacting terms than those set out in the CG Code (as applicable). The terms of reference of all Board committees are published on the websites of the Company and HKEX and are available to the Shareholders upon request. Apart from Board committee meetings, committee members may approve various matters by way of passing written resolutions. Board committees report to the Board on their work, findings, decisions and recommendations pursuant to their respective terms of reference.

Board committees are provided with sufficient resources to discharge their duties and, upon request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

AUDIT COMMITTEE

The Audit Committee has been established since July 1999 and as at the date of this report comprises three members, all of whom are INEDs of the Company, namely, Ms. LEE Chan Wah (Chairman), Mr. CHOI Tak Fai and Mr. WONG Albert Ka Wah. At least one of the members possesses appropriate qualifications or accounting or related financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditor. The latest terms of reference of the Audit Committee are available on the websites of the Company and HKEX.

The primary duties of the Audit Committee include:

- (a) To review the Company's financial statements and reports and consider any significant matters raised by the Investment Manager or the external auditor before submission to the Board.
- (b) To review the relationship with the Company's external auditor by reference to the work performed, its independence, remuneration and terms of engagement, and make recommendations to the Board on the appointment, reappointment and removal of external auditor.
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, risk management and internal control procedures.
- (d) To review arrangements that employees of the Company or the Investment Manager may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company, and to ensure that proper arrangements are in place for fair and independent investigation of such matters and for appropriate follow-up action.

Three meetings were held during the year ended 31 December 2025. The external auditor attended two meetings. Attendance of Audit Committee members at such meetings was:

Name of Director	Attendance
Mr. YICK Wing Fat Simon (<i>Resigned on 14 February 2025</i>)	0/0
Dr. HUA Min (<i>Retired on 27 June 2025</i>)	1/1
Mr. ONG Ka Thai (<i>Resigned on 29 January 2025</i>)	0/0
Ms. Lau Mei Suet (<i>Resigned on 30 January 2026</i>)	2/3
Mr. CHOI Tak Fai (<i>Appointed on 14 February 2025</i>)	2/3
Mr. WONG Albert Ka Wah (<i>Appointed on 26 September 2025</i>)	0/1
Mr. LEE Chan Wah (<i>Chairman</i>) (<i>Appointed on 30 January 2026</i>)	N/A

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE *(Cont'd)*

During the year, the Audit Committee reviewed the interim and annual results and reports (including the financial statements) of the Company. It also reviewed the accounting principles and policies adopted by the Company, the continuing connected transactions conducted by the Company, the content and the quality of the Environmental, Social and Governance (“ESG”) Report, and reviewed the anti-corruption policy and whistleblowing policy of the Company. In addition, it discussed with the Investment Manager and an external professional consultancy firm (as appropriate) on internal audit results, risk management and internal controls, key matters on compiling the ESG Report, compliance procedures and financial reporting matters. During the year, the Audit Committee also held a meeting with the external auditor in the absence of the Investment Manager, to discuss issues regarding audit or any matters that the external auditor may wish to raise to the Audit Committee.

Up to the date of this report, the Audit Committee has reviewed the annual results for the year ended 31 December 2025.

REMUNERATION COMMITTEE

The Remuneration Committee has been established since March 2005. The Remuneration Committee as at the date of this report has three members comprising two INEDs, namely, Mr. CHOI Tak Fai (Chairman) and Mr. LEE Chan Wah and one Non-executive Director, namely, Mr. CHING Jason.

The terms of reference of the Remuneration Committee has been amended on 24 August 2023 to incorporate the changes brought by the amendments to the CG Code in relation to matters relating to share schemes under Chapter 17 of the Listing Rules. The latest terms of reference of the Remuneration Committee are available on the websites of the Company and HKEX.

The primary duties of the Remuneration Committee include:

- (a) To establish formal and transparent procedures and structure in developing staff remuneration policies.
- (b) To review and make recommendations to the Board on remuneration packages of the Directors, taking into consideration such factors like salaries and compensation packages paid by comparable companies, time commitment and responsibilities required of Directors.
- (c) To review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

The Remuneration Committee held four meetings during the year ended 31 December 2025. Attendance of Remuneration Committee member at such meeting was:

Name of Director	Attendance	Name of Director	Attendance
Mr. ONG Ka Thai <i>(Resigned on 29 January 2025)</i>	0/0	Mr. ZHAO Tian <i>(ceased to be member on 25 March 2025)</i>	0/1
Dr. HUA Min <i>(Retired on 27 June 2025)</i>	0/2	Ms. LAU Mei Suet <i>(Resigned on 30 January 2026)</i>	2/4
Mr. Ching Jason <i>(Appointed on 25 March 2025)</i>	2/2	Mr. YICK Wing Fat Simon <i>(Resigned on 14 February 2025)</i>	0/1
Mr. CHOI Tak Fai <i>(Chairman)</i> <i>(Appointed on 14 February 2025)</i>	2/3	Mr. LEE Chan Wan <i>(Appointed on 30 January 2026)</i>	N/A

During the year, the Remuneration Committee reviewed current remuneration policies of the Company for its staff and of its Directors by reference to market comparables, and made recommendations for the Board. During the year, the Remuneration Committee has also reviewed and recommended for the Board’s approval the letter of appointment and remuneration package regarding the appointment of new directors.

CORPORATE GOVERNANCE REPORT

NOMINATION COMMITTEE

The Company's Nomination Committee, established in February 2012, as at the date of this report comprises two INEDs, namely Mr. CHOI Tak Fai, Mr. WONG Albert Ka Wah and one Non-executive Director namely Ms. SHIH Mei Ling (Chairlady). Its latest terms of reference are available on the websites of the Company and HKEX.

The primary duties of the Nomination Committee include:

- (a) To review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and to make recommendations to the Board with regard to any proposed changes.
- (b) To identify and nominate suitably qualified individuals for appointment as additional Directors or fill Board vacancies as and when they arise, in accordance with the Director Nomination Policy of the Company.
- (c) To assess the independence of INEDs.
- (d) To report its decisions and make recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning of Directors.

The Nomination Committee has adopted a set of nomination procedures for selection of candidates for directorship of the Company by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the Company's needs and other relevant statutory requirements and regulations. In carrying out the responsibility for identifying suitably qualified candidates to become members of the Board, the Nomination Committee will give adequate consideration to the Board Diversity Policy and the Director Nomination Policy.

The Nomination Committee held four meetings during the year ended 31 December 2025. Attendance of Nomination Committee member at such meeting was:

Name of Director	Attendance
Dr. HUA Min (<i>Retired on 27 June 2025</i>)	1/2
Mr. ONG Ka Thai (<i>Resigned on 29 January 2025</i>)	0/0
Mr. YICK Wing Fat Simon (<i>Resigned on 14 February 2025</i>)	0/1
Ms. LAU Mei Suet (<i>Resigned on 30 January 2026</i>)	3/4
Ms. SHIH Mei Ling (<i>Chairlady</i>) (<i>Appointed as chairlady on 30 January 2026</i>)	N/A
Mr. CHOI Tak Fai (<i>Appointed on 14 February 2025</i>)	3/3
Mr. WONG Albert Ka Wah (<i>Appointed on 26 September 2025</i>)	0/1

During the year, the Nomination Committee reviewed current Board structure, size and composition, assessed the independence of the INEDs, considered the qualifications of the retiring Directors standing for election at the annual general meeting, reviewed the training and continuous professional development of the Directors and professional staff. During the year, the Nomination Committee has also reviewed and made recommendations to the Board on the nomination of new director.

CORPORATE GOVERNANCE REPORT

INVESTMENT COMMITTEE

The Investment Committee has been established pursuant to Article 109A(a) of the Articles of Association of the Company. The Investment Committee as at the date of this report comprises of Mr. CHING Jason and Ms. SHIH Mei Ling (Non-executive Directors) and Mr. CHOI Tak Fai (Independent Non-executive Director). The latest terms of reference of the Investment Committee are available on the websites of the Company and HKEX.

The Company has delegated its investment management services to the Investment Manager pursuant to an investment management and administration agreement (as amended and/or supplemented from time to time) prior to the termination of the agreement on 7 May 2025. In addition, fund allocation to the listed securities investment has been reviewed and approved by the Board on annual basis. The Company's investments which are recommended and reviewed by the Investment Manager's investment committee on regular basis, had been reviewed and fully discussed in the Board meetings held during the year. In this regard, no meeting was held by the Investment Committee during the year.

SHAREHOLDERS AND INVESTORS ENGAGEMENT

The Company considers that effective communication with Shareholders is essential in enhancing investor relations and investor understanding of the Company's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. Executive Director, Non-executive Director, INEDs and Chairman of respective Board committees (or their delegates) make themselves available at the annual general meetings to meet Shareholders and answer their enquiries.

Shareholders' Communication Policy

To promote effective communication, the Company has established a Shareholders' Communication Policy setting out relevant contact details and the Company's procedures in providing Shareholders with prompt and equal access to publicly available information of the Company. The Board conducts annual review of the Shareholders' Communication Policy and revises it from time to time to ensure its effectiveness. The latest policy has been published on the Company's website <http://shanghaigrowth.etnet.com.hk>. During the year, works conducted in accordance with the Shareholders' Communication Policy are as follows:

- Disclosed detailed information in results announcements, annual report, interim report and other corporate announcements to facilitate effective communication
- Met and maintained dialogue with the Shareholders through annual general meeting and/or other general meeting
- Continuously updated the information on the Company's website, where the latest information and published financial results, corporate governance practices and other information were posted
- Reviewed the Shareholders' Communication Policy

The Board has reviewed the implementation and effectiveness of the Shareholders' Communication Policy and is of the view that the Shareholders' Communication Policy of the Company is effective after considering the aforesaid works conducted during the year.

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS AND INVESTORS ENGAGEMENT *(Cont'd)*

Dividends Policy

The Company has set out a dividends policy which aims at achieving a balance of stability, continuity and available resources for future investments. Dividends distribution will be considered with focuses on reasonable return from investments and sufficient cash to meet future expenses and obligations. Dividends may be distributed by way of cash and/or shares. They are the profits from the realization of listed and unlisted investments, cash income earned as dividends and interest from underlying investments net of fees and costs and provisional operating expenses of the Company. Pursuant to the Company's Articles of Association, profits arising from the revaluation of investments may not be available for distribution unless it is resolved by the Board. Special dividends may be paid out of share premium account subject to special circumstances and the Board's approval.

Annual General Meeting

The Company's 2025 annual general meeting ("2025 AGM") was held on 27 June 2025. The Chairman of the 2025 AGM exercised his power under the Company's Articles of Association to put each proposed resolution to the vote by way of a poll. The procedures for conducting a poll were also explained prior to the poll being taken. All resolutions put to the Shareholders at the 2025 AGM were passed. The Company's Share Registrar was appointed as scrutineer to monitor and count the poll votes cast at the 2025 AGM. The results of the voting by poll were published on the websites of the Company and HKEX. In addition, Executive Director, Non-executive Director, INEDs and Chairman of respective Board committees (or their delegates) and the Company's external auditor attended the 2025 AGM to answer questions (if necessary).

Attendance of Directors at the 2025 AGM was:

Directors	Attendance 2025 AGM
Executive Director	
Mr. ZHAO Tian	1/1
INEDs	
Mr. ONG Ka Thai <i>(Resigned on 29 January 2025)</i>	N/A
Mr. YICK Wing Fat Simon <i>(Resigned on 14 February 2025)</i>	N/A
Dr. HUA Min <i>(Retired on 27 June 2025)</i>	1/1
Mr. CHOI Tak Fai <i>(Appointed on 14 February 2025)</i>	1/1
Ms. LAU Mei Suet <i>(Resigned on 30 January 2026)</i>	1/1
Mr. WONG Albert Ka Wah <i>(Appointed on 25 September 2025)</i>	N/A
Mr. LEE Chan Wah <i>(Appointed on 30 January 2026)</i>	N/A
Non-executive Directors	
Mr. LU Xuefang <i>(Resigned on 25 March 2025)</i>	N/A
Mr. CHING Jason <i>(Appointed on 25 March 2025)</i>	1/1
Mr. LAM Wai Tsin <i>(Appointed on 25 March 2025 and resigned on 29 August 2025)</i>	1/1
Ms. SHIH Mei Ling <i>(Appointed on 29 August 2025)</i>	N/A

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS

To safeguard Shareholder interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and HKEX after each general meeting.

Under Article 42 of the Company's Articles of Association, any one or more Shareholders holding together not less than one-tenth of the voting rights, on a one vote per share basis, of the Company, may request the Board of Directors of the Company to convene a general meeting of the Company, in accordance with the requirements and procedures set out in the Articles of Association of the Company. The objects of the meeting must be stated in the written requisition, which must be signed by the requisitionists and deposited for the attention of the Board of Directors at the registered office of the Company at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

A Shareholder who wishes to propose a resolution to be considered at a general meeting must submit a requisition the convening of a general meeting in accordance with Article 42 of the Company's Articles of Association.

Without prejudice to the foregoing, if a Shareholder wishes to propose a person other than a retiring Director for election as a director of the Company at any general meeting (including an annual general meeting), the Shareholder shall lodge a written notice of his intention to propose such person for election as a director with the Company, during a period of at least seven days commencing no earlier than the day after the dispatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting. Such written notice must be accompanied by a notice in writing signed by the person to be proposed of his willingness to be elected.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, Shareholders may send written enquiries to the Company.

Note: The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the Company's principal place of business as follows:

Address: Unit 3205, 32/F
AIA Tower
183 Electric Road
North Point, Hong Kong
(for the attention of the Board of Directors)

Fax: +852 2840 1286

For the avoidance of doubt, Shareholder(s) must send the original duly signed notice, statement or enquiry (as the case may be) to the address immediately above, while written requisition(s) to convene a general meeting must be deposited at the registered office of the Company as stated in the relevant paragraph above. Full name, contact details and identification of each Shareholder must be provided in order to give effect thereto. Shareholders' information may be disclosed as required by law.

CORPORATE GOVERNANCE REPORT

CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the year ended 31 December 2025. The amended and restated memorandum and articles of association of the Company is available on the websites of the Company and HKEX.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing its corporate governance functions as required under the CG Code and has adopted the code provision A.2.1 contained in the CG Code as the terms of reference for its corporate governance functions:

1. To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board.
2. To review and monitor the training and continuous professional development of Directors and senior management.
3. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements.
4. To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors.
5. To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

During the year, the Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and professional staff, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions by the directors of the Company (“Model Code”). The Company has made specific enquiry of all Directors of the Company regarding any non-compliance with the Model Code during the year ended 31 December 2025, all Directors confirmed that they had fully complied with the required standard set out in the Model Code.

The Company has also established written guidelines no less exacting than the Model Code (the “Employees Written Guidelines”) for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. During the year, no incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

DIRECTORS’ TRAINING

The Company provides a comprehensive, formal and tailored induction to each newly appointed Director on his/her first appointment to enable him/her to gain an understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

There are also arrangements in place in providing continuing briefing and professional development to Directors at the Company’s expense to develop and refresh their knowledge and skills. From time to time the Company Secretary updates and provides Directors with relevant reference materials, training materials on anti-corruption, anti-money laundering and counter-terrorist financing, amendments to Listing Rules and CG Code, news releases and online training from the Hong Kong Stock Exchange on any developments in statutory and regulatory regime to facilitate the discharge of their responsibilities.

CORPORATE GOVERNANCE REPORT

DIRECTORS' TRAINING *(Cont'd)*

All Directors has provided a record of their training to the Company Secretary. The individual training record of each Director during the year ended 31 December 2025 is summarised below:

Directors	Reading regulatory updates or other relevant reference materials	Attending external seminars/ conferences or webinar or online training
Executive Director		
Mr. ZHAO Tian	✓	✓
INEDs		
Mr. ONG Ka Thai <i>(Resigned on 29 January 2025)</i>	✓	✓
Mr. YICK Wing Fat Simon <i>(Resigned on 14 February 2025)</i>	✓	✓
Dr. HUA Min <i>(retired on 27 June 2025)</i>	✓	✓
Ms. LAU Mei Suet <i>(resigned on 30 January 2026)</i>	✓	✓
Mr. CHOI Tak Fai	✓	✓
Mr. WONG Albert Ka Wah	✓	✓
Mr. LEE Chan Wah	✓	✓
Non-executive Directors		
Mr. LU Xuefang <i>(Resigned on 25 March 2023)</i>	✓	✓
Mr. CHING Jason	✓	✓
Mr. LAM Wai Tsin <i>(Appointed on 25 March 2025 and resigned on 29 August 2025)</i>	✓	✓
Ms. SHIH Mei Ling	✓	✓

INSURANCE

The Company has arranged appropriate directors' and officers' liabilities and professional indemnity insurances coverage for the Directors and officers of the Company.

COMPANY SECRETARY

Ms. LAU Mei Suet ("Ms. LAU") has been engaged by the Company as the Company Secretary. The Company Secretary supports the Board on Board procedures, matters relating to corporate governance of the Company and relevant rules and regulatory updates.

The appointment and dismissal of the Company Secretary are subject to Board approval in accordance with the Company's Articles of Association. Directors have access to the advice and services of the Company Secretary. During the year ended 31 December 2025, Ms. LAU has fulfilled professional training requirements in compliance with Rule 3.29 of the Listing Rules.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

During the year, the Company has complied with Principle D.2 of the Corporate Governance Code by establishing appropriate and effective risk management and internal control systems. Such risks would include, amongst others, material risks in relation to Environmental, Social and Governance (“ESG”). Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described as below:

Risk Management System

The Company adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- *Identification:* Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- *Evaluation:* Analyze the possibility of occurrence of a risk event and assess the impact of risks and evaluate the risk portfolio accordingly.
- *Management:* Consider risk responses, risk management procedures and implementation effectiveness, and to ensure effective communication to the Board the on-going risk monitoring and assessment.

Based on the risk assessments conducted in 2025, the details of significant risk and the relevant risk response are highlighted as follow:

Business Risk

The Company is principally engaged in making investments in operating companies established or having significant operations in the PRC, both listed and unlisted. The performance of these investments is significantly influenced by various macroeconomic factors, including global economic conditions and specific policies enacted by the Chinese government. Currently, the global economy is experiencing a notable slowdown, largely due to persistently high interest rates, which have heightened financial pressures on emerging markets like China. The recovery of China’s economy has been inconsistent as it transitions from an investment-driven model to one that emphasizes consumption; the government has implemented stimulus measures to boost household and business confidence. Additionally, geopolitical factors such as the complex US-China trade relationship, rapid technological advancements, the depreciation of the Renminbi, rising inflation, and shifting political landscapes are all exerting pressure on financial markets. As a result, market prices for listed securities and the fair value of unlisted investments are subject to significant fluctuations, with major stock indices reflecting broader market sentiments shaped by these macroeconomic challenges. Thus, the Company’s investment strategy is closely linked to these global trends and domestic policies that collectively influence the operational landscape for businesses within China.

All these factors may have an impact on the fluctuation of security prices and return on investment, resulting in losses in the fair value of the Company’s listed investments. Despite the fact that management have formulated a proper investment strategy, sudden market fluctuations may have an adverse impact on the investment return and financial results of the Company. The Company recorded a negative return on securities investments in 2025.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

Risk Management System (Cont'd)

Risk response

The Investment Committee recommended investment decisions when necessary, in view of the changing global and local stock market, political issues and government policies. Daily investment portfolio was prepared and distributed to members of the Investment Committee for review, with alert level set for different listed securities. Besides, policies and procedures of investment management governing the securities trading activities were reviewed and updated regularly. As for unlisted investment, the Investment Committee followed up closely with the management and performance of the investee company, valuation was prepared half-yearly using valuation techniques and when necessary by independent professionals. Price risk and valuation risk are being monitored on a continuous basis.

Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) 2013 framework. The framework enables the Company to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follow:

- *Control Environment:* A set of standards, processes and structures that provide the basis for carrying out internal control across the Company.
- *Risk Assessment:* A dynamic and iterative process for identifying and analyzing risks to achieve the Company's objectives, forming a basis for determining how risks should be managed.
- *Control Activities:* Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- *Information and Communication:* Internal and external communication to provide the Company with the information needed to carry out day-to-day controls.
- *Monitoring:* Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL *(Cont'd)*

Internal Control System (Cont'd)

To enhance the Company's system in handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Company adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Company enters into significant negotiations.
- Executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.
- Until an announcement is made, the Company's Directors and management must ensure that all information is kept strictly confidential. Where the Company believes that the necessary degree of confidentiality cannot be maintained or the confidentiality may have been breached, an announcement will be made as soon as practicable.

Based on the internal control reviews conducted in 2025, no significant control deficiency was identified.

Internal Auditors

The Company engages a professional consultancy firm consisting a number of professional consultants with relevant expertise (such as Certified Public Accountant) to carry out Internal Audit ("IA") function. The IA function is independent of the Company's daily operation which carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness.

An IA plan has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted semi-annually and the results are reported to the Board via Audit Committee afterwards.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL *(Cont'd)*

Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Company and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board's reviews, which include but not limited to (i) the changes in the nature and extent of significant risks (including ESG risks) since the last annual review, and the Company's ability to respond to changes in its business and the external environment, (ii) the scope and quality of management's ongoing monitoring of risks (including ESG risks) and of the internal control systems, and (iii) the disclosure requirements under CG Code.

The Board, through its review and the review made by IA function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Board acknowledges its responsibilities for the preparation of financial statements of the Company and ensures that they are prepared in accordance with statutory requirements and applicable accounting standards. The Board also ensures the timely publication of such financial statements.

The Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Company's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

AUDITOR'S REMUNERATION

The statement of the external auditor of the Company, Wilson & Partners CPA Limited, with regard to its reporting responsibilities on the Company's financial statements, is set out in the Independent Auditor's Report on pages 60 to 64.

For the year ended 31 December 2025, services provided to the Company by its external auditor and the respective fees paid were:

	2025 US\$
Audit services	30,526
Taxation compliance and other services	—
	<hr/> <hr/>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company is pleased to present its Environmental, Social and Governance (“ESG”) Report (“ESG Report”) for the reporting period from 1 January 2025 to 31 December 2025 (the “Year”). This ESG Report demonstrates the Company’s commitment to sustainable development as well as corporate social responsibility.

SCOPE OF THE REPORT

The ESG Report focuses on the environmental and social performance of the entire business of the Company. Unless otherwise specified, the reporting boundary of this ESG Report is the same as this Annual Report. The environmental key performance indicators (“KPIs”) is based on the daily operation of the Company in the office in Hong Kong. As for the information on corporate governance, please refer to the Corporate Governance Report on pages 15 to 33 of this Annual Report.

REPORTING FRAMEWORK

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code as set out in Appendix C2 of the Listing Rules issued by the Stock Exchange of Hong Kong, and in compliance with the “comply or explain” reporting principle.

REPORTING PRINCIPLES

The content of the ESG Report is determined through stakeholder engagement and materiality assessment process, which includes identifying ESG-related issues, collecting and reviewing the management and stakeholders’ opinions, assessing the relevance and materiality of the issues and preparing and validating the information reported. The ESG Report covers all key issues that are concerned by different stakeholders.

Quantitative environmental and social KPIs are disclosed in the ESG Report so that stakeholders are able to have a comprehensive understanding of the Company’s ESG performance. Information of the standards, methodologies, references and source of key emission of these KPIs are stated wherever appropriate. To enhance comparability of the ESG performance between years, the Company has strived to adopt consistent reporting and calculation methodologies as far as reasonably practicable. For any changes in methodologies, the Company has presented and explained in details in the corresponding sections.

INFORMATION AND FEEDBACK

Your opinions are highly valued by the Company. Should you have any advice or suggestions, please feel free to contact the Company by mail to Unit 3205, 32/F, AIA Tower, 183 Electric Road, North Point, Hong Kong.

ESG BOARD STATEMENT

The Board holds overall responsibility for the Company’s ESG strategy, climate-related disclosures, and sustainability reporting. Supported by the Audit Committee, we oversee ESG performance, monitor regulatory compliance, and formally adopt the annual ESG Report. We believe that robust ESG practices are essential for driving long-term business value and investment returns.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG BOARD STATEMENT *(Cont'd)*

To effectively mitigate sustainability risks, the Board actively participates in annual stakeholder engagement exercises. This hands-on approach allows us to formally evaluate, prioritize, and manage material ESG issues that impact our operations. We also continuously review our communication channels to ensure transparent and effective dialogue with all key stakeholders.

We are committed to embedding environmental and social factors into our core business operations and investment portfolio decisions. To ensure our ESG measures remain effective, the Board annually evaluates our action plans and operational strategies. We also consistently review our overall progress against established sustainability goals and targets to ensure long-term alignment.

STAKEHOLDER ENGAGEMENT

The Company believes that the involvement and continuous support of our stakeholders are crucial to the long term development of the business. Through engaging with stakeholders, the Company could make continuous improvement to set out effective and feasible sustainable development goals and strategies. Therefore, the Company has adopted multiple means of communications which allow stakeholders from different aspects, including the government and regulators, shareholders, business partners, employees and the community, to express opinions and raise suggestions. In response, the Company would address their concerns in a timely manner through various communication channels, such as Annual and Interim Reports, ESG Reporting, Company's website and meetings with the stakeholders.

In the future, the Company will continue enhancing the level of stakeholder engagement so as to collect stakeholders' opinions more comprehensively towards the Company's business and ESG strategies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT (Cont'd)

Materiality Assessment

In view of the relevance and validity of this ESG report with the Company's environmental and social performance, the Company has conducted a materiality assessment to identify ESG issues that are material to the business of the Company and its stakeholders. The assessment is based on stakeholder surveys, and materiality maps provided by well-known external institutions¹. The material ESG issues as identified are shown as follows:

Employment and Labour Practices

Employment Compliance

Employee Welfare

Training and Development

Diversity and Equal Opportunity

Occupational Health and Safety

Operating Practices

Operational Compliance

Quality Management

Business Ethics

SOCIAL

The Company values employees as important asset. It has provided comprehensive employment policies to protect employees' rights and benefits. It also complies with various employment related laws and regulations in Hong Kong, including but not limited to the Discrimination Ordinances (sex, disability, family status and race), Employment Ordinance, Minimum Wage Ordinance, Employees' Compensation Ordinance and Occupational Safety and Health Ordinance.

As at 31 December 2025, the Company had 7 employees, all of whom were full-time staff based in Hong Kong. During the Year, the employee turnover rate across all categories was 0%.

Workforce Data	2025	2024
Total workforce	7	1
By Gender		
Male	4	0
Female	3	1
By Employee Category		
Senior management	6	1
Middle management	1	0
Junior-level employees	0	0
By Age Group		
30 and below	0	0
31–40	3	0
41–50	2	0
51 and above	2	1

¹ The materiality maps referenced in the materiality assessment include the ESG Industry Materiality Map and the SASB Materiality Map produced respectively by Morgan Stanley Capital International (MSCI) and the Sustainability Accounting Standards Board (SASB).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

EQUAL EMPLOYMENT OPPORTUNITIES

The Company strives to provide an equal and transparent working environment for all staff members. Thus, the recruitment and promotion is solely based on the candidates' performance, experience, qualifications, capability and relevant objective criteria. The Company also undertakes to provide equal employment opportunities irrespective of age, sex, race, religious affiliation, sexual orientation and other factors.

Child labour and forced labour are strictly prohibited in the Company. In order to prevent such practices, various internal policy are implemented, such as checking applicants' identity card and other certificates to confirm their ages, identities and experience. Once such practice is discovered, the Company would investigate the case thoroughly and dismiss relevant employees immediately. The Company also considers each dismissal and resignation seriously. Exit interviews would be conducted with the employees so as to provide the Company with feedback to reduce turnover in the future.

REMUNERATION AND WELFARE

The Company offers competitive salary and benefits to employees. All employees enjoy comprehensive remuneration package including Mandatory Provident Fund benefits and discretionary bonus which is based on the competencies, experience, skills and qualifications required for the specific post. The Company highly values the work-life balance of employees that a five-day work week arrangement to ensure they can enjoy enough rest and leisure time. Employees also enjoy full-paid annual leave benefit, maternity leave and so on beyond the statutory holidays. To encourage continuous study and development, the employees are reimbursed with continuous professional training fees.

HEALTH AND SAFETY

As a responsible company, health and safety of employees is of utmost importance when it comes to sustaining the business operation. Therefore, the Company strictly complies with the Occupational Safety and Health Ordinance, as well as implements different internal policies that emphasize the importance of occupational safety and health, such as prohibit smoking at work premises. The Company has also established a clear and effective system for reporting hazards, injuries and illness, the management would thus respond to all reports of unsafe and unhealthy workplace environment as soon as possible. Besides, the management is responsible for providing and maintaining a clean and safe working environment, safe systems of work, machines and facilities in good condition and any measures needed to ensure all staff are safe from injury at work. Moreover, all staff are required to attend fire and evacuation drills, which are arranged by the premises, regularly to better prepare for any emergency.

In the past three years, the Company has no identified work-related fatalities and work injuries, hence no lost day due to work injury.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

DEVELOPMENT AND TRAINING

The Company strongly supports its staff in developing and enhancing their professional knowledge to navigate the evolving financial market and strict regulatory compliance landscape. We actively encourage our team members to participate in external professional seminars, workshops, and courses to continuously strengthen their industry expertise and maintain their professional qualifications.

During the Year, the Company underwent significant workforce expansion, bringing on highly experienced senior and middle management professionals. Given their extensive prior expertise and the immediate operational focus on business integration, no formal internal or external training hours were recorded during the reporting period. Consequently, the percentage of employees trained and the average training hours completed were both zero across all gender and employee categories.

Looking ahead, the Company will continually evaluate the ongoing development needs of our expanded team. We plan to allocate resources for relevant professional development, compliance updates, and ESG-related training in the coming year to ensure our staff remain at the forefront of industry standards.

QUALITY MANAGEMENT

To maintain high quality of the business, the Company delegated discretionary investment management powers to the Investment Manager and its investment committee to advise on investment strategies and guideline formulation, as well as making recommendation on investment proposals and execution of investment decisions. The Investment Manager is a licensed corporation, under supervision of Securities and Futures Commission, recruited with professionals and licensed holders to perform regulated activities such as advising on securities and asset management services, as well as general administration of the Company. Representatives of the Investment Manager are also appointed members of the Board. The Company also sets up an Investment Committee to review and evaluate on significant investment proposals. The Board is responsible for overseeing and evaluating the performance of Investment Manager who reports to the Board on regular basis.

The Company has formulated a series of investment policies and procedures to meet its investment objectives. The Investment Manager shall recommend investment proposals aligned with the Company's scope of policies, strategies and guidelines determined and agreed by the Board from time to time. To avoid conflicts of interest, the Investment Manager is required to uphold fair consideration to respective investment objectives, funding capability and expected return on investments. Investment portfolio and proposed investments shall be discussed at the Investment Manager's investment committee meetings held on weekly interval. In case of unlisted investment, potential investment projects are recorded on a job log and preliminary due diligence would be conducted. As a continuous monitoring process, regular visits and communications with investee companies are essential to monitor the investment performance and understand corporate governance quality of the respective management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

BUSINESS ETHICS

The Company maintains high standards of integrity and anti-corruption and complies with the Prevention of Bribery Ordinance. All employees and Directors are required to uphold a high standard of business ethics. The Audit Committee is responsible for overseeing matters relating to anti-corruption-related internal controls. To reinforce this commitment, the Company has established a written whistle-blowing policy and relevant communication channels, through which employees may raise concerns, in confidence, about suspected improprieties directly with the Audit Committee. The policy has been approved and adopted by the Board and is clearly set out in the Company's Internal Policies and Procedures Manual. During the Year, the Directors and staff received anti-corruption training.

Despite there are no customers or clients involved due to the Company's business nature, the Company strictly respects data privacy protection on information related to its operation, such as transaction details and employees' personal information. The Company at all times maintains strict confidentiality on all information pertaining to potential investment projects as well as the investment process. A Non-Disclosure Agreement (NDA) is in place for potential investment projects to collect and protect financial data and operating information of both parties.

Besides, the Company also demonstrates its respect for intellectual property rights. Only legitimate software that complies with the license agreement is allowed to be used within the Company. Employees are also required to follow application procedures before software installation to avoid infringement of others' intellectual property rights.

COMMUNITY

The Company recognises the importance of engaging with the wider community as part of its corporate social responsibility. In respect of community investment, the Company will continue to explore opportunities to work with business partners and organisations that share its values, and to support community and environmental initiatives that contribute to a sustainable and harmonious society.

As an investment company, the Company believes it can create positive impact through its investment activities. In pursuing shared value for the community and stakeholders, the Company will continue to take ESG factors into account when evaluating and selecting investment opportunities.

ENVIRONMENTAL

Emissions

As the Company's principal business involves investment activities and does not include manufacturing or construction operations, and the Company does not operate any company vehicles, no material air emissions of nitrogen oxides ("NOx"), sulphur oxides ("SOx") or particulate matter ("PM") were generated during the Year.

The Company strives to handle waste properly to reduce its environmental impact. Waste generated from the Company's office operations mainly includes general office waste (non-hazardous waste) and used toner cartridges (hazardous waste), with used toner cartridges collected by suppliers for proper handling.

During the Year, no complete quantitative record of office waste was maintained. Although relevant waste data was available for the previous year, the Company will work to strengthen its waste data collection and reporting process going forward.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL *(Cont'd)*

Emissions (Cont'd)

To minimise waste generation, the reuse of office stationery is widely encouraged and implemented. The Company also prioritises the use of recyclable toner and ink cartridges, and regularly evaluates material usage to avoid overstocking. Looking ahead, the Company has set a target to further reduce office paper waste by promoting digital workflows and controlling paper usage requirements.

Wastes (Note (i))	2025	2024
Non-hazardous waste		
Total non-hazardous waste (kg) <i>(Note (ii))</i>	0	151
Intensity of non-hazardous waste (kg/employee)	0	151
Hazardous waste		
Total hazardous waste (kg) <i>(Note (iii))</i>	0	0.3
Intensity of hazardous waste (kg/employee)	0	0.3

Notes:

- (i) The Company's office also accommodates 6 other non-Company staff who are from its Investment Manager, which are excluded from the emissions data.
- (ii) For 2024, emissions data relating to non-hazardous waste was based on the daily estimated volume of general waste in office and the volume-to-weight conversion factors provided by the United States Environmental Protection Agency.
- (iii) For 2024, emissions data relating to hazardous waste was based on the actual weight of used toner cartridges.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

RESOURCE CONSERVATION

The Company's operations do not materially depend on natural resources, and electricity is the main resource consumed in daily operations. Although the Group's electricity and water consumption is limited, the Company recognises the importance of energy and water conservation.

During the Year, the Group's office was located in a commercial building where electricity and water consumption were centrally managed by the property management company and included in the tenancy management fee. As there was no separate sub-meter, it was not practicable for the Group to accurately collect and disclose its specific electricity and water consumption data. The Group did not encounter any issue in sourcing water that was fit for purpose in Hong Kong.

Electricity Consumption (Note (i))	2025	2024
Total electricity consumed (kWh)	0	3,839
Consumption intensity (kWh/employee)	0	3,839

Note:

- (i) The Company's office also accommodates 6 other non-Company staff who are from its Investment Manager. As such, a factor of 1/6 is used to calculate the utility consumption accounted for the Company's staff.

As the Company's operation is mainly office-based, the Company is committed to adopting eco-friendly measures at the office. For example, staff is encouraged to reduce paper consumption by double-sided printing and reusing papers printed on one side. In addition, the Company uses electronic systems to substitute paper-based office administration systems. To conserve water, staff is also encouraged to turn off the faucet when not in use, as well as check the pipes for leak regularly. The Company targets to achieve water saving by making continuous effort to reduce the use of water and make sure the water tap is turned off after use.

In terms of energy saving measures, the Company has set up a number of good office practices, such as installing a mix of LED and fluorescent lights to reduce energy consumption and maintaining the room temperature at a minimum of 25°C in summer to save energy. Besides, conference or video conference calls are always preferred instead of face-to-face meeting to reduce carbon footprint. The Company is dedicated to sustaining implementation of various energy saving measures, and reducing the use of electricity. The Company targets to achieve electricity saving and hence reduction in carbon footprint in the future by exploring eco-friendly and energy-efficient initiatives for a sustainable business.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

CLIMATE CHANGE

The Company recognises that climate change may affect its business and investment activities. As an investment company, the Company considers climate-related risks and opportunities as part of its ESG and risk management approach, in accordance with the climate-related disclosure requirements set out in Part D of the HKEX ESG Reporting Code.

Governance

The Board has overall responsibility for overseeing climate-related risks and opportunities as part of the Company's ESG governance. The Audit Committee supports the Board in reviewing relevant climate-related matters, disclosures, and related risk management, ensuring that climate considerations are integrated into the Company's overall strategy.

Strategy

As the Company is principally engaged in investment activities, it considers climate-related factors that may affect its operations, investment approach, and long-term development. The Company assesses climate risks across short-term (1-3 years), medium-term (3-5 years), and long-term (5-10 years) horizons. While the Company has not yet conducted quantitative climate-related scenario analysis due to its current size and resource capabilities, it will continue to qualitatively evaluate how climate-related risks and opportunities may influence its business resilience and investment decisions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

CLIMATE CHANGE (Cont'd)

Risk Management

The Company identifies, assesses, and reviews climate-related risks as part of its enterprise risk management process. These include physical risks, such as extreme weather events, and transition risks, such as regulatory changes and increased compliance requirements. Appropriate business continuity and communication measures are adopted when necessary to mitigate these risks.

Risk Type	Risk Description	Financial Impact	Risk Responses & Mitigations
Physical risk	<ul style="list-style-type: none"> Typhoons, heavy rain, and extreme weather 	<ul style="list-style-type: none"> Disruption to office operations and potential impact on investee companies 	<ul style="list-style-type: none"> Implement business continuity planning, communicate with service providers, and adopt flexible work arrangements
Transition risk	<ul style="list-style-type: none"> New regulations, enhanced disclosure requirements, and market shifts 	<ul style="list-style-type: none"> Higher compliance costs and changes in investment assessment criteria 	<ul style="list-style-type: none"> Ongoing monitoring of regulatory developments and integration of climate-related factors into investment review processes

Metrics and Targets

The Company measures and monitors its climate-related performance primarily through the tracking of its greenhouse gas (“GHG”) emissions. As the Company does not operate any company vehicles or on-site combustion equipment, it did not generate any direct GHG emissions (Scope 1) during the Year.

Regarding indirect GHG emissions (Scope 2) from purchased electricity, the data is currently unavailable because electricity consumption is centrally managed by the office building’s property management without an independent sub-meter. Therefore, it is not practicable to accurately calculate the Scope 2 footprint for the Year.

However, to enhance its climate disclosures, the Company has initiated the tracking of its value chain emissions (Scope 3). During the Year, the Company successfully assessed and disclosed its Scope 3 Category 2 (Capital Goods) emissions associated with office leasehold improvements.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

CLIMATE CHANGE *(Cont'd)*

Metrics and Targets (Cont'd)

Moving forward, the Company is continually reviewing its operational footprint to establish appropriate, forward-looking climate-related targets that align with its business model as an investment holding company.

GHG Emissions (Note (i))	2025	2024
Scope 1 GHG Emissions (kg CO ₂ e) <i>(Note (iii))</i>	0	0
Scope 2 GHG Emissions (kg CO ₂ e) <i>(Note (iii))</i>	0	3,109
Scope 3 GHG Emissions (kg CO ₂ e) <i>(Note (iv))</i>	9,846.15	144
Total GHG Emissions (kg CO ₂ e)	9,846.15	3,253
Emission Intensity (kg CO ₂ e/employee)	1,406.59	3,253

Notes:

- (i) The Company's office is shared with 6 staff members from its Investment Manager. To estimate the Company's share of utility consumption, a ratio of 1/6 was applied based on the number of the Company's staff stationed in the office during the relevant period. The calculation methodology is based on "Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Hong Kong Stock Exchange. The emissions data is presented in kilograms of carbon dioxide equivalent (kg CO₂e).
- (ii) Scope 1 (Direct Emissions): Scope 1 refers to direct emissions from operations owned or controlled by the Company. As the Company does not operate any vehicles or on-site combustion equipment, no Scope 1 emissions were generated during the Year.
- (iii) Scope 2 (Indirect Emissions): Scope 2 refers to energy indirect emissions from purchased electricity. The disclosed figures represent the Company's share of electricity consumed in the office. The emission factor used for the calculation was provided by HK Electric.
- (iv) Scope 3 (Other Indirect Emissions): Scope 3 refers to other indirect emissions occurring outside the Company. In 2024, this included paper waste, calculated based on the weight of paper purchased and assuming disposal at landfills. For 2025, Scope 3 includes Category 2 (Capital Goods) emissions from office leasehold improvements. This was calculated using the Spend-based Method, with the purchase amount converted to USD and multiplied by the U.S. EPA Supply Chain GHG Emission Factor for commercial building construction.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: ESG REPORTING CODE CONTENT INDEX

This report has been prepared in line with the ESG Code contained in Appendix C2 to The Rules Governing the Listing of Securities on the Stock Exchange.

Part B: Mandatory Disclosure Requirements		Location/Remarks
Governance Structure		ESG Board Statement
Reporting Principles		Reporting Principles
Reporting Boundary		Scope of the Report
Part C: “Comply or explain” Provisions		
Environmental		
A1: Emissions	General Disclosure	Emissions
A1.1	The types of emissions and respective emissions data.	No emissions from business operation.
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions
A1.5	Description of emission target(s) set and steps taken to achieve them.	Emissions
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions
A2: Use of Resources	General Disclosure	Resource Conservation
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Resource Conservation
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water resource is maintained and paid by the landlord hence data is unavailable.
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Conservation

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: ESG REPORTING CODE CONTENT INDEX *(Cont'd)*

A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Resource Conservation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Company's business does not involve packaging material.
A3: The Environment and Natural Resources	General Disclosure	Resource Conservation
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Resource Conservation
Social		
B1: Employment	General Disclosure	Equal Employment Opportunities, Remuneration and Welfare
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Social
B1.2	Employee turnover rate by gender, age group and geographical region.	Social
B2: Health and Safety	General Disclosure	Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
B2.2	Lost days due to work injury.	Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
B3: Development and Training	General Disclosure	Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
B3.2	The average training hours completed per employee by gender and employee category.	Development and Training
B4: Labour Standards	General Disclosure	Equal Employment Opportunities

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: ESG REPORTING CODE CONTENT INDEX *(Cont'd)*

B4.1	Description of measures to review employment practices to avoid child and forced labour.	Equal Employment Opportunities
B4.2	Description of steps taken to eliminate such practices when discovered.	Equal Employment Opportunities
B5: Supply Chain Management	General Disclosure	Due to the Company's business nature, it does not rely on a material supply chain. Therefore, supply chain management was identified as an immaterial issue in the materiality assessment.
B5.1	Number of suppliers by geographical region.	
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	
B6: Product Responsibility	General Disclosure	Due to the Company's business nature, it does not involve product manufacturing and provision of services, hence product health and safety, advertising, labelling and privacy matters are not relevant.
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	
B6.2	Number of products and service related complaints received and how they are dealt with.	
B6.3	Description of practices relating to observing and protecting intellectual property rights.	
B6.4	Description of quality assurance process and recall procedures.	
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	
B7: Anticorruption	General Disclosure	Business Ethics
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Business Ethics
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: ESG REPORTING CODE CONTENT INDEX (Cont'd)

Community			
B8: Community Investment	General Disclosure	Community	
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community	
B8.2	Resources contributed (e.g. money or time) to the focus area.	Community	
Part D: Climate-related Disclosures			
(I) Governance	(a) the governance body(s) or individual(s) responsible for oversight of climate related risks and opportunities; and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Climate Change	
(II) Strategy	Climate-related risks and opportunities	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; and	Climate Change
		(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
		(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
		(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: ESG REPORTING CODE CONTENT INDEX *(Cont'd)*

	Business model and value chain	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Climate Change
		(b) a description of where in the issuer's business model and value chain climate related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	
	Strategy and decision-making	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation; and	
		(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
Financial position, financial performance and cash flows			
	Current financial effect	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Climate Change
		(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: ESG REPORTING CODE CONTENT INDEX (Cont'd)

	Anticipated financial effect	(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
	Climate resilience	(a) the issuer's assessment of its climate resilience as at the reporting date; and (b) how and when the climate-related scenario analysis.	In future reports, we will conduct climate-related scenario analysis and disclose the relevant findings.
(III) Risk Management	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks; and (b) the processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.		Climate Change

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

APPENDIX: ESG REPORTING CODE CONTENT INDEX *(Cont'd)*

(IV) Metrics and Targets	Greenhouse gas emissions	Climate Change
	Climate-related transition risks	
	Climate-related physical risks	
	Climate-related opportunities	
	Capital deployment	
	Internal carbon prices	We currently do not incorporate internal carbon prices into our decision making process. We will explore the use of internal carbon prices in the future.
	Remuneration	We will explore the feasibility of enhancing our remuneration policies by incorporating climate related metrics into senior management remuneration.
	Industry-based metrics	We will review the internal information and disclose the KPIs as appropriate to ensure transparency and compliance.
Climate-related targets	Climate Change	
Applicability of cross-industry metrics and industry-based metrics	N/A	

REPORT OF THE DIRECTORS

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

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment company whose principal business is to make investments in listed and unlisted equity and debt securities as well as in other financial instruments and investment vehicles which are established or have significant operations or businesses primarily in the Greater China Region.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a description of the principal risks and uncertainties facing the Company and an indication of likely future development in the Company's business, can be found in the Board of Director's Statement and the Management Discussion and Analysis set out on pages 3 to 11 of this annual report. This discussion forms part of this Report of the Directors.

RESULTS AND DIVIDENDS

The Company's loss for the year ended 31 December 2025 and the Company's financial position at that date are set out in the financial statements on pages 65 and 66.

The Directors do not recommend the payment of any dividend in respect of the year.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Company for the last five financial years, as extracted from the audited financial statements and restated/reclassified as appropriate, is set out on page 116. This summary does not form part of the audited financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year is set out in Note 20 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

At 31 December 2025, the Company did not have any reserves available for distribution, calculated in accordance with the provisions of the Company Law (Revised) of the Cayman Islands and the Company's Articles of Association (currently in force).

REPORT OF THE DIRECTORS

DIRECTORS

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

Executive Director:

Mr. ZHAO Tian

Independent Non-executive Directors (“INEDs”):

Mr. ONG Ka Thai (*Resigned on 29 January 2025*)

Mr. YICK Wing Fat Simon (*Resigned on 14 February 2025*)

Dr. HUA Min (*Retired on 27 June 2025*)

Ms. LAU Mei Suet (*Resigned on 30 January 2026*)

Mr. CHOI Tak Fai (*Appointed on 14 February 2025*)

Mr. WONG Albert Ka Wah (*Appointed on 26 September 2025*)

Mr. LEE Chan Wah (*Appointed on 30 January 2026*)

Non-executive Directors:

Mr. LU Xuefang (*Resigned on 25 March 2025*)

Mr. CHING Jason (*Appointed on 25 March 2025*)

Mr. LAM Wai Tsin (*Appointed on 25 March 2025 and resigned on 29 August 2025*)

Ms. SHIH Mei Ling (*Appointed on 29 August 2025*)

All Directors are subject to retirement by rotation in accordance with the Company's Articles of Association. All three of the Company's INEDs are each appointed for a term of three years.

In accordance with Articles 98(b) and 98(c) of the Company's Articles of Association, Mr. ZHAO Tian will retire by rotation at the 2026 AGM.

In accordance with Article 93 of the Company's Articles of Association, Ms. SHIH Mei Ling who was appointed by the Board as a Non-executive Director on 29 August 2025, and Mr. WONG Albert Ka Wah and Mr. LEE Chan Wah who were appointed by the Board as INEDs on 26 September 2025 and 30 January 2026 respectively, will retire and, being eligible, offer themselves for re-election at the 2025 AGM.

The Company has received annual confirmations of independence pursuant to Rule 3.13 of the Listing Rules from all INEDs and as at the date of this report still considers them to be independent.

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors of the Company are set out on pages 12 to 14 of the annual report.

REPORT OF THE DIRECTORS

CHANGE IN DIRECTORS' INFORMATION

There were no change of Director's information since the publication of the Company's 2025 Interim Report pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' SERVICE CONTRACTS

The INEDs of the Company each has a service contract with the Company for a term of three years. Mr. Choi Tak Fai's current service contract commenced on 14 February 2025, Mr. Wong Albert Ka Wah's current services contract commenced on 26 September 2025 and Mr. LEE Chan Wah's current service contract commenced on 30 January 2026. All of them are subject to termination by either party giving not less than one month's written notice.

In compliance with Code Provision C.3.3 of CG Code, Executive Director and other Non-executive Directors have also executed respective service contracts with the Company for an indefinite term. They are, however, subject to retirement by rotation at least once every three years pursuant to the Company's Articles of Association.

None of the Directors proposed for re-election at the forthcoming annual general meeting has entered into any service contracts with the Company that are not determinable by the Company within one year without payment of compensation (other than statutory compensation).

PERMITTED INDEMNITY PROVISION

The Company's Articles of Association provides that every Director shall be entitled to be indemnified out of the funds of the Company against all losses or liabilities which they may sustain or incur in or about the execution of the duties of their office otherwise in relation thereto. A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the year ended 31 December 2025. The Company has maintained liability insurance to provide appropriate cover for the Directors of the Company.

DIRECTORS' REMUNERATION

Directors' remuneration is subject to Shareholders' approval at general meeting, which is determined by the Company's Board of Directors with reference to Directors' duties, responsibilities and performance and the results of the Company.

REPORT OF THE DIRECTORS

INVESTMENT MANAGEMENT AND ADMINISTRATION AGREEMENT AND CONTINUING CONNECTED TRANSACTIONS

The Company's investment portfolio was managed by SIIC Capital (Hong Kong) Investment Management Company Limited (formerly known as "Shanghai International Asset Management (Hong Kong) Company Limited") (the "Investment Manager"), in accordance with the terms and conditions of an investment management and administration agreement (the "Investment Management Agreement") between the Company and the Investment Manager dated 12 November 1993, as supplemented by supplemental agreements dated 22 January 2001, 12 September 2001, 3 November 2003, 11 April 2005, 28 March 2008, 28 March 2011, 19 March 2014, 23 March 2017, 17 March 2020 and 22 March 2023 respectively (collectively referred to as the "Supplemental Agreements") until the termination of Investment Management Agreement on 7 May 2025. For the aforesaid continuing connected transaction, certain details are disclosed below in compliance with the requirements of Chapter 14A of the Listing Rules. In accordance with the terms of the agreements, the Investment Manager is entitled to receive management fee inclusive of administration fee and an incentive fee.

The investment management and administration fee is calculated in United States dollars ("US\$") and payable quarterly in advance, at the rate of 0.5% per quarter of the net asset value (calculated before deduction of fees payable to the Investment Manager, the investment adviser and the custodian for that quarter) of the Company calculated on the last business day of the previous quarter.

The Investment Manager shall be entitled to an Incentive Fee equal to twenty per cent (20%) of the amount by which the Net Asset Value as at 31 December in the year for which the Incentive Fee is being calculated exceeds the High Water Mark. The definition of "High Water Mark" was revised under the Eighth Supplemental Agreement. High Water Mark means the highest Net Asset Value as at 31 December in any year from the year ended 31 December 2016 in which the Incentive Fee was accrued other than the applicable Calculation Year, less the Dividend Amount. The Net Asset Value as at 31 December 2016 (being US\$8,182,713) shall be the initial High Water Mark ("Initial High Water Mark").

For illustration purpose only, assuming the Net Asset Value as at 31 December 2017 (having taken into account any New Capital and/or Share Repurchase) ("2017 NAV") exceeds the Initial High Water Mark, the Incentive Fee for the year ended on 31 December 2017 would be calculated as follows:

$$2017 \text{ Incentive Fee} = 20\% \times (2017 \text{ NAV} - \text{Initial High Water Mark})$$

The 2017 NAV will then be the new High Water Mark for the purposes of calculating the Incentive Fee (if any) payable in respect of the Calculation Year ended December 2018 and thereafter until the High Water Mark is reached.

REPORT OF THE DIRECTORS

INVESTMENT MANAGEMENT AND ADMINISTRATION AGREEMENT AND CONTINUING CONNECTED TRANSACTIONS *(Cont'd)*

On 22 March 2023, the Company and the Investment Manager entered into the Tenth Supplemental Agreement, which was approved by the independent Shareholders of the Company at the annual general meeting held on 17 May 2023. The terms were amended as follows:

- (1) The investment procedure of the Investment Manager under the Investment Management Agreement has been amended for the purpose of aligning with the investment policy of the Company.
- (2) The appointment of the Investment Manager under the Investment Management Agreement shall be extended for a term of three years commencing from 1 July 2023 to 30 June 2026. The Investment Manager shall be entitled to resign its appointment under the Investment Management Agreement, and the Company may by resolution of the Board terminate the appointment of the Investment Manager, in either case by giving not less than two months' prior notice in writing to the Company or the Investment Manager (as the case may be).
- (3) The maximum amount of fees payable to the Investment Manager under the Investment Management Agreement (including the aggregate of the Management and Administration Fee and the Incentive Fee (if payable)) shall be revised to the following amounts over the term of the Tenth Supplemental Agreement:

Period	Amount <i>(Note)</i>
From 1 July 2023 to 31 December 2023 inclusive	US\$30,000 (approximately HK\$234,000)
For the year 2024	US\$61,000 (approximately HK\$475,800)
For the year 2025	US\$67,000 (approximately HK\$522,600)
From 1 January 2026 to 30 June 2026 inclusive	US\$36,000 (approximately HK\$280,800)

Note: For illustration purpose only, US\$ is converted into HK\$ at the rate of US\$1 to HK\$7.8. No representation is made that any amounts in US\$ has been or could be converted at the above rate or at any other rates.

Each of the above amounts is referred to as the "New Cap" or collectively, as the "New Caps". Other than the above amendments, the other terms of the Investment Management Agreement remained the same.

In the event that the total fees payable to the Investment Manager (consisting of the Management and Administration Fee and, if any, the Incentive Fee) for each of the periods covered by the Tenth Supplemental Agreement exceed the corresponding New Cap, the Company will have to re-comply with the relevant provisions under Chapter 14A of the Listing Rules, including without limitation, making a further announcement and obtaining further approval from its independent Shareholders.

REPORT OF THE DIRECTORS

INVESTMENT MANAGEMENT AND ADMINISTRATION AGREEMENT AND CONTINUING CONNECTED TRANSACTIONS *(Cont'd)*

During the year ended 31 December 2025, investment management and administration fees of US\$7,820 were paid to the Investment Manager, no incentive fee was entitled during the relevant period.

The INEDs of the Company have reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms or on terms no less favourable to the Company than terms available to or from independent third parties; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

Wilson & Partners CPA Limited, the Company's auditor, were engaged to report on the Company's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Wilson & Partners CPA Limited have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Company in accordance with Rule 14A.56 of the Listing Rules.

During the year ended 31 December 2025, Mr. ZHAO Tian and Mr. LU Xuefang were also directors of the Investment Manager.

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

None of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as at 31 December 2025.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS

No Director nor a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Company to which the Company was a party during the year.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

None of the Directors or their spouses or children under the age of 18 had any right to subscribe for securities of the Company, or had exercised any such right during the year.

At no time during the year was the Company 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.

REPORT OF THE DIRECTORS

CONTRACTS OF SIGNIFICANCE

No contracts of significance in relation to the Company's business in which the Company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

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

At 31 December 2025, as far as the Directors were aware, the following entities or persons had interests and short positions of 5% or more of the issued shares and underlying shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the ordinary shares of US\$0.10 each of the Company

Name	Capacity	Number of shares	Percentage of total issued shares	Notes
Mr. CHING Jason	Held by controlled corporation	1,884,792	14.70%	(1)
Ms. SHIH Mei Ling	Held by controlled corporation	1,550,200	12.09%	(2)
Rosebrook Opportunities Fund LP	Investment manager	1,216,701	9.49%	

Notes:

- (1) Mr. CHING Jason's indirect interest in the Company were 1,884,792 shares by virtue of his 100% control over Embition Holdings Limited.
- (2) Ms. SHIH Mei Ling's indirect interest in the Company was 1,550,200 shares by virtue of her 100% control over JS Legend Limited.

Save as disclosed above, as at 31 December 2025, no person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

MAJOR CUSTOMERS AND SUPPLIERS

A substantial portion of the Company's income is derived from the Company's investments and bank deposits and the disclosure of information regarding customers would not be meaningful. The Company has no major suppliers requiring disclosure.

REPORT OF THE DIRECTORS

EMOLUMENT POLICY

The emolument policy of the employees of the Company is set up by the Remuneration Committee based on the employee's credential qualifications and competence. In addition, the emoluments of all Directors are decided by the Board of Directors, having regard to the Company's operating results, individual performance and comparable market statistics.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year, the Company did not purchase, sell or redeem any of the Company's listed securities (including sale of treasury shares).

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, there is sufficient public float of at least 25% of the Company's total number of issued shares was held by the public as at the date of this report.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year and up to the date of this report, no Director is considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Company, as defined in the Listing Rules.

AUDITOR

Ernst & Young has been appointed as the Company's auditor since 28 June 2011 and resigned as the Company's auditor with effect from 28 November 2025. Wilson and Partners CPA Limited ("WPCPA") was appointed as the Company's auditor on 5 December 2025. WPCPA retires and, being eligible, offers itself for reappointment. A resolution for reappointment of WPCPA as auditor of the Company is to be proposed at the forthcoming AGM.

On behalf of the Board

Shanghai International Shanghai Growth Investment Limited

ZHAO Tian

Executive Director

Hong Kong, 30 March 2026

INDEPENDENT AUDITOR'S REPORT



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Independent auditor's report

To the shareholders of Shanghai International Shanghai Growth Investment Limited

(An exempted company incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Shanghai International Shanghai Growth Investment Limited (the "Company") and its subsidiary (collectively referred to as the "Group") set out on pages 65 to 115, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS *(Continued)*

Key audit matter	How our audit addressed the key audit matter
<p>Existence and valuation of financial assets at fair value through profit or loss</p> <p>We identified the existence and valuation of financial assets at fair value through profit or loss as a key audit matter due to its significance to the consolidated financial statements.</p> <p>As at 31 December 2025, the financial assets at fair value through profit or loss comprises of listed equity investments traded in Hong Kong Stock Exchange, which in aggregate valued at US\$366,221, representing 49% of the net asset value of the Group.</p> <p>We focused on this area because the financial assets at fair value through profit or loss represented the significant element of the consolidated financial statements.</p> <p>Disclosures in respect of the financial assets at fair value through profit or loss are set out in Notes 17 and 26 to the consolidated financial statements.</p>	<p>Our procedures in relation to the existence and valuation of financial assets at fair value through profit or loss included:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the key controls over the existence and valuation of financial assets at fair value through profit or loss. • Obtaining independent confirmations from the custodian and trustee of the financial assets at fair value through profit or loss held as at 31 December 2025 and agreed the quantities held to the Group's accounting records. • Testing the valuation of the financial assets at fair value through profit or loss by independently agreeing the valuation of financial assets to third-party sources as at 31 December 2025. • Assessing the adequacy of disclosures relating to the financial assets at fair value through profit or loss in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

OTHER MATTER

The financial statements of the Company for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 19 March 2025.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises 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.

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

INDEPENDENT AUDITOR'S REPORT

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law 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 director on the audit resulting in this independent auditor's report is Fong Ka Wing.

Wilson & Partners CPA Limited

Certified Public Accountants

Fong Ka Wing

Practising Certificate Number: P08471

Hong Kong

30 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 US\$	2024 US\$
Net (loss) gain on financial assets at fair value			
through profit or loss	6	(346,349)	53,870
Investment income	7	6,267	21,880
Other gain and loss	8	(4,917)	2,816
Administrative expenses		(501,737)	(436,064)
Finance costs	9	(14,555)	–
LOSS AND TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	10	(861,291)	(357,498)
			(Restated)
LOSS PER SHARE	15		
– Basic		US(6.07) cents	US(2.77) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Notes	2025 US\$	2024 US\$
NON-CURRENT ASSET			
Property, plant and equipment	16	38,478	–
CURRENT ASSETS			
Deposits paid for acquisition of financial assets at fair value through profit or loss (“FVTPL”)		256,535	–
Prepayments, deposits and other receivables		177,863	45,975
Financial assets at FVTPL	17	437,410	137,489
Cash and cash equivalents	18	194,816	1,064,658
		1,066,624	1,248,122
CURRENT LIABILITIES			
Other payables and accruals		46,077	21,241
Amount due to the Investment Manager	22(c)	–	29,147
Borrowings	19	318,582	–
		364,659	50,388
NET CURRENT ASSETS			
		701,965	1,197,734
NET ASSETS			
		740,443	1,197,734
CAPITAL AND (DEFICITS) RESERVES			
Share capital	20	1,282,320	1,068,600
Other reserves and accumulated losses		(541,877)	129,134
Total equity attributable to equity holders of the Company		740,443	1,197,734
NET ASSET VALUE PER SHARE			
	21	0.06	0.11

The consolidated financial statements on pages 65 to 115 were approved and authorised for issue by the board of directors on 30 March 2026 and are signed on its behalf by:

ZHAO Tian
Director

CHING Jason
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital US\$	Share premium US\$	Capital reserve US\$ (Note)	Accumulated losses US\$	Total US\$
At 1 January 2024	1,068,600	12,921,815	(5,832,960)	(6,602,223)	1,555,232
Loss and total comprehensive expense for the year	–	–	–	(357,498)	(357,498)
Reclassification of accumulated net unrealised gain (loss) on change in fair value of financial assets at FVTPL (Note)	–	–	5,837,201	(5,837,201)	–
At 31 December 2024	1,068,600	12,921,815	4,241	(12,796,922)	1,197,734
Loss and total comprehensive expense for the year	–	–	–	(861,291)	(861,291)
Issue of shares upon placing (Note 20)	213,720	190,280	–	–	404,000
Reclassification of accumulated net unrealised gain (loss) on change in fair value of financial assets at FVTPL (Note)	–	–	(352,815)	352,815	–
At 31 December 2025	1,282,320	13,112,095	(348,574)	(13,305,398)	740,443

Note: Pursuant to the Company's Amended and Restated Memorandum and Articles of Association passed on 29 November 2022, profits arising from the realisation of investments shall be available for distribution as dividends. Profits arising from revaluation of investments may be available for distribution as dividends only at the discretion of the board of directors. As a result, a net unrealised gain (loss) on change in fair value of financial assets at FVTPL is transferred from accumulated losses to the capital reserve.

During the year ended 31 December 2025, a net unrealised loss on change in fair value of financial assets at FVTPL of US\$352,815 was transferred from accumulated losses to the capital reserve (2024: net unrealised gain of US\$5,837,201).

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 US\$	2024 US\$
OPERATING ACTIVITIES			
Loss for the year		(861,291)	(357,498)
Adjustments for:			
Interest income		(217)	(6,485)
Dividend income		(6,050)	(15,395)
Net loss (gain) on financial assets at fair value through profit or loss		346,349	(53,870)
Finance costs		14,555	–
Operating cash flows before movements in working capital		(506,654)	(433,248)
(Increase) decrease in financial assets at FVTPL		(646,270)	383,290
Increase in prepayments, deposits and other receivables		(131,888)	(2,878)
Increase in deposit paid for acquisition of financial assets at FVTPL		(256,535)	–
Increase (decrease) in other payables and accruals		24,836	(22,939)
(Decrease) increase in an amount due to the Investment Manager		(29,147)	1,154
Cash used in operations		(1,545,658)	(74,621)
Interest received		217	6,485
Dividend received		6,050	15,395
Net cash used in operating activities		(1,539,391)	(52,741)
CASH USED IN INVESTING ACTIVITY			
Purchase of property, plant and equipment		(38,478)	–
FINANCING ACTIVITIES			
Proceeds from issue of shares	20	404,000	–
Proceeds from margin financing		349,596	–
Repayment of margin financing		(31,014)	–
Interest paid		(14,555)	–
Net cash from financing activities		708,027	–
NET DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		1,064,658	1,117,399
CASH AND CASH EQUIVALENTS AT END OF YEAR			
		194,816	1,064,658
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances	18	194,816	1,064,658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

Shanghai International Shanghai Growth Investment Limited (the “Company”) is incorporated in the Cayman Islands as an exempted company with limited liability and the Company’s shares with stock code 770 are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office address of the Company is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business is Unit 3205, 32/F, AIA Tower, 183 Electric Road, North Point, Hong Kong.

During the year ended 31 December 2025, the Company established its first and only subsidiary. Accordingly, consolidated financial statements have been prepared for the current year. The comparative financial information presented for the year ended 31 December 2024 reflects only the Company’s standalone financial statements, as no subsidiaries existed in that period.

The consolidated financial statements are presented in United States dollars (“US\$”), which is the same as the functional currency of the Company.

The Company is an investment company whose principal business is to make investments in listed and unlisted equity and debt securities as well as in other financial instruments and investment vehicles which are established or have significant operations or businesses primarily in the Greater China Region.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to a HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (Continued)

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

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

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (Continued)

New and amendments to HKFRS Accounting Standards in issue but not yet effective (Continued)

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments (Continued)

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 Financial Instruments: Disclosures in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The amendments are required to be applied retrospectively, with specific exceptions. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS *(Continued)*

New and amendments to HKFRS Accounting Standards in issue but not yet effective (Continued)

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Revenue recognition

Dividend income from investments in listed securities including financial assets at fair value through profit or loss ("FVTPL") is recognised when the shareholders' rights to receive payment have been established.

Interest income from financial assets is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Other income is recognised whenever it is received or receivable.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases office premises that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. US\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans including the Long Service Payment ("LSP") under the Hong Kong Employment Ordinance, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. In determining the present value of the Group's defined benefit obligations and the related current service cost and, where applicable, past service cost, the Group attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than earlier years, the Group attributes the benefit on a straight-line basis from:

- (a) the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service) until; and
- (b) the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Employee benefits (Continued)

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit/(loss) before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investment in a subsidiary, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Taxation (Continued)

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than freehold lands and construction in progress as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Leasehold improvement in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Property, plant and equipment *(Continued)*

Depreciation is recognised so as to write off the cost of assets other than properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment on property, plant and equipment

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Impairment on property, plant and equipment (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest/dividend income which are derived from the Group's ordinary course of business are presented as investment income.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a designated and effective hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Classification and subsequent measurement of financial assets *(Continued)*

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the “investment income” line item.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under ECL model on financial assets (including deposits paid for acquisition of financial assets at FVTPL, deposits and other receivables and cash and cash equivalents) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of past events and current conditions at the reporting date as well as the forecast of future economic conditions.

For all instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 *(Continued)*

(i) Significant increase in credit risk *(Continued)*

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 *(Continued)*

(i) Significant increase in credit risk *(Continued)*

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.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

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

(iii) Credit-impaired financial assets

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

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 *(Continued)*

(iii) Credit-impaired financial assets *(Continued)*

- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets subject to impairment assessment under HKFRS 9 *(Continued)*

(v) Measurement and recognition of ECL *(Continued)*

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount through a loss allowance account.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item (Note 8) as part of the net foreign exchange gains/(losses);
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gain and loss' line item as part of the gain/(loss) from changes in fair value of financial assets (Note 8);

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

3.2 *Material accounting policy information (Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Perpetual instruments, which include no contractual obligation for the Group to deliver cash or other financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities including other payables, amount due to the investment manager and borrowings are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

Fair value measurement of financial instruments

As at 31 December 2025, certain of the Group's unquoted equity instruments amounting to US\$71,189 (2024: US\$Nil) are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these instruments. See Note 26 for further disclosures.

5. OPERATING SEGMENTS

Information is reported to the executive directors of the Company, being the chief operating decision maker ("CODM") of the Group, for the purposes of resource allocation and performance assessment are as follows:

- (i) Investments in listed securities
- (ii) Investment in unlisted securities

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. OPERATING SEGMENTS (Continued)

Segment results

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

Year ended 31 December 2025	Listed securities US\$	Unlisted securities US\$	Total US\$
Segment results	<u>(340,299)</u>	–	<u>(340,299)</u>
Interest income from bank deposits			217
Net foreign exchange losses			(4,917)
Unallocated corporate expenses			<u>(516,292)</u>
Loss for the year			<u>(861,291)</u>
Year ended 31 December 2024	Listed securities US\$	Unlisted securities US\$	Total US\$
Segment results	<u>54,250</u>	<u>15,015</u>	69,265
Interest income from bank deposits			6,485
Net foreign exchange gains			2,816
Unallocated corporate expenses			<u>(436,064)</u>
Loss for the year			<u>(357,498)</u>

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment result represents the (loss) profit generated from each segment, net of other gain and loss directly attributable to each segment. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

As management considers that the Group's nature of business is investment holding, there was no information regarding major customers as determined by the Group and no segment revenue is presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. OPERATING SEGMENTS (Continued)

Segment assets and Liabilities

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

At 31 December 2025	Listed securities US\$	Unlisted securities US\$	Total US\$
Financial assets at FVTPL	366,221	71,189	437,410
Total segment assets	<u>366,221</u>	<u>71,189</u>	437,410
Unallocated assets			<u>667,692</u>
Total assets			<u>1,105,102</u>
Borrowings	318,582	–	318,582
Total segment liabilities	<u>318,582</u>	<u>–</u>	318,582
Unallocated liabilities			<u>46,077</u>
Total liabilities			<u>364,659</u>
At 31 December 2024	Listed securities US\$	Unlisted securities US\$	Total US\$
Financial assets at FVTPL	137,489	–	137,489
Total segment assets	<u>137,489</u>	<u>–</u>	137,489
Unallocated assets			<u>1,110,633</u>
Total assets			<u>1,248,122</u>

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

- all assets are allocated to reportable segments other than assets of non-reportable segments, certain prepayments and cash and cash equivalents.
- all liabilities are allocated to reportable segments other than liabilities of non-reportable segments, other payables and accruals and amount due to investment manager.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. NET (LOSS) GAIN ON FINANCIAL ASSETS AT FVTPL

The following is an analysis of net (loss) gain on investments of the Group for the year ended 31 December 2025. The amounts of realised gain (loss) represent the difference between the fair value at the beginning of the year or purchase date in the year and the disposal date of financial instruments while the amounts of unrealised gain (loss) represent the change of fair value during the year of financial instruments held by the Group as at the year end:

Year ended 31 December 2025	Listed securities US\$	Unlisted securities US\$	Total US\$
– Listed investments			
Realised	2,225	–	2,225
Unrealised	(348,574)	–	(348,574)
Total	<u>(346,349)</u>	–	<u>(346,349)</u>
Year ended 31 December 2024	Listed securities US\$	Unlisted securities US\$	Total US\$
– Listed investments			
Realised	41,338	–	41,338
Unrealised	(2,484)	–	(2,484)
– Unlisted investments			
Realised	–	15,016	15,016
Total	<u>38,854</u>	<u>15,016</u>	<u>53,870</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

7. INVESTMENT INCOME

The following is an analysis of investment income earned on financial assets, by category of asset:

	2025 US\$	2024 US\$
Interest income on bank deposits	217	6,485
Dividend income on financial assets at FVTPL:		
– Listed equity investments	6,050	15,395
	<u>6,267</u>	<u>21,880</u>

8. OTHER GAIN AND LOSS

	2025 US\$	2024 US\$
Net foreign exchange (losses) gains	<u>(4,917)</u>	<u>2,816</u>

9. FINANCE COSTS

	2025 US\$	2024 US\$
Interest on margin financing	<u>14,555</u>	<u>–</u>

10. LOSS FOR THE YEAR

The Group's loss for the year is arrived at after charging:

	2025 US\$	2024 US\$
Auditor's remuneration	30,526	51,162
Custodian fee	520	8,474
Expenses relating to short-term lease	6,579	–
Employee benefit expense (excluding directors' remuneration (Note 12))		
– Salaries and other benefits	–	96,506
– Retirement benefit costs	–	2,307
	<u>–</u>	<u>107,849</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. INCOME TAX

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits for both years ended 31 December 2025 and 2024.

The income tax expense for the years ended 31 December 2025 and 2024 can be reconciled to the loss for the year per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 US\$	2024 US\$
Loss for the year	<u>(861,291)</u>	<u>(357,498)</u>
Tax at the Hong Kong Profits Tax rate of 16.5%	(142,113)	(58,987)
Tax effect of tax losses not recognised	142,336	62,646
Tax effect of income not taxable for tax purpose	(1,034)	(4,138)
Tax effect of expenses not deductible for tax purpose	<u>811</u>	<u>479</u>
Income tax expense for the year	<u>—</u>	<u>—</u>

At the end of the reporting period, the Group had unused tax losses of US\$1,635,502 (2024: US\$772,861) available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profits stream. The unused tax losses may be carried forward indefinitely.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. DIRECTORS' EMOLUMENTS

Directors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

For the year ended 31 December 2025	Fees US\$	Salaries, allowances, and other benefits US\$	MPF Scheme contributions US\$	Total US\$
Executive director				
Mr. ZHAO Tian	3,848	–	–	3,848
Non-executive directors				
Mr. CHING Jason (<i>Note (i)</i>)	25,643	–	–	25,643
Ms. SHIH Mei Ling (<i>Note (ii)</i>)	12,827	–	–	12,827
Mr. LU Xuefang (<i>Note (iii)</i>)	–	–	–	–
Mr. LAM Wai Tsin (<i>Note (iv)</i>)	6,408	–	–	6,408
Independent non-executive directors				
Mr. CHOI Tak Fai (<i>Note (v)</i>)	7,052	–	–	7,052
Mr. WONG Albert Ka Wah (<i>Note (vi)</i>)	2,565	–	–	2,565
Mr. LEE Chan Wah (<i>Note (vii)</i>)	–	–	–	–
Mr. ONG Ka Thai (<i>Note (viii)</i>)	10,134	–	–	10,134
Mr. YICK Wing Fat Simon (<i>Note (ix)</i>)	16,250	–	–	16,250
Dr. HUA Min (<i>Note (x)</i>)	–	–	–	–
Ms. LAU Mei Suet (<i>Note (xi)</i>)	7,693	–	–	7,693
	92,420	–	–	92,420

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. DIRECTORS' EMOLUMENTS (Continued)

For the year ended 31 December 2024	Fees US\$	Salaries, allowances, and other benefits US\$	MPF Scheme contributions US\$	Total US\$
Executive director				
Mr. ZHAO Tian	–	–	–	–
Non-executive directors				
Mr. LU Xuefang (Note (iii))	–	–	–	–
Independent non-executive directors				
Mr. ONG Ka Thai (Note (viii))	16,661	–	–	16,661
Mr. YICK Wing Fat Simon (Note (ix))	16,661	–	–	16,661
Dr. HUA Min (Note (x))	16,661	–	–	16,661
Ms. LAU Mei Suet (Note (xi))	104	–	–	104
	<u>50,087</u>	<u>–</u>	<u>–</u>	<u>50,087</u>

- (i) Mr. CHING Jason was appointed as a non-executive director on 25 March 2025.
- (ii) Ms. SHIH Mei Ling was appointed as a non-executive director on 29 August 2025.
- (iii) Mr. LU Xuefang was resigned as a non-executive director on 25 March 2025.
- (iv) Mr. LAM Wai Tsin was appointed as a non-executive director on 25 March 2025 and was resigned as a non-executive director on 29 August 2025.
- (v) Mr. CHOI Tak Fai was appointed as an independent non-executive director on 14 February 2025.
- (vi) Mr. WONG Albert Ka Wah was appointed as an independent non-executive director on 26 September 2025.
- (vii) Mr. LEE Chan Wah was appointed as an independent non-executive director on 30 January 2026.
- (viii) Mr. ONG Ka Thai was resigned as an independent non-executive director on 29 January 2025.
- (ix) Mr. YICK Wing Fat Simon was resigned as an independent non-executive director on 14 February 2025.
- (x) Dr. HUA Min was retired as an independent non-executive director on 27 June 2025.
- (xi) Ms. LAU Mei Suet was appointed as an independent non-executive director on 27 December 2024 and resigned as an independent non-executive director on 30 January 2026.

During the years ended 31 December 2025 and 2024, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. Neither the chief executive nor any of the directors has waived or agreed to waive any emoluments during the years ended 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included five (2024: four) directors, details of whose emoluments are disclosed above. Details of the remuneration for the year of the remaining nil (2024: one) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2025 US\$	2024 US\$
Salaries, allowances and benefits in kind	–	96,506
Pension scheme contributions	–	2,307
	–	98,813

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	Number of employees	
	2025	2024
Nil to HK\$1,000,000	–	1

14. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during 2025, nor has any dividend been proposed since the end of the reporting period (2024: US\$nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. LOSS PER SHARE

The calculation of the basic loss per share attributable to equity holders of the Company is based on the following data:

Loss figures are calculated as follows:

	2025 US\$	2024 US\$
Loss for the year attributable to equity holders of the Company for the purpose of calculation of basic loss per share	<u>(861,291)</u>	<u>(357,498)</u>

Number of shares

	2025	2024 (Restated)
Weighted average number of ordinary shares for the purpose of basic loss per share (<i>Note</i>)	<u>14,186,515</u>	<u>12,906,475</u>

Note: Bonus elements arising from the rights issue completed on 13 March 2026 at the price lower than market value has been adjusted on the determination of weighted average number of shares. Further details are set out in Note 31. The weighted average number of shares for the year ended 31 December 2024 has been restated accordingly.

No diluted earnings per share for both 2025 and 2024 were presented as there were no potential ordinary shares in issue for both 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

16. PROPERTY, PLANT AND EQUIPMENT

	Construction in progress US\$
COST	
At 1 January 2024 and 31 December 2024	–
Additions	<u>38,478</u>
At 31 December 2025	<u>38,478</u>
DEPRECIATION AND IMPAIRMENT	
At 1 January 2024, 31 December 2024 and 31 December 2025	–
CARRYING VALUES	
At 31 December 2025	<u><u>38,478</u></u>
At 31 December 2024	<u><u>–</u></u>

17. FINANCIAL ASSETS AT FVTPL

	2025 US\$	2024 US\$
Equity securities at FVTPL:		
Listed equity investments in Hong Kong (<i>Note a</i>)	366,221	137,489
Unlisted equity investment (<i>Note b</i>)	<u>71,189</u>	–
Total	<u><u>437,410</u></u>	137,489
Analysed to reporting purposes as		
Current assets	<u><u>437,410</u></u>	137,489

Notes:

- (a) The listed equity securities represent the Group's interest held in Canopy SkyFire Group Limited, Talent Property Group Limited, Metallurgical Corporation of China Ltd and Lenovo Group Limited whose fair values are determined based on the quoted market bid prices available on the Hong Kong Stock Exchange. Please refer to Note 26 to the consolidated financial statements for further details of the valuation techniques.
- (b) As at 31 December 2025, fair value of unlisted equity investment amounting to US\$71,189 (2024: US\$Nil) were arrived at by reference to its recent transaction price, which was determined based on a valuation report prepared by an independent professional valuer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

17. FINANCIAL ASSETS AT FVTPL (Continued)

For the year ended 31 December 2025

The following are the details of all investments with a value of more than 5% of the Group's total assets as at 31 December 2025 and 2024 and also details of all investments of the Group.

Name of investee	Description of business	% Proportion of investee's capital owned	Investment cost US\$	Carrying Value in US\$	Dividend during the year	% of the group's net asset
Canopy SkyFire Group Ltd	Manufacturing two-way radios and baby monitors	10.56	622,099	276,144	–	37.29
Law's Business Group Holding Ltd	Provision of integrated financing, accounting, and corporate consultancy services	4.89	71,189	71,189	–	9.61
Lenovo Group Limited	Provision of intelligent devices, infrastructure solutions, and software related services	0.00	42,145	35,707	327	4.82
Talent Property Group Limited	Property development, investment, and management in the People's Republic of China (the "PRC")	0.00	29,993	30,848	–	4.17
Metallurgical Corporation of China Ltd	Provision of engineering construction related businesses	0.29	21,801	23,522	–	3.18

For the year ended 31 December 2024

Name of investee	Description of business	% Proportion of investee's capital owned	Investment cost US\$	Carrying Value in US\$	Dividend during the year	% of the group's net asset
China Mobile Ltd	Provision of communication and information services	0.00%	77,060	83,780	9,558	7.00
Tencent Holdings Ltd	Provision of value-added services, marketing services, fintech, and business services in the PRC	0.00%	56,188	53,709	2,745	4.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include demand deposits for the purpose of meeting the Group's short term cash commitments, which carry interest at prevailing market rates.

Details of impairment assessment of bank balances are set out in Note 26.

19. BORROWINGS

	2025 US\$	2024 US\$
Margin financing (<i>Note</i>)	<u>318,582</u>	–

Note: Margin financing bear interest rates at 15% (2024: N/A) per annum for the year. The margin financing are secured by financial assets at FVTPL and repayable on demand.

20. SHARE CAPITAL

	Number of shares		Share capital	
	2025	2024	2025 US\$	2024 US\$
Ordinary shares of US\$0.10 each				
Authorised:				
At beginning and end of the year	<u>18,000,000</u>	18,000,000	<u>1,800,000</u>	1,800,000
Issued and fully paid:				
At beginning of the year	<u>10,686,000</u>	10,686,000	<u>1,068,600</u>	1,068,600
Shares issued under placing (<i>Note</i>)	<u>2,137,200</u>	–	<u>213,720</u>	–
At end of the year	<u>12,823,200</u>	10,686,000	<u>1,282,320</u>	1,068,600

Note: On 4 July 2025, the Company allotted and issued 2,137,200 ordinary shares by way of placing, at a placing price of US\$0.195 per ordinary share for cash. The gross proceeds from the placing amounted to US\$417,000, net of transaction costs attributable to issue of shares amounted to US\$13,000, among which, US\$213,720 were credited to the share capital of the Company and US\$190,280 (after issuing expenses) were credited to share premium of the Company.

21. NET ASSET VALUE PER SHARE

The calculation of the net asset value ("NAV") per share is based on the Company's NAV of US\$740,443 as at 31 December 2025 (2024: US\$1,197,734) and the number of ordinary shares of 12,823,200 in issue as at 31 December 2025 (2024: 10,686,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

22. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these consolidated financial statements, the Group had the following transactions with a related party during the year:

	<i>Note</i>	2025 US\$	2024 US\$
Investment management and administration fees charged by the Investment Manager	(i)	<u>7,820</u>	<u>29,048</u>

Note:

- (i) SIIC Capital (Hong Kong) Investment Management Company Limited (formerly known as “Shanghai International Asset Management (Hong Kong) Company Limited”) (the “Investment Manager”) provides key management personnel services to the Company.

In accordance with the terms of the investment management agreement and the ten Supplemental Agreements (collectively the “Investment Management Agreements”), the management and administration fees are calculated and payable quarterly in advance at 0.5% of the NAV (calculated before deductions of the fees payable to the Investment Manager and the custodian for that quarter) of the Company calculated on the last business day of the previous quarter.

With effect from the year ended 31 December 2014, the Investment Manager is entitled to an incentive fee equal to 20% of the excess amount by which the NAV of the Company as at 31 December of each year exceeds the high water mark, i.e., the highest NAV as at 31 December in any year less the aggregate amount of all dividends paid by the Company during the year. As defined in the seventh supplemental agreement dated 19 March 2014 to the Investment Management Agreements, the initial high water mark should be the NAV as at 31 December 2010, being US\$31,048,060. With effect from 1 July 2017, as defined in the eighth supplemental agreement dated 23 March 2017, the high water mark has been reset to the NAV as at 31 December 2016, being US\$8,182,713.

During the year ended 31 December 2025, the Investment Manager was not entitled to receive any incentive fee in relation to the performance of the Company (2024: Nil), in accordance with the incentive fee calculation of the Investment Management Agreements.

The above related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

The Investment Manager has ceased to serve as the Company’s investment manager with effect from 7 May 2025. No new investment manager is appointed by the Group subsequent to the termination of the Investment Manager. All investment decisions of the Group will be made by the board of directors of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

22. RELATED PARTY TRANSACTIONS (Continued)

(b) Other transactions with a related party

Employee benefit expense was paid for administrative services provided by one employees of the Investment Manager who were seconded and provided administrative services only to the Group. The employee benefit expense was paid by the Investment Manager and charged back to the Group in the form of fee note every quarter which is normally settled at the beginning of each quarter. Details of employee benefit expense is included in Note 10 to the consolidated financial statements. The administrative services have ceased upon the termination of investment management agreement with effect from 7 May 2025.

The above related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. Exemption from the connected transaction requirements are available for such transactions in relation to administrative services shared between the Group and the Investment Manager on a cost basis.

(c) Outstanding balance with a related party:

An amount due to the Investment Manager comprised mainly the employee benefit expense payable and the Investment Manager's fee payable. The Company had an outstanding amount due to the Investment Manager of US\$Nil (2024: US\$29,147) as at the end of the reporting period. This balance was unsecured, interest-free and repayable on demand.

(d) Compensation of key management personnel of the Company:

The key management personnel of the Company comprise the directors of the Company. Details of directors' emoluments are included in Note 12 to the consolidated financial statements.

23. PLEDGED OF ASSETS

As at the year end, the Group had pledged the following assets to secure the margin financing:

	2025	2024
	US\$	US\$
Financial assets at FVTPL	<u>366,221</u>	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

24. RETIREMENT BENEFIT SCHEME

Defined contribution plans

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. Under the scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the Scheme, which contribution is matched by employees. The total expense recognised in profit or loss of US\$Nil (2024: US\$2,307) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

Obligation to pay LSP under Hong Kong Employment Ordinance (Chapter 57)

The Group operates in Hong Kong, pursuant to the Employment Ordinance, Chapter 57, the Group has the obligation to pay LSP to qualifying employees in Hong Kong under certain circumstances (e.g. dismissal by employers or upon retirement), subject to a minimum of 5 years employment period, based on the following formula:

Last monthly wages (before termination of employment) \times 2/3 \times Years of service

Last monthly wages are capped at HK\$22,500 while the amount of long service payment shall not exceed HK\$390,000. This obligation is accounted for as a postemployment defined benefit plan.

Furthermore, the Mandatory Provident Fund Schemes Ordinance passed in 1995 permits the Group to utilise the Group's mandatory MPF contributions, plus/minus any positive/negative returns thereof, for the purpose of offsetting LSP payable to an employee (the "Offsetting Arrangement").

The Amendment Ordinance was gazetted on 17 June 2022, which abolishes the use of the accrued benefits derived from employers' mandatory MPF contributions to offset the LSP. The Abolition will officially take effect on the Transition Date (i.e., 1 May 2025). Separately, the Government of the HKSAR is also expected to introduce a subsidy scheme to assist employers for a period of 25 years after the Transition Date on the LSP payable by employers up to a certain amount per employee per year.

Under the Amendment Ordinance, the Group's mandatory MPF contributions, plus/minus any positive/negative returns, after the Transition Date can continue to be applied to offset the pre-Transition Date LSP obligation but are not eligible to offset the post-Transition Date LSP obligation. Furthermore, the LSP obligation before the Transition Date will be grandfathered and calculated based on the Last monthly wages immediately preceding the Transition Date and the years of service up to that date. The Amendment Ordinance has no material impact on the Group's LSP liability with respect to employees that participate in MPF Scheme and the Group has accounted for the offsetting mechanism and its abolition as disclosed in Note 3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

25. CAPITAL RISK MANAGEMENT

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

The Group actively and regularly reviews and manages its capital structure and makes adjustments to it in light of the changes in the Group's business and economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 2024.

26. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025 US\$	2024 US\$
Financial assets		
At amortised cost	572,075	1,064,658
Mandatorily measured at FVTPL	437,410	137,489
	<u>572,075</u>	<u>1,064,658</u>
Financial liabilities		
At amortised cost	364,659	50,388
	<u>364,659</u>	<u>50,388</u>

(b) Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, deposits paid for acquisition of financial assets at FVTPL, other receivables and deposits, cash and cash equivalents, other payables, amount due to the investment manager and borrowings. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (foreign 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.

Market risk

Currency risk

The Company mainly exposes to currency risk of HK\$. The Company have foreign currency bank balances, financial assets at FVTPL and borrowings which expose the Group to foreign currency risk. As HK\$ is pegged to US\$, the management of the Company is of the opinion that the Company's exposure of currency risk to HK\$ is minimal and accordingly, no foreign currency sensitivity analysis on HK\$ is presented.

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arises.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

26. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to cash flow interest rate risk in relation to variable rate bank balances and margin financing. The Group aims at keeping borrowings at variable rates. 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 will review the interest rates and ensure they are within reasonable range.

Total interest revenue/income from financial assets that are measured at amortised cost is as follows:

	2025 US\$	2024 US\$
Investment income		
Financial assets at amortised cost	<u>217</u>	<u>6,485</u>

Interest expense on financial liabilities not measured at FVTPL:

	2025 US\$	2024 US\$
Financial liabilities at amortised cost	<u>14,555</u>	<u>–</u>

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments at the end of the reporting period were outstanding for the whole year. A 100 basis points (2024: 100 basis points) increase or decrease which represents management's assessment of the reasonably possible change in interest rates is used.

If interest rates had been 100-basis point (2024: 100-basis point) higher/lower and all other variables were held constant, the Group's post-tax loss would increase/decrease by approximately US\$1,033 (2024: post-tax loss decrease/increase by US\$8,890) for the year ended 31 December 2025. This is mainly attributable to the Group's exposure to interest rates on its bank balances and margin financing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

26. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Other price risk

The Group is exposed to equity price risk through its investments in equity securities measured at FVTPL. For equity securities measured at FVTPL quoted in The Stock Exchange of Hong Kong Limited, the management of the Group manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to equity price risk at the reporting date.

If the prices of the respective equity instruments had been 5% (2024: 5%) higher/lower, the post-tax loss for the year ended 31 December 2025 would decrease/increase by US\$15,290 (2024: US\$5,740) as a result of the changes in fair value of investments at FVTPL.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to investments in financial assets at amortised cost, other receivables and deposits and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The Group performed impairment assessment for financial assets and other items under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Deposits paid for acquisition of financial assets at FVTPL, other receivables and deposits

For deposits paid for acquisition of financial assets at FVTPL, other receivables and deposits, the directors of the Company make periodic individual assessment on the ECL of deposits paid for acquisition of financial assets at FVTPL, other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. For the year ended 31 December 2025 and 2024, the Group assessed the ECL for deposits paid for acquisition of financial assets at FVTPL, other receivables and deposits were insignificant and thus no impairment loss was recognised.

Bank balances

Credit risk on bank balances is limited because the counterparties are reputable banks with high credit ratings assigned by international credit agencies. The Group assessed 12m ECL for bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on bank balances is considered to be insignificant and therefore no loss allowance was recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

26. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

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

Internal credit rating	Description	Financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	12m ECL
Doubtful	Amount is > 30 days past due or there have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired
Loss	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

The table below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

Financial assets at amortised cost	Note	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	
					2025 US\$	2024 US\$
Deposits paid for acquisition of financial assets at FVTPL		N/A	Low risk	12m ECL	256,535	–
Other receivables and deposits		N/A	Low risk	12m ECL	120,724	–
Bank balances	18	A	Low risk	12m ECL	194,816	1,064,658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

26. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting its financial obligations as and when they fall due. In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the remaining contractual maturity of the Group for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the relevant market rates as at the reporting date) of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows, where applicable.

	Weighted average effective interest rate %	Repayable on demand or less than 1 month US\$	Total undiscounted cash flows US\$	Carrying amount US\$
At 31 December 2025				
Other payables	–	46,077	46,077	46,077
Borrowings	15.00	318,582	318,582	318,582
		364,659	364,659	364,659
	Weighted average effective interest rate %	Repayable on demand or less than 1 month US\$	Total undiscounted cash flows US\$	Carrying amount US\$
At 31 December 2024				
Other payables	–	21,241	21,241	21,241
Amount due to Investment Manager	–	29,147	29,147	29,147
		50,388	50,388	50,388

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26. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements of financial instruments

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

The Group's financial assets at FVTPL are measured at fair value at the end of each reporting period. The Company uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial assets measured at fair value are grouped into the fair value hierarchy as follow:

Fair value hierarchy as at 31 December 2025

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVTPL				
– listed equity securities	366,221	–	–	366,221
– unlisted equity securities	–	71,189	–	71,189
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

26. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements of financial instruments (Continued)

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

Fair value hierarchy as at 31 December 2024

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets at FVTPL				
– listed equity securities	137,489	–	–	137,489

Some of the Group's financial assets are measured at fair value at the end of each 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 31 December 2025 US\$	2024 US\$	Fair value hierarchy	Valuation technique(s) and key inputs	Relationship of key inputs to fair value
Financial assets at FVTPL					
Listed equity securities	366,221	137,489	Level 1	Quoted bid prices in an active market.	N/A
Unlisted equity securities	71,189	–	Level 2	Recent transaction approach	N/A

There were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 fair value measurements for the year ended 31 December 2025 and 2024. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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27. RECONCILIATION OF LIABILITY ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liability from financing activities, including both cash and non-cash changes, during the years ended 31 December 2025 and 2024. Liability arising from financing activities 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.

	Borrowings US\$
At 1 January 2024 and 31 December 2024	–
Financing cash flow	304,027
Interest expense recognised	14,555
	<hr/>
At 31 December 2025	<u>318,582</u>

28. PARTICULARS OF SUBSIDIARY OF THE COMPANY

Details of the subsidiary directly held by the Company at the end of the reporting period are set out below.

Name of subsidiary	Place of incorporation/ registration	Proportion of ownership interest held by the Company		Issued and fully paid capital	Principal activities
		2025	2024		
Charming Venture Global Holdings Limited	The British Virgin Islands	100%	–	US\$100	Investment holding

None of the subsidiary had issued any debt securities at the end of the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025 US\$	2024 US\$
NON-CURRENT ASSETS		
Investment in a subsidiary	100	–
Property, plant and equipment	38,478	–
	<u>38,578</u>	<u>–</u>
CURRENT ASSETS		
Deposits paid for acquisition of financial assets at fair value through profit or loss (“FVTPL”)	256,535	–
Prepayments, deposits and other receivables	177,863	45,975
Financial assets at FVTPL	366,221	137,489
Amount due from a subsidiary	71,089	–
Cash and cash equivalents	194,816	1,064,658
	<u>1,066,524</u>	<u>1,248,122</u>
CURRENT LIABILITIES		
Other payables and accruals	46,077	21,241
Amount due to the Investment Manager	–	29,147
Borrowings	318,582	–
	<u>364,659</u>	<u>50,388</u>
NET CURRENT ASSETS	<u>701,865</u>	<u>1,197,734</u>
NET ASSETS	<u>740,443</u>	<u>1,197,734</u>
CAPITAL AND (DEFICITS) RESERVES		
Share capital	1,282,320	1,068,600
Other reserves and accumulated losses	(541,877)	129,134
Total equity	<u>740,443</u>	<u>1,197,734</u>

ZHAO Tian
Director

CHING Jason
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

30. RESERVES OF THE COMPANY

	Share premium US\$	Capital reserve US\$	Accumulated losses US\$	Total US\$
At 1 January 2024	12,921,815	(5,832,960)	(6,602,223)	486,632
Loss and total comprehensive expense for the year	–	–	(357,498)	(357,498)
Reclassification of accumulated net unrealised gain (loss) on change in fair value of financial assets at FVTPL	–	5,837,201	(5,837,201)	–
At 31 December 2024	12,921,815	4,241	(12,796,922)	129,134
Loss and total comprehensive expense for the year	–	–	(861,291)	(861,291)
Issue of shares upon placing (<i>Note 20</i>)	190,280	–	–	190,280
Reclassification of accumulated net unrealised gain (loss) on change in fair value of financial assets at FVTPL	–	(352,815)	352,815	–
At 31 December 2025	13,112,095	(348,574)	(13,305,398)	(541,877)

31. EVENT AFTER THE REPORTING PERIOD

On 15 January 2026, the Group announced a rights issue on the basis of 3 rights share for every 8 existing shares held by the shareholders of the Company at a subscription price of US\$0.12 per rights share. The rights issue was completed and 4,808,215 ordinary shares were issued on 23 March 2026. Details of the rights issue was disclosed in the prospectus of the Company dated 13 February 2026.

32. COMPARATIVE FIGURES

Certain comparative figures of the consolidated financial statements were reclassified to conform with the current year's presentation.

FIVE YEARS FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified as appropriate, is set out below:

	Year ended 31 December				
	2021 US\$'000	2022 US\$'000	2023 US\$'000	2024 US\$'000	2025 US\$'000
RESULTS					
Income	26	33	12	79	6
Expenses	(734)	(1,004)	(467)	(436)	(867)
Loss for the year	(708)	(971)	(455)	(357)	(861)
	(Restated)	(Restated)	(Restated)	(Restated)	
Loss per share (US cents)					
– Basic and diluted	(5.49)	(7.52)	(3.53)	(2.77)	(6.07)
ASSETS AND LIABILITIES					
	At 31 December				
	2021 US\$'000	2022 US\$'000	2023 US\$'000	2024 US\$'000	2025 US\$'000
Total assets	3,078	2,133	1,627	1,248	1,105
Total liabilities	97	122	72	50	365
Net assets	2,981	2,011	1,555	1,198	740
Net asset value per share	US\$0.28	US\$0.19	US\$0.15	US\$0.11	US\$0.06