



apollo

APOLLO FUTURE MOBILITY GROUP LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 860)

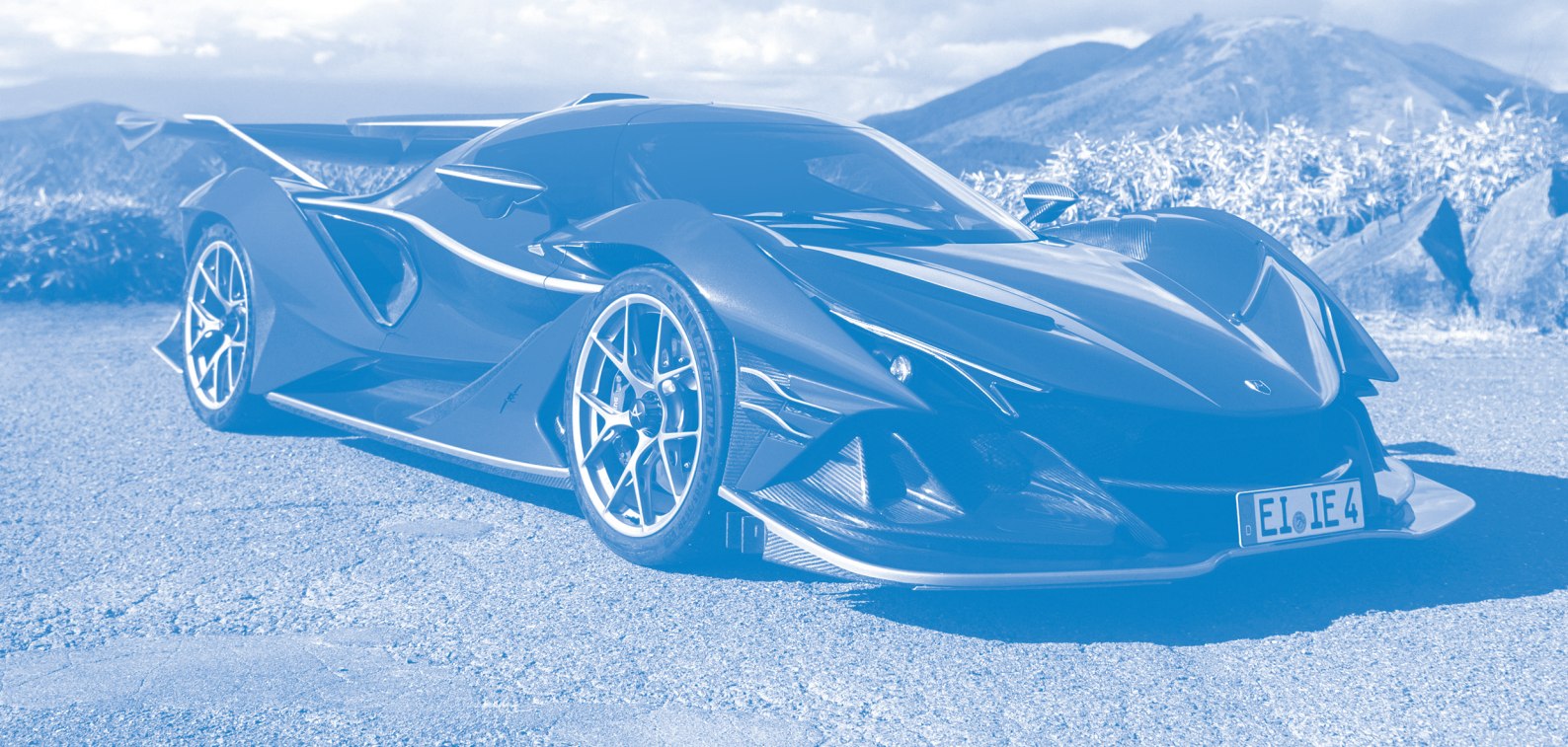
2025

ANNUAL REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Hui Chun Ying (*Chairman*)

Ms. Chen Yizi

Independent Non-executive Directors

Mr. Peter Edward Jackson

(Resigned with effect from 10 September 2025)

Mr. Charles Matthew Pecot III

Ms. Hau Yan Hannah Lee

Mr. Zhuang Qiyu

(Appointed with effect from 10 September 2025)

AUDIT COMMITTEE

Ms. Hau Yan Hannah Lee (*Chairperson*)

Mr. Charles Matthew Pecot III

Mr. Zhuang Qiyu

REMUNERATION COMMITTEE

Mr. Charles Matthew Pecot III (*Chairman*)

Mr. Hui Chun Ying

Ms. Hau Yan Hannah Lee

Mr. Zhuang Qiyu

NOMINATION COMMITTEE

Mr. Hui Chun Ying (*Chairman*)

Ms. Chen Yizi

Mr. Charles Matthew Pecot III

Ms. Hau Yan Hannah Lee

Mr. Zhuang Qiyu

INVESTMENT COMMITTEE

Mr. Hui Chun Ying (*Chairman*)

Ms. Chen Yizi

Ms. Hau Yan Hannah Lee

CORPORATE GOVERNANCE COMMITTEE

Ms. Chen Yizi (*Chairperson*)

Mr. Charles Matthew Pecot III

Ms. Hau Yan Hannah Lee

Mr. Zhuang Qiyu

STOCK CODE

0860

COMPANY SECRETARY

Mr. Ng Cheuk Kwan

LEGAL ADVISOR

Holman Fenwick Willan

AUTHORISED REPRESENTATIVES

Mr. Hui Chun Ying

Mr. Ng Cheuk Kwan

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Units 2001–2002, 20/F, Li Po Chun Chambers
189 Des Voeux Road Central, Sheung Wan
Hong Kong

REGISTRARS

Principal Share Registrar and Transfer Office
Conyers Corporate Services (Bermuda) Limited
Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

Hong Kong Branch Share Registrar and Transfer Office
Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

AUDITOR

Forvis Mazars CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

WEBSITE

<http://www.apollofmg.com>

CHAIRMAN'S STATEMENT

Dear Shareholders,

It is my honor to deliver this statement as the Chairman of Apollo Future Mobility Group Limited (the "Company" and together with its subsidiaries, the "Group" or "we") in respect of the Group's annual results for the year ended 31 December 2025 (the "Year") and the Group's prospects.

INDUSTRY OVERVIEW

Hypercar Market

The global hypercar market continues to demonstrate strong structural growth, supported by rising demand for ultra-luxury vehicles, technological advancement, and the expanding population of ultra-high-net-worth individuals and high-net-worth individuals ("HNWI"). According to The Business Research Company, the global hypercar market reached approximately US\$33.23 billion in 2025 and is projected to grow to US\$41.94 billion in 2026, representing a compound annual growth rate ("CAGR") of 26.2%. Over the medium term, the market is expected to expand further to approximately US\$100.96 billion by 2030, implying a CAGR of 24.6% from 2026 to 2030.

The launch of early hybrid hypercars and limited-production halo models have further reinforced consumer interest, positioning hypercars as both performance showcases and long-term collectible assets. Europe remained the largest hypercar market in 2025, reflecting its established luxury automotive ecosystem, while Asia-Pacific emerged as the fastest-growing region, supported by growth in ultra-high-net-worth customers, rising wealth levels and expanding luxury consumption in key markets. According to Cognitive Market Research, the hypercar market size of the People's Republic of China (the "PRC") was valued at US\$1,509.33 million in 2025 and is projected to grow at a CAGR of 33.7% during the period from 2026–2033. The hypercar market surged in the PRC due to rising consumer interest in innovative automotive technologies, sustainability features, and a growing affluent consumer base that drove market expansion. Ultimately, the global hypercar market presents a highly favorable outlook underpinned by strong structural tailwinds. As the sector increasingly embraces sustainable technologies and highly collectible halo models, the combination of steady European demand and rapid Asia-Pacific wealth creation is poised to drive robust industry expansion through the end of the decade.

Luxury Vehicles Market

Luxury cars continue to serve as powerful symbols of status and success, reinforcing aspirational purchases among affluent and upwardly mobile consumers worldwide. Automakers are broadening electric vehicles ("EV(s)") and hybrid portfolios to meet regulatory requirements, appeal to eco-conscious buyers, and capture premium electric mobility demand. At the same time, rapid wealth creation, urban expansion, and lifestyle shifts in emerging markets present strong long-term opportunities. Advanced driving technologies further differentiate luxury brands by enhancing safety and convenience, while compact luxury models enable penetration into underserved urban markets without diluting premium positioning.

The global luxury car market was valued at US\$593.8 billion in 2025 and is projected to grow from US\$628 billion in 2026 to US\$1.09 trillion by 2035, reflecting a CAGR of 6.3% according to Global Market Insights Inc. This growth is underpinned by the expanding base of HNWI, which drives demand through higher sales volumes, premium pricing power, and sustained brand strength. Rising consumer expectations for superior comfort, safety, and advanced technology are also accelerating the shift from mass-market to premium vehicles, while luxury electric vehicles enhance brand innovation, attract sustainability-focused buyers, and open new avenues for growth through performance, range, and digital features.

CHAIRMAN'S STATEMENT

According to Global Information Inc, the luxury car market in the PRC exemplifies this trajectory, expected to grow from US\$207.19 billion in 2025 to US\$355.46 billion by 2033 at a CAGR of 6.98%. Luxury cars have become especially popular as rapid economic growth and the expansion of the high-income and upper-middle-class population in the PRC drive aspirational purchases, with the fast-growing middle class eager to showcase success and status through ownership of premium vehicles. Therefore, most of the international and domestic luxury carmakers are increasingly targeting the PRC, with varying offerings to suit the local tastes and preferences. This trend is likely to persist and further position the PRC as one of the largest and leading markets for luxury automobiles across the world.

New Energy Vehicles

The global new energy vehicle market continued to demonstrate resilience and structural growth in 2025, despite increasing regional divergence driven by policy adjustments, subsidy recalibration, and evolving consumer behaviour. According to BloombergNEF, global passenger EV sales reached 20.76 million units in 2025, representing approximately 18.2% growth from 2024. These figures underscore the sustained momentum of electrification as a long-term transition in global mobility, even as some markets entered periods of policy recalibration.

EV adoption in 2025 was marked by increasingly uneven regional growth, with electrification largely concentrated in many parts of Europe and the PRC. BloombergNEF reported that in 2025, certain countries such as the US and Japan had recorded EV shares of all passenger vehicle sales under 20%. In contrast, the PRC reached a major milestone in 2025, with its EV share surpassing 50% of passenger vehicle sales for the first time, reinforcing its position as the world's largest and most mature EV ecosystem. The PRC remained the dominant EV market globally, accounting for more than 13.12 million units of passenger EV sales, representing 63.2% of the total global passenger EV sales in 2025. Europe emerged as one of the fastest-growing major regions, with passenger EV sales rising 29.7% year-on-year to 4.02 million units in 2025, supported by regulatory requirements and renewed consumer incentives in several key markets.

Overall, the Chinese EV market in 2025 was marked by intense domestic competition, aggressive pricing strategies, and rapid model proliferation. These competitive pressures compressed margins among leading domestic manufacturers and accelerated consolidation across the sector. As a result, Chinese Original Equipment Manufacturers ("OEMs") increasingly turned to overseas markets. According to Bloomberg, Chinese EV brands accounted for 16% of Europe's EV market in December 2025 and 11% for the entire year of 2025 and continued to dominate EV growth across many emerging markets.

Policy conditions in the PRC also entered a transitional phase. While supportive measures remained in place throughout 2025, authorities confirmed that EVs will be subject to purchase tax from 2026, albeit at a 50% exemption rate, signalling a gradual shift towards a more market-driven demand environment. In addition, the trade-in subsidy framework will move from flat-rate incentives to price-linked subsidies, which is expected to reduce average subsidy levels and moderate growth in the lower-priced segments.

CHAIRMAN'S STATEMENT

BUSINESS REVIEW

Apollo Hypercars

During the Year, the Group's hypercar division continued to advance the legend of the Apollo Intensa Emozione ("Apollo IE"), a model that epitomizes the brand's pursuit of analogue driving purity, uncompromising performance, and artistic engineering. Building on this success, the Group accelerated the development of the Apollo IE's successor — the Apollo EVO — which completed its development phase and officially entered into the production stage in Germany in 2025, with deliveries expected to commence in the second quarter of 2026. Production of the Apollo EVO, which is limited to 10 units worldwide, marks a key milestone in the Group's ongoing commitment to craftsmanship and advanced lightweight engineering.

The Apollo EVO features a fully carbon-fiber monocoque, an upgraded naturally aspirated V12 engine, 3D-printed titanium exhaust and extreme active aerodynamic systems. These technical advancements significantly enhance the vehicle's stiffness-to-weight ratio, handling precision, and aerodynamic efficiency, yielding benchmark performance for track applications. Supported by the Apollo STUDIO program, the Apollo EVO also integrates modular race-grade adjustability and safety systems, offering owners a highly personalized track driving experience.

The Apollo EVO is positioned among the top tier of global hypercars. The limited production and strong pre-market interest are anticipated to generate a positive response in order placements, which will in turn support the Group's ongoing research and development initiatives in high-performance vehicle technologies.



Global Presence

The Group remained committed to broadening Apollo's international presence and enhancing its global brand awareness. Participation in MYLE Festival 2025, a high-profile hypercar event held at Motorworld Munich from 30 May 2025 to 1 June 2025, was one of the key initiatives during the Year. At the festival, the Group showcased the Apollo IE and Apollo EVO and highlighted the brand's advanced engineering capabilities and bespoke, customer-focused services. Displayed alongside other renowned hypercar marques, the exhibition provided a platform for Apollo to engage with industry participants and collectors and to reinforce brand visibility at key overseas events.

The Group's signature Apollo IE "Purple Dragon" took center stage at the prestigious Wynn Signature — 2025 Hypercar Exhibition, held at Wynn Palace and Wynn Macau from 29 September 2025 to 16 November 2025. This high-profile event, coinciding with the Macau Grand Prix, showcased over 20 ultra-rare hypercars, drawing global collectors, enthusiasts, and media to celebrate speed, luxury, and engineering artistry. Apollo IE's appearance in this prestigious event reinforced the brand's reputation for uncompromising performance and emotional intensity, while amplifying visibility among affluent audiences in the PRC.

CHAIRMAN'S STATEMENT

Following the presence in Macau, Apollo concluded its Japan Tour 2025, during which the radical Apollo IE and the Apollo N traversed some of Japan's most iconic landscapes, from the mist-covered curves of the Hakone Turnpike to high-profile exhibitions at the BINGO Tokyo Showroom. The tour demonstrated the brand's commitment to its growing collector base through exclusive track demonstrations and private viewing events.

Brand Licensing

The Group continues to actively leverage its proprietary intellectual property ("IP") to extend the Apollo brand beyond physical vehicles and into digital, virtual, and interactive environments. Over the years, Apollo has progressively strengthened its presence in the digital entertainment and e-sports ecosystems by featuring its hypercars in leading racing and simulation platforms, positioning the brand at the intersection of high-performance automotive engineering and digital culture.



Building on the strong momentum generated by the Apollo IE's showcase at Gamescom 2024 in Cologne — an event that attracted thousands of onsite attendees and over one million online viewers — the Group has identified virtual racing and simulation platforms as high-impact channels to enhance global brand visibility and engagement. These platforms enable Apollo to reach broader and younger audiences who increasingly interact with automotive brands through immersive digital experiences rather than traditional ownership pathways.

During the Year, the Group continued to advance IP licensing initiatives within the virtual motorsport space. These initiatives include collaborations with simulation racing companies that allow users to experience Apollo vehicles within their game environments. Notable examples include the inclusion of the Apollo IE hypercar in racing games, where players can virtually operate the vehicle, reinforcing its performance credentials and design identity within a globally recognised gaming franchise.

In parallel, Apollo continues to engage in active discussions with leading consumer brands to explore collaboration and cross-over opportunities in physical merchandise. These initiatives aim to extend the Apollo brand beyond the niche hypercar community, capturing broader public attention and enhancing long-term brand equity. By positioning Apollo hypercars as aspirational symbols — and as iconic digital representations of performance and design within diverse consumer ecosystems, these collaborations will further strengthen Apollo's presence in both the virtual and physical world while enhancing its appeal to a wider global audience.

CHAIRMAN'S STATEMENT

EV Business

GLM Co., Ltd. ("GLM"), a subsidiary of the Group, is a pioneering Japanese company dedicated to EV technology and solutions. With a strong commitment to innovation and sustainability, GLM aims to redefine mobility through advanced engineering and eco-friendly design. During the Year, leveraging its extensive technical expertise and forward-thinking approach, GLM mainly focused on fostering innovation in its K-EV project, while engineering services continued to operate as an ancillary segment. These initiatives align with Japan's accelerating transition towards low-emission mobility, urban micro-transit solutions, and next-generation EV technologies.

K-EV

The Kei-EV ("K-EV") project, meaning lightweight EV in English, represents GLM's ambitious initiative to develop electric micro-vehicles that promotes sustainable mobility.

During the Year, GLM partnered with ZHIDOU Electric Vehicle Co., Ltd, a Chinese EV manufacturer, to manufacture a new K-EV model. The new K-EV model is primarily designed for urban commuting, and it offers a compact 3-doors, 4 seat layout and targets to compete with other popular micro-EVs. The new K-EV will offer features, aesthetics and spec tailored specifically for the Japanese market. The Group aims to finish such development by 2026, followed by a pre-sale launch in Japan.

The K-EV has been meticulously developed to meet Japan's energy management and transportation requirements. The K-EV's ultra-lightweight architecture ensures exceptional agility on Japan's narrow urban streets while meeting rigorous local road standards. It is also being developed to comply with the increasingly tightening urban emissions regulations, which forms an important aspect in the next-generation mobility development.

According to Market Research Future, Japan's EV market was estimated at approximately US\$46.3 billion in 2024 and is projected to reach approximately US\$54.48 billion in 2025 and US\$277.05 billion in 2035, exhibiting a CAGR of approximately 17.6% from 2025 to 2035. This growth is largely driven by robust government support and incentives aimed at encouraging the adoption of EVs. Consumers benefit from subsidies, while tax breaks stimulate EV production. These supportive measures, coupled with significant investments in charging infrastructure and ongoing advancements in battery technology, are pivotal in expanding Japan's EV market and facilitating a shift towards a more sustainable automotive sector. The K-EV project not only demonstrates GLM's commitment to innovation but also reflects the broader shift towards eco-friendly transportation solutions in Japan.

Engineering Services

Drawing on its extensive expertise in EV development, GLM provides a wide range of engineering services tailored for Japanese automakers and component suppliers. These services include chassis development, rigorous testing, and customization of both interior and exterior designs for automakers.

By exploring emerging market trends and maintaining a steadfast commitment to excellence, GLM is dedicated to delivering sustainable, high-performance solutions that meet the evolving demands of the automotive industry and the broader mobility ecosystem. GLM's focus on innovation and quality ensures that it not only keeps pace with industry changes but also leads the way in creating forward-thinking automotive solutions.

CHAIRMAN'S STATEMENT

Charging Business

The Group continued to develop its charging business as a strategic enabler for its EV mobility ecosystem. Particularly, the Group steadfastly leverages its existing investment in EV Power Holdings Limited ("EV Power"), a leading EV charging solutions provider in Hong Kong and the PRC, to expand accessible, convenient charging services for users in its home market. On the overseas front, EV Power has achieved significant progress in its expansion, including entering into a collaboration with a leading Chinese OEM to support private charging installation projects in Indonesia.

Through these initiatives the Group is positioned to directly capture early-mover advantage as regional governments roll out supportive EV policies and infrastructure roadmaps. These efforts are intended to broaden the Group's participation along the EV value chain, support the adoption of its future EVs, and create recurring, service-based revenue streams that complement its core vehicle and engineering businesses.

Distributorship Business

The Group expanded its distributorship business during the Year as part of its strategy to diversify revenue streams and deepen participation along the EV value chain. The Group entered into a distributor agreement with Shanghai IAT International Automotive Technology Co., Ltd., under which the Group became the exclusive distributor of the EV48 in Hong Kong, targeting the fast-growing urban logistics segment. The EV48 is positioned as a pure electric logistics van and features the PRC's first B-pillar-free body structure with a maximum side opening of approximately 1.5 metres, improving loading efficiency and operational convenience for fleet operators. It is designed primarily to optimize urban last-mile delivery and logistics in dense city environments, where speed, ease of access, and efficiency are critical. Through this distributorship structure, the Group aims to expand into the distributorship business to establish its presence in the commercial EV distribution market and diversify the Group's revenue streams. The EV48 is under the process of obtaining the type approval from the Transport Department and is expected to be delivered by the second quarter of 2026.

Jewellery Products, Watches and Other Commodities Business

The Group is assessing strategic options for its remaining jewellery, watches and other commodities business, as part of its ongoing business transformation. This strategic review reflects management's intention to allocate resources and efforts towards the high-performance hypercar and EV value chain related segments, which are expected to offer stronger growth potential.

Prospects and Outlook

The global mobility sector continues its transition into a new era defined by technological convergence, sustainability, and evolving consumer expectations. Amid this transformation, demand for distinctive, high-performance vehicles remains resilient. The Group stands uniquely positioned at the crossroads of art, innovation, and engineering — translating its hypercar heritage into a broader portfolio of advanced mobility solutions that embody exclusivity, performance, and vision.

As aforementioned, the global hypercar market is expected to maintain a rapid growth trajectory over the medium term. This underpins global demand for vehicles that epitomize craftsmanship, precision, and emotional driving experiences — attributes that define the Apollo brand. As the Group continues to evolve, its strategic focus remains anchored in its dual pursuit of hyper-performance excellence and innovative, sustainable mobility.

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The Apollo EVO, now progressing through the production stage and customer delivery preparation, represents the next chapter in the brand's pursuit of dynamic purity and engineering mastery. Building on the acclaimed Apollo IE, the Apollo EVO introduces significant advancements in lightweight composite materials, aerodynamics, and control technologies, while maintaining Apollo's distinctive aesthetic and analog soul. Strong global interest, combined with ongoing customer order commitments, reinforces Apollo's position among the world's most revered performance marques. At the core of the Apollo hypercar business, the Group's proprietary V12 engine technology remains a critical strategic asset that distinctly differentiates the brand in an increasingly intensified market. Moving forward, the Group will continue to evolve and deploy this V12 powertrain within ultra-exclusive, limited-production halo models in future generations of hypercar.

Alongside with the preparation for customer delivery, the Group has set a clear target to achieve full homologation of the next-generation Apollo hypercars. Reaching this milestone will enable official on-road sales and deliveries in major global markets. The Group has maintained focused on investment in R&D, testing, and regulatory compliance to ensure the vehicles meet the highest performance and safety standards, laying the foundation for future contribution from the hypercar business.

Beyond the hypercar business, the Group is actively broadening its technological horizons on the EV front. The Group continues to advance its urban mobility programs, aiming to finalize development of K-EV in early 2026 and begin pre-sale launch in the Japanese market. This approach exemplifies the Group's investment in scalable, region-specific solutions that address diverse market demands while leveraging shared engineering platforms. Further, the Group will continue to explore opportunities in the car distributorship business across lucrative market segments to expand its revenue streams.

Complementing its product initiatives, the Group will continue to expand its brand licensing and partnership strategies, extending Apollo's distinctive design and ethos into digital, lifestyle and entertainment ecosystems. Through curated collaborations and virtual experiences, Apollo aims to strengthen engagement not only with global car enthusiasts and the next generation of automotive consumers, but also brings broader attention to general public through collaboration opportunities across diverse consumer sectors beyond racing games.

Looking ahead, the Group remains dedicated to preserving the essence of performance and craftsmanship while embracing the opportunities create by electrification and digitalization. Apollo is advancing an integrated strategy that not only strengthens its position in the hypercar segment but also expands across multiple areas of the EV value chain and actively explores different facets of next-generation mobility solutions. This includes evaluating other new mobility formats, technologies, and partnerships that align with emerging industry trends. Together, these initiatives set a strong foundation for the sustainable growth in 2026 and years beyond.

Hui Chun Ying

Chairman and Executive Director

APOLLO FUTURE MOBILITY GROUP LIMITED

Hong Kong

31 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the year ended 31 December 2025, the revenue of the Group decreased by approximately 73.2% to approximately HK\$91.1 million as compared to approximately HK\$340.2 million for the year ended 31 December 2024. The revenue comprised revenue from mobility technology solutions segment of approximately HK\$3.4 million (2024: approximately HK\$40.6 million), revenue from jewellery products, watches and other commodities segment of approximately HK\$82.8 million (2024: approximately HK\$291.0 million), and interest income from loan financing arrangements of approximately HK\$4.8 million (2024: approximately HK\$8.6 million). During the Year, revenue from mobility technology solutions segment recorded a substantial decrease due to the decrease in sales and distribution of vehicles, as all of the Apollo IEs had been delivered in Year 2024 and the next generation hypercar, the Apollo EVO, was still under development during the Year. The Apollo EVO is currently under the production stage in Germany and is expected to be delivered to customers starting from the second quarter of 2026. As a result, the revenue of the mobility technology solutions segment of the Group is expected to be improved in 2026. Revenue from the sales of jewellery products, watches and other commodities segment also recorded a substantial decrease during the Year as (i) the retail and wholesale markets remained to be challenging in the PRC; (ii) the Group is focusing on the development of the mobility technology solutions segment, with limited resources allocated to its jewellery products, watches and other commodities business; and (iii) the Group is gradually scaling down its jewellery products, watches and other commodities business and expanding the mobility technology solutions business. Further details of the Group's business strategy are set out in the section headed "Business Review" above.

The Group's gross profit amounted to approximately HK\$8.4 million for the Year as compared to approximately HK\$15.7 million for the year ended 31 December 2024. The gross profit margin increased to approximately 9.2% for the Year (2024: approximately 4.6%) mainly due to the improvement in inventory controls to mitigate the provision for write-down of inventories, net.

Administrative and other operating expenses remained relatively stable at approximately HK\$149.4 million for the Year (2024: approximately HK\$149.4 million).

Other losses, net amounted to approximately HK\$307.7 million for the Year (2024: approximately HK\$1,257.5 million) mainly comprised impairment of certain assets, including goodwill of approximately HK\$151.8 million (2024: approximately HK\$646.1 million), loans receivable of approximately HK\$70.6 million (2024: approximately HK\$70.1 million) and deposit and other receivables of approximately HK\$60.1 million (2024: approximately HK\$201.3 million).

Impairment of goodwill

As at 31 December 2025, the Group had goodwill acquired through business combinations allocated to the mobility technology solutions cash-generating units of the Group. The Group performs its annual impairment test on goodwill in accordance with the relevant accounting standard with the assistance of an external independent valuer. Impairment of goodwill of approximately HK\$151.8 million for the Year (2024: HK\$646.1 million) was recognized mainly due to (i) the increasing competitive business landscape in the mobility industry, including the increase in competition from the PRC EV manufacturers; (ii) certain changes in the production timeline due to the introduction of new suppliers; and (iii) the ongoing uncertainties and deterioration of the global economy. Further details of the impairment of goodwill are set out in the note 17 to the consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Impairment of deposit and other receivables and loans receivables

The Group recognised impairment losses on its deposit and other receivables and loan receivables in accordance with the expected credit loss (“ECL”) model under HKFRS 9 with the assistance of an external independent valuer.

Impairment of deposit and other receivables of approximately HK\$60.1 million recognised for the Year (2024: approximately HK\$201.3 million) comprised the impairment of (i) consideration receivable of approximately HK\$25.1 million; and (ii) deposit paid for potential acquisition of a company of approximately HK\$35.0 million, mainly due to (a) the current financial conditions of the counterparties; (b) the ongoing uncertainties in the global economy which may affect the future financial conditions of the counter parties; and (c) the long aging of the receivables.

Impairment of loan receivables of approximately HK\$70.6 million was recognised for the Year (2024: approximately HK\$70.1 million). During the Year, certain loan receivables were transferred from Stage 1 or Stage 2 to Stage 3 under the ECL model, as the loan receivables had a significant increase in credit risk or became credit-impaired after considering (i) the financial standing of the borrowers; (ii) the past repayment history of the borrowers; and (iii) the ongoing uncertainties in the global economy. The Group has taken the necessary measures, including legal action, to recover its loan receivables. Further details of the impairment of loan receivables are set out in the note 22 to the consolidated financial statements.

Overall, the loss attributable to owners of the Company for the Year was approximately HK\$664.1 million (2024: approximately HK\$1,538.3 million) due to the reasons as explained above.

Significant Investments Held

Details of significant investments held by the Group were set out as follows:

Investment Details	As at 31 December 2025			For the year ended 31 December 2025			Fair value		
	Number of preferred shares held '000	% of preferred shares held in such investee %	Percentage to the Group's total assets %	Fair value (Loss) Gain HK\$'000	Share of loss of associate HK\$'000	Dividend received HK\$'000	As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000	Investment cost HK\$'000
EV Power									
Preferred shares	142,820	32.46	17.89	(6,240)	(19,453)	-	354,513	380,206	407,679
Divergent									
Preference shares	-	-	-	8,899	N/A	-	-	658,635	469,378

MANAGEMENT DISCUSSION AND ANALYSIS

(i) Investment in EV Power Holdings Limited (“EV Power”)

EV Power and its subsidiaries are principally engaged in the provision of convenient, safe and cost-effective EV charging solutions in Hong Kong, Indonesia and the PRC. EV Power is largest charging point operator in the PRC in terms of number of charging sites in operation in residential areas. It operates over 7,000 charging sites and around 38,000 charging piles (or 71,000 charging bays), covering over 70 cities in the PRC and has working relationships with several European car brands, Hong Kong property developers and international logistics companies. The Group’s investment in EV Power represents an opportunity for the Group to create strong synergies with EV Power through the Group’s proprietary EV technologies and thereby completing the full value chain of mobility.

(ii) Investment in Divergent Technologies Inc. (“Divergent”)

Divergent is a company based in the US which uses three-dimensional (“3D”) metal printing technology through its patented hardware and software platform to conduct research, design, development and production of 3D printed vehicle structures. Not only does the patented digital manufacturing system radically reduces capital needs and design risks, it also reduces product cycle time and increases market response.

On 26 July 2024, the Group entered into a sale and purchase agreement to conditionally dispose of its entire interest in Divergent (the “Divergent Disposal”). The Divergent Disposal constituted a very substantial disposal of the Company under Chapter 14 of the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The completion of the Divergent Disposal took place on 21 May 2025. Further details of the Divergent Disposal are set out in the announcement of the Company dated 7 August 2024 and the circular of the Company dated 21 August 2024.

Following the Divergent Disposal and as at 31 December 2025, the Group did not have any interest in Divergent.

Except for the significant investments disclosed above, there was no other investment held by the Group of which the value was more than 5% of the total assets of the Group during the year ended 31 December 2025.

MONEY LENDING BUSINESS

Business model

The Group engages in money lending business in Hong Kong with the aim of increasing the return of capital of the Group by utilizing the Group’s internal resources to generate additional revenue for the shareholders of the Company (the “Shareholders”) under acceptable and controllable levels of risk.

As at 31 December 2025, the Money Lending Segment, as defined under Note 3 to the consolidated financial statements, had outstanding loans to three corporate borrowers and one individual borrower, with an average loan size of approximately HK\$52.4 million each. The loans receivable of the Money Lending Segment had loan tenure ranging from 4 months to 3 years from the inception date of the respective loan and bore interest at rates ranging from 5% to 8% per annum. Such borrowers were mainly referred to the Money Lending Segment by business partners and existing borrowers and were all independent third parties of the Company. The Money Lending Segment does not solicit borrowers publicly and only uses funds generated from its business operations to fund its Money Lending Segment.

MANAGEMENT DISCUSSION AND ANALYSIS

The table below shows the list of borrowers of the loans receivable (net of loans impairment) of the Money Lending Segment as at 31 December 2025.

	Outstanding loan amount as at 31 December 2025 HK\$'000
Borrowers as at 31 December 2025	
Corporate borrowers	
Customer A	9,263
Customer B	–
Customer C	30,495
Individual borrower	
Customer D	31,750
	71,508

The aging analysis of the Money Lending Segment's loans receivables (net of loans impairment) is as follows:

	As at 31 December 2025 HK\$'000
Loans receivable repayable:	
Within one year	71,508
In the second year	–
	71,508

As the Group aims to focus on the development of its mobility technology solutions business going forward, it currently only uses its internal financial resources for the provision of loan financing and plans to gradually scale down the Money Lending Segment further over time.

Credit risk assessment policy

The Money Lending Segment has designated a team responsible for operating and monitoring the money lending business (the "Money Lending Team"). After identifying potential borrowers, the Money Lending Team is responsible for performing credit evaluations on them. The credit evaluation procedures include (i) engaging independent credit management service agents to prepare credit reports on each of the borrowers and guarantors; (ii) understanding the background and business operations of the borrowers and guarantors; (iii) reviewing historical credit records of the borrowers and guarantors; (iv) assessing the repayment ability of the borrowers through understanding the liquidity and financial conditions of the borrowers and guarantors; and (v) assessing the validity and value of the collaterals, if applicable. As at 31 December 2025, approximately 21.04%, 38.93% and 35.08% of the gross carrying amount of loans receivable were secured by personal guarantee, corporate guarantee and collateral, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Loans impairment assessment

As at 31 December 2025, the Money Lending Segment has provided an impairment allowance of approximately HK\$138,157,000 on the gross loans receivable of approximately HK\$209,665,000. The impairment allowance is made in accordance with the ECL model under HKFRS 9.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Money Lending Segment expects to receive, discounted at an approximation of the original effective interest rate. As at each reporting date, the Money Lending Team assesses whether the credit risk on the loans receivable has increased significantly since initial recognition. When making the assessment, the Money Lending Team compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, including historical and forward-looking information. For loans with no significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those loans with a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Money Lending Team engaged an independent external valuer (the "Valuer") to assist in the assessment of the ECL of the loans receivable. Based on relevant and available information, which includes past repayment history of the borrowers, value of collaterals, data as cited in external research reports, macroeconomic factors and other qualitative information available to the Money Lending Segment, the Valuer assisted the Group in estimating the amount of ECL of the loans receivables. The Valuer concluded that as at 31 December 2025, the loss allowance for approximately HK\$191,000 and HK\$137,966,000 of the loans receivable should be measured based on 12-month ECLs and lifetime ECLs, respectively, and accordingly a total of approximately HK\$138,157,000 of ECL allowance was provided. The ECL allowance as at 31 December 2024 was approximately HK\$67,786,000. The increase in the ECL allowance of approximately HK\$70,371,000 (representing an increase of approximately 103.8%) as at 31 December 2025 was mainly due to the impairment losses recognised for the Year.

The loans receivable of the Money Lending Segment will be written off when the Money Lending Team considers that there is no reasonable expectation of recovering the contractual cash flows. When assessing the recoverability of the loans, the Money Lending Team considers both quantitative and qualitative information and analysis relevant and available, based on the Money Lending Team's historical experience and credit risk assessment. As at 31 December 2025, none of the loans receivable were written off.

Internal control

In order to minimise credit risk, the Money Lending Segment maintains strict internal control over its money lending business. In addition to the Money Lending Team, the Money Lending Segment has designated a committee (the "Money Lending Committee") comprising the board of directors of the subsidiary engaged in the money lending business to oversee the money lending business and approve proposals of the Money Lending Team.

MANAGEMENT DISCUSSION AND ANALYSIS

Upon the completion of credit assessment procedures, the Money Lending Team will propose loan terms, which include loan size, loan tenure, interest rate, guarantee and collateral, with reference to the prime lending rate offered by commercial banks, prevailing interest rates offered by other money lending institutions in the market and internal credit risk rating of the borrowers and ensure that the Company complies with the applicable rules and regulations. The proposed loans will then be passed to the Money Lending Committee for review and approval. The Money Lending Team is also responsible for the ongoing monitoring of the recoverability of the loans, which includes obtaining updates on the statuses of the loans receivable, borrowers and guarantors on a quarterly basis, and reporting significant findings to the Money Lending Committee. In case of overdue loans, the Money Lending Team will report to the Money Lending Committee and provide regular updates on a monthly basis on the progress of recovering the outstanding loans. The Money Lending Team will proactively contact the borrowers to understand the reasons for overdue repayments and assess the repayment ability of the borrowers by considering factors including but not limited to the business, financial and economic conditions that may affect the repayment ability of the borrowers; actual and expected financial performance and cashflows of the borrowers; and probability of the borrowers entering into bankruptcy or other financial reorganisation. After assessing the repayment ability of the borrowers, the Money Lending Team may choose to negotiate new repayment schedules with the borrowers if the underlying default risk is considered to be acceptable. For overdue cases which are considered to have significant default risk, the Money Lending Committee will engage external legal advisors to assist in issuing demand letters to borrowers demanding for repayment of the outstanding amount and advising the Company on (where necessary) the appropriate legal actions required for the enforcement of the loan repayment and collateral.

Liquidity, Financial Resources and Gearing

As at 31 December 2025, the cash and cash equivalents of the Group amounted to approximately HK\$538.8 million (31 December 2024: approximately HK\$464.8 million), which were mainly denominated in HK\$, Renminbi ("RMB"), Euro ("EUR"), United States dollars ("US\$") and Japanese Yen ("JPY").

The total current assets and total current liabilities of the Group as at 31 December 2025 were approximately HK\$857.4 million and HK\$630.5 million, respectively (31 December 2024: total current assets of approximately HK\$1,549.8 million and total current liabilities of HK\$854.7 million, respectively). The Group's net current assets as at 31 December 2025 comprised inventories of approximately HK\$46.5 million (31 December 2024: approximately HK\$42.0 million), accounts receivable, prepayments, deposits and other receivables of approximately HK\$145.7 million (31 December 2024: approximately HK\$291.9 million), financial assets at fair value through profit or loss of approximately HK\$11.5 million (31 December 2024: approximately HK\$658.6 million) and loans receivable of approximately HK\$114.9 million (31 December 2024: approximately HK\$92.4 million).

The Group's inventory turnover, accounts receivable turnover and accounts payable turnover periods for the Year were 195 days, 18 days and 201 days, respectively. The turnover ratios were consistent and compliant with the respective policies of the Group on credit terms granted to customers and credit terms obtained from suppliers.

During the Year, the Group financed its operations and investment activities mainly through a combination of proceeds from (i) the Divergent Disposal; (ii) convertible bonds; (iii) interest-bearing bank borrowings; and (iv) operating activities. As at 31 December 2025, equity attributable to owners of the Company amounted to approximately HK\$1,378.1 million (31 December 2024: approximately HK\$1,999.7 million).

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's total interest-bearing bank borrowings as at 31 December 2025 amounted to approximately HK\$13.8 million (as at 31 December 2024: approximately HK\$16.4 million) and the Group's convertible bonds issued by the Company as at 31 December 2025 amounted to approximately HK\$297.0 million (as at 31 December 2024: approximately HK\$298.3 million), respectively, which were mainly denominated in HK\$ and JPY. The interest-bearing bank borrowings and convertible bonds were mainly used for investment in business opportunities in order to expand into the mobility technology solutions and related business and for working capital purpose and all of which are at commercial lending variable interest rates.

The Group monitors its capital on the basis of the gearing ratio. As at 31 December 2025, the gearing ratio was approximately 1.0% (31 December 2024: approximately 0.8%). This ratio is calculated as the total interest-bearing bank borrowings (other than convertible bonds) divided by the total equity.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 December 2025.

Pledge of Assets

As at 31 December 2025, the Group's freehold land and buildings, certain building including right-of-use assets, with an aggregate carrying amount of approximately HK\$30.0 million (31 December 2024: approximately HK\$30.7 million) were pledged to secure certain bank loans to the Group of principal amount of approximately HK\$10.0 million (31 December 2024: approximately HK\$10.8 million).

Final Dividend

The Board does not recommend the payment of any dividend in respect of the Year (2024: Nil).

Capital Management

The Group's objectives when managing capital are to ensure that members of the Group will be able to continue as a going concern while maximizing the return to shareholders of the Company through the optimization of its debt and equity ratio. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Company will balance its overall capital structure through the payment of dividends and new share issues as it sees fit and appropriate.

Foreign Exchange Exposure

The Group's sales and purchases during the Year were mostly denominated in HK\$, EUR, JPY, RMB and US\$. The Group was exposed to certain foreign currency exchange risks but it does not anticipate future currency fluctuations to cause material operational difficulties or liquidity problems. Nevertheless, the Group continuously monitors its foreign exchange position and, when necessary, will hedge foreign exchange exposure arising from contractual commitments in sourcing products from overseas suppliers.

Material Acquisitions or Disposals

Save as disclosed in this report, there was no other material acquisition or disposal of subsidiaries, associates or joint ventures by the Group during the Year.

Events After the Reporting Period

Provision of Loan

On 12 January 2026, Raise Success Limited ("Raise Success"), a direct wholly-owned subsidiary of the Company and a licensed money lender (as lender) entered into a loan agreement with EV Power (as borrower) and Mr. Chan Chun Hung ("Mr. Chan") (as guarantor), pursuant to which Raise Success has agreed to grant a loan in the principal amount of HK\$42,000,000 (the "Loan") to EV Power at an interest rate of 8% per annum.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is the single largest shareholder of EV Power and is holding approximately 27.91% (on an as-converted basis) of the issued shares of EV Power.

The provision of the Loan constitutes a discloseable transaction of the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules. Further details in respect of, among others, the Loan are set out in the announcement of the Company dated 12 January 2026.

Formation of a joint venture company

On 24 February 2026, Apollo Future Mobility Ningbo Limited (“AFM Ningbo”), a wholly-owned subsidiary of the Company, entered into a joint venture agreement (the “JV Agreement”) with Ningbo Xingtongda Co., Ltd.* (寧波興通達有限公司) (“NBXTD”) and Hangzhou Furui Technology Partnership (Limited Partnership)* (杭州伏銳科技合夥企業(有限合夥)) (“HZFTP”), in relation to the formation of a joint venture company (the “JV Company”). Pursuant to the terms of the JV Agreement, the registered capital of the JV Company shall be RMB100 million. AFM Ningbo, NBXTD and HZFTP shall contribute RMB50 million (equivalent to approximately HK\$56 million), RMB45 million (equivalent to approximately HK\$50.4 million) and RMB5 million (equivalent to approximately HK\$5.6 million) to the JV Company, accounting for 50%, 45% and 5% of the registered capital of the JV Company, respectively.

Pursuant to the terms of the JV Agreement, the parties shall pay up their respective capital contribution in cash no later than 30 June 2026. The amount of capital contribution was determined after arm’s length negotiations among the parties with reference to the expected capital requirements and the parties’ respective interest in the JV Company.

As AFM Ningbo will be the largest majority shareholder of the JV Company, owning 50% of the JV Company upon its establishment and has the right to appoint three out of five directors (including the chairman of the board of directors) of the JV Company, the JV Company will be a subsidiary of the Company and its financial results after its establishment will be consolidated to the Company’s financial statements.

The formation of the JV Company constitutes a discloseable transaction on the part of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. Further details in respect of, among others, the JV Agreement are set out in the announcement of the Company dated 24 February 2026.

Save as disclosed above, there were no other significant events affecting the Group after the year ended 31 December 2025 and up to the date of this report.

Employees and Remuneration Policies

As at 31 December 2025, the Group had 49 (31 December 2024: 43) employees. The related employees’ costs for the Year (including Directors’ remuneration and equity-settled share option expenses) amounted to approximately HK\$65.1 million (2024: approximately HK\$48.8 million). In addition to basic salary, employees are also entitled to other benefits including those under social insurance contribution, employee provident fund schemes and share option scheme of the Company. The remuneration of employees was in line with market trend and commensurate to the levels of pay in the industry and to the performance of individual employees that are regularly reviewed each year.

* For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS

The Group will continue to offer employees on-the-job training and external trainings based on business needs and the development of the Group.

The annual salary of Directors is determined by reference to their performance for the year, experience, qualification, duties and responsibilities in the Group and the prevailing market rate and will be subject to review by the remuneration committee of the Board (the "Remuneration Committee") and the Board from time to time. Further details of Directors' and chief executive's remuneration and the five highest paid employees are set out in notes 9 and 10 to the financial statements, respectively.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, as at 31 December 2025, there was no other specific plan for material investments or capital assets in the coming year.

REPORT OF THE DIRECTORS

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The principal activity of the Company in the course of the Year is investment holding. Details of the principal activities of the subsidiaries of the Company in the course of the Year are set out in note 1 to the consolidated financial statements.

SEGMENT INFORMATION

An analysis of the Group's revenue and results by geographical segment based on the location of customers and business segments for the Year is set out in note 4 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The Group's results for the Year and the financial position of the Company as at 31 December 2025 are set out in the consolidated financial statements on pages 94 to 203, respectively.

The Board did not recommend the payment of any dividend for the Year (2024: Nil).

INDUSTRY OVERVIEW, BUSINESS REVIEW, PROSPECTS AND OUTLOOK, FINANCIAL REVIEW, EVENTS AFTER THE REPORTING PERIOD AND FINAL DIVIDEND

The disclosures set out in the sub-sections headed "Industry Overview", "Business Review" and "Prospects and Outlook" in the section headed "Chairman's Statement" and the sub-sections headed "Financial Review", "Events After The Reporting Period" and "Final Dividend" in the section headed "Management Discussion and Analysis" of this annual report form part of this report of the Directors.

RELATIONSHIP WITH STAKEHOLDERS

The Group recognises that employees, customers and business partners are key to its sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality services to its customers and enhancing cooperation with its business partners.

The Company provides a fair and safe workplace, promotes diversity to our staff, and provides competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also puts ongoing efforts to provide adequate training and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-fulfilment in their positions.

The Group understands that it is important to maintain good relationship with customers and provide the products and services in a way that satisfies the needs and requirements of the customers. The Group enhances the relationship by continuous interaction with customers to gain insight on the changing market demand for the products so that the Group can respond proactively. The Group has also established procedures in place for handling customers' complaints to ensure they are dealt with in a prompt and timely manner.

The Group is also dedicated to develop and maintain good and long term relationships with suppliers and contractors to ensure stability of the Group's business.

REPORT OF THE DIRECTORS

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY

The Group's financial conditions, results of operations, businesses and prospects may be affected by a number of risks and uncertainties. The following are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties which are not known to the Group or which may not be material now but could turn out to be material in the future.

Business Risk

A substantial portion of the operating assets of the Group is located in the PRC and the Group expects that a material portion of the turnover will continue to be derived from the operations in the PRC. The results of operations and prospects are subject, to a significant degree, to economic, political and legal developments in the PRC. The economy of the PRC differs from the economies of most developed countries in many respects, including the extent of government involvement, the level of development, the growth rate, and government control of foreign exchange. The Group cannot predict whether changes in the PRC's political, economic and social conditions, laws, regulations and policies will have any material adverse effect on the current or future business, results of operation or financial condition of the Group.

Financial Risk

The financial risk management of the Group is set out in note 40 to the consolidated financial statements.

FINANCIAL STATEMENTS

The financial performance of the Group for the Year and the financial position of the Group as at 31 December 2025 are set out on pages 94 to 97.

REPORT OF THE DIRECTORS

FIVE YEAR FINANCIAL SUMMARY

The following is a summary of the published consolidated results and of the assets and liabilities of the Group for year ended 30 September 2021, the fifteen months ended 31 December 2022 and each of the three years ended 31 December 2025:

Results

	Year ended 31 December 2025 HK\$'000	Year ended 31 December 2024 HK\$'000	Year ended 31 December 2023 HK\$'000	Fifteen months ended 31 December 2022 HK\$'000	Year ended 30 September 2021 HK\$'000
Revenue	91,102	340,198	279,213	774,888	528,559
(Loss)/Profit from operating activities	(680,899)	(1,554,911)	(845,718)	289,185	(349,386)
Finance costs	(16,258)	(3,938)	(22,187)	(21,450)	(6,823)
(Loss)/Profit before tax	(697,157)	(1,558,849)	(867,905)	267,735	(356,209)
Income tax (expenses)/credits	(3,213)	9,757	(1,071)	(1,376)	(3,144)
(Loss)/Profit for the year	(700,370)	(1,549,092)	(868,976)	266,359	(359,353)
Attributable to:					
Owners of the Company	(664,072)	(1,538,341)	(860,535)	263,459	(349,589)
Non-controlling interests	(36,298)	(10,751)	(8,441)	2,900	(9,764)
	(700,370)	(1,549,092)	(868,976)	266,359	(359,353)

REPORT OF THE DIRECTORS

FIVE YEAR FINANCIAL SUMMARY *(continued)*

Assets and Liabilities

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000	At 31 December 2023 HK\$'000	At 31 December 2022 HK\$'000	At 30 September 2021 HK\$'000
Non-current assets	1,123,835	1,317,321	3,200,329	3,593,315	3,749,786
Current assets	857,371	1,549,813	719,340	1,340,514	1,331,877
Total assets	1,981,206	2,867,134	3,919,669	4,933,829	5,081,663
Current liabilities	630,465	854,699	524,753	618,890	1,277,595
Non-current liabilities	37,696	45,674	53,459	54,153	164,486
Total liabilities	668,161	900,373	578,212	673,043	1,442,081
Net assets	1,313,045	1,966,761	3,341,457	4,260,786	3,639,582

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the Year are set out in note 14 to the consolidated financial statements.

ISSUED CAPITAL

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

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws or the laws of the Bermuda, being the jurisdiction in which the Company is continued, which would oblige the Company to offer new Shares on a pro-rata basis to its existing Shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

RESERVES

Details of movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on pages 98 to 99 of this report.

REPORT OF THE DIRECTORS

DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company had distributable reserves of approximately HK\$912,422,000 (2024: approximately HK\$1,018,987,000) calculated in accordance with the Companies Act 1981 of Bermuda. This includes the Company's contributed surplus of approximately HK\$7,573,141,000 (2024: approximately HK\$7,573,141,000) which are distributable to the Shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, sales to the Group's 5 largest customers combined accounted for approximately 87% of the total sales and the sales to the largest customer included therein amounted to approximately 30%.

Total purchases for the Year from the Group's 5 largest suppliers combined accounted for approximately 98% of the total purchases and the purchases from the largest supplier included therein amounted to approximately 96%.

None of the Directors or any of their close associate(s) or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's total issued Shares (excluding treasury shares (if any))) had any beneficial interest in the Group's 5 largest customers or 5 largest suppliers.

DIRECTORS

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

Executive Directors

Mr. Hui Chun Ying (*Chairman*)

Ms. Chen Yizi

Independent Non-Executive Directors

Mr. Peter Edward Jackson (Note 1)

Mr. Charles Matthew Pecot III

Ms. Hau Yan Hannah Lee

Mr. Zhuang Qiyu (Note 2)

Note:

1. resigned with effect from 10 September 2025
2. appointed with effect from 10 September 2025

In accordance with bye-law 84(1) of the Bye-laws, Mr. Hui Chun Ying and Ms. Chen Yizi shall retire from office at the 2026 AGM and they, being eligible, have offered themselves for re-election at the 2026 AGM. In accordance with bye-law 83(2) of the Bye-laws, Mr. Zhuang Qiyu shall retire from office at the 2026 AGM and he, being eligible, has offered himself for re-election at the 2026 AGM. All Directors are subject to retirement by rotation and re-election at annual general meetings of the Company at least once every three years.

None of the Directors proposed for re-election at the 2026 AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

REPORT OF THE DIRECTORS

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 34 to 36 of the annual report.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the Year are set out in note 38 to the consolidated financial statements. Each of the related party transactions of the Group during the Year either (i) did not constitute a connected transaction or a continuing connected transaction as defined in the Chapter 14A of the Listing Rules; or (ii) constituted a connected transaction or a continuing connected transaction but was fully exempted and not subject to any of the disclosure requirements under Chapter 14A of the Listing Rules.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements or contracts of significance, to which the Company, its parent company, its subsidiaries or its fellow subsidiaries, was a party and in which a Director at any time during the Year or an entity connected with a Director at any time during the Year had any material interest, whether directly or indirectly, was entered into or subsisted at the end of the Year or at any time during the Year, nor was there any contract of significance between the Group and a controlling Shareholder or any of its subsidiaries, or any contract of significance for the provision of services to the Group by a controlling Shareholder or any of its subsidiaries.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or in existence during the Year, other than service contracts or letters of appointment with the Directors and other persons engaged in the full-time employment of the Company.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-laws, the Directors, secretary and other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they may incur or sustain in the execution of their duty. The Company has taken out and maintained directors' and officers' liability insurance throughout the Year and as at the date of this report, which provides appropriate cover for certain legal actions (if any) brought against its Directors and officers.

REPORT OF THE DIRECTORS

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Name of Directors/ chief executive of the Company	Capacity and nature of interest	Number of ordinary shares held	Number of share options held (Note 1)	Total interests	Percentage of interest (Note 2)
Mr. Hui Chun Ying	Beneficial owner	–	10,000,000	10,000,000	0.98%
Ms. Chen Yizi	Beneficial owner	–	10,000,000	10,000,000	0.98%
Mr. Charles Matthew Pecot III	Beneficial owner	–	1,200,000	1,200,000	0.12%
Ms. Hau Yan Hannah Lee	Beneficial owner	–	1,000,000	1,000,000	0.10%
Mr. Lee Jackie Kai Yat (Chief Executive Officer)	Beneficial owner	–	6,950,000	6,950,000	0.68%

Notes:

1. Details of share options held by the Directors are shown in the section "Share Option Schemes" below.
2. Based on 1,022,438,090 Shares in issue as at 31 December 2025.
3. All the interests disclosed above represent long positions in the Shares.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraph "Share Option Schemes" below, at no time during the Year or at the end of the Year was the Company, or any of its holding companies or subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company or their respective associates (as defined under the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

RETIREMENT BENEFITS PLANS

The Group contributes to defined contribution retirement schemes which are available to all employees. During the Year, no forfeited contributions were available to reduce the existing level of contributions payable by the Group.

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the Year and up to the date of this report, none of the Directors and directors of the Company's subsidiaries or their respective associates had any interests in any businesses, apart from the Group's business, which compete or are likely to compete either directly or indirectly, with the businesses of the Company and its subsidiaries as required to be disclosed pursuant to the Listing Rules.

SHARE OPTION SCHEMES

2013 Share Option Scheme

A share option scheme (the "2013 Share Option Scheme") was adopted by the Company on 1 March 2013, the purpose of which was to attract and retain the best available personnel, to provide additional incentive to employees, directors, consultants, advisors and Shareholders of the Group and to promote the success of the business of the Group.

The 2013 Share Option Scheme shall be valid and effective for a period of 10 years commencing on the adoption date. Accordingly, the 2013 Share Option Scheme has expired on 28 February 2023 and no further share options (the "Share Option(s)") shall be granted under the 2013 Share Option Scheme but the provisions of the 2013 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Share Options granted or exercised prior to the expiry date of the 2013 Share Option Scheme.

Eligible participants under the 2013 Share Option Scheme include, among others, employees, directors, customers, advisors, Shareholders, consultants, suppliers or service providers of the Group.

Details of the movements of the Share Options under the 2013 Share Option Scheme during the Year are as follows:

Name of Grantee	Date of Grant	At 1 January 2025	Granted during the Period	Lapsed/ Cancelled during the Period	Exercised during the Period	At 31 December 2025	Vesting and exercise period	Exercise price per share HK\$	Closing price per Share immediately before the date of grant HK\$
Directors and Chief Executive									
Mr. Charles Matthew Pecot III	4 January 2021	100,000	-	-	-	100,000	Note 1	15.60	15.40
	4 January 2022	100,000	-	-	-	100,000	Note 2	8.90	9.00
Former Director									
Mr. Peter Edward Jackson (Note 3)	30 May 2019	50,000	-	-	-	50,000	Note 4	9.50	9.70
	4 January 2021	100,000	-	-	-	100,000	Note 1	15.60	15.40
	4 January 2022	100,000	-	-	-	100,000	Note 2	8.90	9.00
Related entity participants									
Substantial Shareholders	13 March 2018	2,500,000	-	-	-	2,500,000	Note 5	35.64	34.20
Employee participants									
Employees (Note 6)	19 July 2016	74,400	-	-	-	74,400	Note 7	13.00	13.00
	4 January 2022	250,000	-	(250,000)	-	-	Note 2	8.90	9.00
Service Provider									
Consultants (Note 8)	4 January 2021	6,000,000	-	-	-	6,000,000	Note 1	15.60	15.40
Total		9,274,400	-	(250,000)	-	9,024,400			

REPORT OF THE DIRECTORS

SHARE OPTION SCHEMES *(continued)*

Notes:

1. From 4 January 2021 to 3 January 2031.
2. From 4 January 2022 to 3 January 2032.
3. Resigned with effect from 10 September 2025.
4. From 30 May 2019 to 29 May 2029.
5. From 13 March 2018 to 12 March 2028.
6. "Employees" mean employees working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance (Chapter 57 of the laws of Hong Kong).
7. Subject to the rules of the 2013 Share Option Scheme, the Share Options are exercisable in the following manner for a period from the date of the acceptance of the Share Options to 10 years from the date of grant:

Percentage of the Share Options that are vested and exercisable	Period for the exercise of the relevant Share Options
20%	From 19 July 2017 to 18 July 2026
Additional 20% (i.e. up to 40% in total)	From 19 July 2018 to 18 July 2026
Additional 20% (i.e. up to 60% in total)	From 19 July 2019 to 18 July 2026
Additional 20% (i.e. up to 80% in total)	From 19 July 2020 to 18 July 2026
Additional 20% (i.e. up to 100% in total)	From 19 July 2021 to 18 July 2026

8. They are consultants providing professional advice and assistance to the business development of the Group and assisting in sourcing funding for the Company from potential investors in the Middle East, Europe and the PRC. Please refer to the announcement of the Company dated 11 October 2022 for details.

No Share Option was available for grant under the 2013 Share Option Scheme as at the beginning and the end of the Year as the 2013 Share Option Scheme has expired on 28 February 2023.

The total number of Shares available for issue upon the exercise of all Share Options granted under the 2013 Share Option Scheme is 9,024,400, representing approximately 0.88% of the total number of issued Shares (excluding treasury shares (if any)) as at the date of this report.

The number of Shares that may be issued in respect of the Share Options granted under the 2013 Share Option Scheme during the Year divided by the weighted average number of ordinary Shares in issue (excluding treasury shares (if any)) for the Year was approximately 0.88%.

REPORT OF THE DIRECTORS

2023 Share Option Scheme

The Company has adopted a share option scheme on 30 June 2023 (the "2023 Share Option Scheme") which was approved by the Shareholders at the annual general meeting held on 30 June 2023. The 2023 Share Option Scheme shall be valid and effective for a period of 10 years commencing on 30 June 2023. As at 31 December 2025, the remaining life of the 2023 Share Option Scheme is approximately 7.5 years.

The purpose of the 2023 Share Option Scheme is to give the eligible participants an opportunity to have a personal stake in the Company and help motivate them to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of an employee participant, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

Eligible participants under the 2023 Share Option Scheme include (i) employee participants, being any director or employee of the Company or any of its subsidiaries, including persons who are granted Share Options as an inducement to enter into employment contracts with the Company or any of its subsidiaries; and (ii) related entity participants, being a director or employee of a holding company, a subsidiary of the holding company or an associated company of the Company.

There is no performance target attached to the Share Options granted under the 2023 Share Option Scheme during the Year.

Details of the movement of the Share Options under the 2023 Share Option Scheme during the Year were as follows:

Name of Grantee	Date of Grant	At 1 January 2025	Granted during the Period	Lapsed/ Cancelled during the Period	Exercised during the Period	At 31 December 2025	Vesting and exercise period	Exercise price per share HK\$	Closing price per Share immediately before the date of grant HK\$
Directors and									
Chief Executive									
Mr. Hui Chun Ying	6 June 2024	10,000,000	-	-	-	10,000,000	Note 1	0.68	0.73
Ms. Chen Yizi	6 June 2024	10,000,000	-	-	-	10,000,000	Note 1	0.68	0.73
Mr. Charles Matthew Pecot III	6 June 2024	1,000,000	-	-	-	1,000,000	Note 1	0.68	0.73
Ms. Hau Yan Hannah Lee	6 June 2024	1,000,000	-	-	-	1,000,000	Note 1	0.68	0.73
Mr. Lee Jackie Kai Yat	27 February 2024	3,950,000	-	-	-	3,950,000	Note 2	0.55	0.56
	6 June 2024	3,000,000	-	-	-	3,000,000	Note 1	0.68	0.73
Former Director									
Mr. Peter Edward Jackson (Note 3)	6 June 2024	1,000,000	-	-	-	1,000,000	Note 1	0.68	0.73
Employee participants									
Employees (Note 4)	27 February 2024	40,800,000	-	-	-	40,800,000	Note 2	0.55	0.56
	6 June 2024	32,000,000	-	-	-	32,000,000	Note 1	0.68	0.73
Total		102,750,000	-	-	-	102,750,000			

REPORT OF THE DIRECTORS

Notes:

1. From 6 June 2025 to 5 June 2034.
2. From 27 February 2025 to 26 February 2034.
3. Resigned with effect from 10 September 2025.
4. "Employees" mean employees working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance (Chapter 57 of the laws of Hong Kong).

The scheme mandate limit under the 2023 Share Option Scheme was refreshed pursuant to an ordinary resolution passed by the independent Shareholders at the annual general meeting of the Company held on 31 May 2024. The number of Share Options available for grant under the scheme mandate limit under the 2023 Share Option Scheme as at the beginning and the end of the Year was 44,243,809 and 44,243,809, respectively.

The total number of Shares available for issue upon the exercise of all Share Options granted under the 2023 Share Option Scheme is 102,750,000, representing approximately 10.05% of the total number of issued Shares (excluding treasury shares (if any)) as at the date of this report.

The number of Shares that may be issued in respect of the Share Options granted under the 2023 Share Option Scheme during the Year divided by the weighted average number of ordinary Shares of the Company in issue (excluding treasury shares (if any)) for the Year was approximately 10.05%.

No Share Options were granted during the Year.

Further details in relation to the Share Options are set out in note 33 to the consolidated financial statements.

REPORT OF THE DIRECTORS

ISSUE OF LISTED SECURITIES OF THE COMPANY AND USE OF PROCEEDS

On 6 December 2024, the Company entered into a subscription agreement (the "CB Subscription Agreement") with Ning Shing (Holdings) Company Limited (the "CB Subscriber"), pursuant to which the Company has conditionally agreed to issue to the CB Subscriber, and the CB Subscriber has conditionally agreed to subscribe for, 5% convertible bonds of the Company due 2026 in the principal amount of HK\$300 million under a general mandate, bearing interest at the rate of 5% per annum payable semi-annually from the issue date (the "Convertible Bonds"), which may be converted into not more than 194,804,000 ordinary Shares with aggregate nominal value of HK\$1,948,040 based on the initial conversion price of HK\$1.54 per conversion Share upon full conversion (the "CB Subscription"). The closing price per Share as quoted on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 6 December 2024, being the date of the CB Subscription Agreement, was HK\$0.465. The gross proceeds and the net proceeds (after deduction of relevant expenses) from the CB Subscription were HK\$300 million and approximately HK\$299.2 million, respectively. The net issue price if the conversion Shares are issued at the initial conversion price would be approximately HK\$1.54 per conversion Share.

The net proceeds from the CB Subscription of approximately HK\$299.2 million are intended for research and development of hypercars and EVs (approximately HK\$269.3 million or 90.01% of the net proceeds) and general working capital (approximately HK\$29.9 million or 9.99% of the net proceeds). The issuance of the Convertible Bonds reflects the Group's strategic intent to capitalize on the growing global demand for high-performance hypercars due to surging popularity of motorsports and increasing consumer interest in cutting-edge mobility solutions. By raising funds to invest in research and development, the Group aims to accelerate its transformation into a leading mobility services provider, enabling the Group to unveil next-generation hypercar concepts and advanced EV technologies, amplifying market interest, and reinforcing its competitive edge in the rapidly evolving automotive landscape.

As at 31 December 2024, none of the net proceeds from the CB Subscription had been utilized. Accordingly, the unutilized net proceeds from the CB Subscription brought forward to the Year was approximately HK\$299.2 million.

As at 31 December 2025, approximately 66.92% (approximately HK\$200.2 million) of the net proceeds from the CB Subscription had been utilized for research and development of hypercars and EVs; and approximately 9.99% (approximately HK\$29.9 million) of the net proceeds from the CB Subscription had been utilized for general working capital, including salary payments, legal and professional fees and other general corporate purposes.

The remaining balance of approximately 23.09% (approximately HK\$69.1 million) of the net proceeds from the CB Subscription is expected to be fully utilized on or before 31 March 2026 for the purposes of research and development of hypercars and EVs as previously disclosed. Further details in relation to the CB Subscription are set out in the announcements of the Company dated 6 December 2024, 10 December 2024 and 18 December 2024.

Save as disclosed above, there was no other issue of equity securities of the Company for cash during the Year.

EQUITY-LINKED AGREEMENTS

During the Year, the Company did not enter into any equity-linked agreements which would or might result in the issue of Shares by the Company, or require the Company to enter into any agreements which would or might result in the issue of Shares by the Company.

REPORT OF THE DIRECTORS

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholders	Capacity and nature of interest	Number of Shares held	Percentage of shares in issue (Note 1)
Mr. Ho King Man, Justin	Beneficial owner and interest in a controlled corporation	222,637,982 (Note 2)	21.78%
Ruby Charm Investment Limited	Beneficial owner	219,293,382 (Note 2)	21.45%
Ning Shing (Holdings) Company Limited	Beneficial owner	194,804,000 (Note 3)	16.00%
Atlantis Multi-Strategy Capital VCC	Beneficial owner	153,260,870 (Note 4)	14.99%
Atlantis Capital Group Holdings Limited	Interest in a controlled corporation	153,260,870 (Note 4)	14.99%
Ms. Liu Yang	Interest in a controlled corporation	153,260,870 (Note 4)	14.99%
WM Motor Holdings Limited	Beneficial owner	113,777,267 (Note 5)	11.13%
Timeless Hero Limited	Interest in a controlled corporation	113,777,267 (Note 5)	11.13%
Mr. Lai Wing Lun	Agent	113,777,267 (Note 6)	11.13%
Mr. Arab Osman Mohammed	Agent	113,777,267 (Note 6)	11.13%

Notes:

- Based on 1,022,438,090 Shares in issue as at 31 December 2025.
- Among 222,637,982 Shares, (i) 219,293,382 Shares are owned by Ruby Charm Investment Limited, a private company directly wholly-owned by Mr. Ho King Man, Justin; (ii) 844,600 Shares are owned by Jumbo Eagle Investments Limited, a private company directly wholly-owned by Mr. Ho King Man, Justin; and (iii) 2,500,000 Shares represent the share options granted to Mr. Ho King Man, Justin (with an exercise price of HK\$35.64).
- These interests represent 194,804,000 conversion Shares to be allotted and issued to Ning Shing (Holdings) Company Limited upon full conversion of the convertible bonds at the conversion price of HK\$1.54 per conversion Share pursuant to a subscription agreement dated 6 December 2024.

REPORT OF THE DIRECTORS

4. Atlantis Multi-Strategy Capital VCC (on behalf of MPW Index Supreme Investment Fund), is a variable capital company incorporated in Singapore under the Singapore Variable Capital Companies Act. The manager of MPW Index Supreme Investment Fund is Atlantis Investment Management (Singapore) Pte. Ltd., a holder of Capital Markets Services Licence issued pursuant to the Securities and Futures Act 2001 of Singapore. Atlantis Investment Management (Singapore) Pte. Ltd. is wholly owned by Atlantis Capital Group Holdings Limited, which is in turn wholly owned by Ms. Liu Yang.
5. 113,777,267 Shares are held by WM Motor Holdings Limited, of which 65.41% of the voting right is held by Timeless Hero Limited.
6. Mr. Osman Mohammed Arab and Mr. Lai Wing Lun were appointed as the Joint and Several Receivers and Managers of all issued shares of Timeless Hero Limited on 10 October 2024 pursuant to a share charge dated 12 January 2023 created by Freeman Schenk Limited in favour of Tai Fung Bank Limited.
7. All the interests stated above represent long positions in the Shares.

INTEREST-BEARING BANK BORROWINGS

Particulars of interest-bearing bank borrowings of the Group as at 31 December 2025 are set out in note 29 to the consolidated financial statements.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the issue of this report, the Company has maintained sufficient public float as prescribed under the Listing Rules.

CORPORATE GOVERNANCE

During the Year, the Company has complied with all the code provisions set out in the Corporate Governance Code (the "Code") as stated in Appendix C1 to the Listing Rules. Further information on the Company's corporate governance practices is set out in the Corporate Governance Report contained in the annual report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules regarding securities transactions by the Directors. Following specific enquiry by the Company, all Directors confirmed that they have fully complied with the Model Code during the Year.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company currently has three independent non-executive Directors, which meets the minimum number of independent non-executive Director requirement of the Listing Rules that the number of independent non-executive Directors must represent at least one-third of the Board.

The Company has received a written confirmation of independence from each of the independent non-executive Directors, and considers them to be independent.

REPORT OF THE DIRECTORS

ENVIRONMENTAL POLICY

The Group is committed to supporting environmental sustainability and maintaining sustainable working practices and pays close attention to ensure all resources are efficiently utilized. The Group strives to become an environmental-friendly corporation by saving electricity and encouraging the recycling of office supplies and other materials. Details of the Group's environmental policy and performance are set out in the Environmental, Social and Governance Report contained in this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the Year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the Group.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the Code.

The primary responsibilities of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Company's financial controls, internal control and risk management systems, to review and monitor the effectiveness of the audit process and to perform other duties and responsibilities as assigned by the Board. The Audit Committee has reviewed and discussed the annual results and the consolidated financial statements of the Company for the Year.

CHANGE OF AUDITOR

References are made to the announcement of the Company dated 5 June 2025 and the circular of the Company dated 8 June 2025. Ernst & Young ("EY") retired as the auditor of the Company upon expiration of its term of office at the conclusion of the annual general meeting of the Company held on 30 June 2025 (the "2025 AGM") and did not stand for re-appointment, since the Company could not reach a consensus with EY on the audit fee for the financial year ended 31 December 2025.

Forvis Mazars CPA Limited ("Forvis Mazars") has been appointed as the new auditor of the Company following the retirement of EY with effect from the conclusion of the 2025 AGM and will hold office until the conclusion of the forthcoming annual general meeting of the Company.

Save as disclosed above, there has been no other change in the auditor of the Company in the past three years.

The consolidated financial statements of the Company for the year ended 31 December 2025 have been audited by Forvis Mazars, who will retire and, being eligible, offer themselves for re-appointment as the auditors of the Company at the forthcoming annual general meeting of the Company.

On behalf of the Board

APOLLO FUTURE MOBILITY GROUP LIMITED

Hui Chun Ying

Chairman and Executive Director

Hong Kong

31 March 2026

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Mr. Hui Chun Ying, aged 42, joined the Company as an executive Director, the Chairman of the Board, a member of the nomination committee of the Company (the "Nomination Committee") and the chairman of the investment committee of the Company (the "Investment Committee") on 20 September 2023. He was appointed as a member of the Remuneration Committee and the chairman of the Nomination Committee with effect from 1 December 2023.

Mr. Hui has extensive experience in banking, capital markets and legal practice. He is a co-founder of Repeat App, a food and beverage mobile application in the United Arab Emirates and the United States. From December 2021 to July 2022, Mr. Hui served as a representative of Finex Hong Kong Limited, and was licensed to carry on Type 4 (advising on securities) and Type 9 (asset management) regulated activities. Between October 2018 and August 2019, he acted as the Asia Pacific Chief Operating Officer for a Swiss family office known as Privatemarket.io. Between February 2014 and June 2018, he was an Associate Director at UBS Wealth Management Hong Kong and prior to that, between September 2012 and February 2014, he was a capital market associate at Sidley Austin, Hong Kong. He was admitted as a solicitor of Hong Kong Special Administrative Region and a New York Attorney.

Mr. Hui holds a Bachelor of Laws degree from the School of Oriental and African Studies, University of London, a Master of Laws degree specialising in Corporate and Financial Law from University College London and a Postgraduate Certificate in Laws from the University of Hong Kong.

Ms. Chen Yizi, aged 39, was appointed as an executive Director, a member of the Investment Committee and the chairperson of the corporate governance committee of the Company (the "Corporate Governance Committee") with effect from 1 November 2023. She was appointed as a member of the Nomination Committee with effect from 1 December 2023.

Ms. Chen has over a decade of experience in originating, underwriting and managing investment opportunities in early and growth-stage companies as well as funds. Before joining the Company, Ms. Chen dedicated her time to advising global family offices and entrepreneurs, specialising in optimising asset allocation strategies, providing investment recommendations, and crafting their expansion plans. Prior to that, she held the position of Managing Director and Investment Committee member of ASG, a New York-based family office, where she led the firm's Investment Development department, forming enduring global strategic partnerships and sourcing opportunities across various asset classes with a focus on venture capital and private equity. Ms. Chen's professional journey began in media, where she spent four years as an on-air personality at an international television station, delivering in-depth coverage of business and political news.

Ms. Chen holds a Bachelor's degree in Journalism from Nanjing University and a Master of Arts degree in Media, Culture, and Communication from New York University. In May 2023, she was accredited as a Chartered Alternative Investment Analyst by the Chartered Alternative Investment Analyst Association. She is also a member of the Milken Institute Young Leader Circle, and a class 24 fellow of the Kauffman Fellows programme.

DIRECTORS AND SENIOR MANAGEMENT

Independent Non-Executive Directors

Mr. Charles Matthew Pecot III, aged 64, was appointed as an independent non-executive Director and as a member of the Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee with effect from 1 June 2019. Mr. Pecot was re-designated as the chairman of the Remuneration Committee with effect from 13 June 2024.

Mr. Pecot had been working in the finance industry and international capital markets worldwide since 1994 and has extensive management experience. He was the Head of Markets at Barclays Capital Asia Limited (“Barclays”) for the period from July 2019 to June 2022, managing the trading operations of Barclays in Asia Pacific, including all Equities, Credit and Macro (including Rates and Foreign Exchange). Prior to that, he was the Head of Equities at Barclays, responsible for leading the equities franchise in Asia Pacific only. Previously, he was the Head of Prime Services and Head of Equities Distribution in Asia Pacific at Credit Suisse (Hong Kong) Limited for the period from July 2009 to June 2017. Mr. Pecot was also the Head of Prime Services and Prime Brokerage Services in Asia Pacific at UBS Securities Asia Limited for the period from April 2004 to February 2007. Currently, Mr. Pecot serves as the chairman of Blackpanda Pte. Ltd., a cybersecurity consultancy company focused on Asia.

He graduated with a bachelor’s degree in mechanical engineering and obtained a master’s degree major in science in operations research and minor in applied statistics at the Air Force Institute of Technology, Ohio, the United States of America.

Ms. Hau Yan Hannah Lee, aged 52, joined the Company as an independent non-executive Director, a member of the Audit Committee and a member of the Remuneration Committee with effect from 1 April 2022. Ms. Lee was also appointed as a member of the Nomination Committee, Investment Committee and Corporate Governance Committee with effect from 13 June 2024. Ms. Lee was re-designated as the chairperson of the Audit Committee with effect from 13 June 2024.

Ms. Lee has more than 25 years of experience in auditing, accounting, mergers and acquisitions and initial public offerings. She currently works as a consultant for start-up companies in Hong Kong. Previously, she served as the chief financial officer at various multibillion dollar companies in Hong Kong and China, including Ganji.com, Global Education & Technology Group and The9 Limited. Between 2016 and 2017, she also served as an independent non-executive director of AL Group Limited (stock code: 8360), a company listed on the Stock Exchange.

Ms. Lee received her bachelor’s degree with honors in Accounting from the University of British Columbia, Canada. Ms. Lee is also a Certified Public Accountant in the United States of America and a Chartered Professional Accountant in Canada.

Mr. Zhuang Qiyu, aged 44, joined the Company as an independent non-executive Director, a member of the Audit Committee, a member of the Remuneration Committee, a member of the Nomination Committee and a member of the Corporate Governance Committee with effect from 10 September 2025.

Mr. Zhuang has over 18 years of experience in corporate finance and investments. Mr. Zhuang is currently a partner, director, responsible officer and the chief executive officer of Hashbase Asset Management Limited, a company licensed to carry out Type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Cap.571 of the laws of Hong Kong) (the “SFO”). Prior to that, Mr. Zhuang held senior positions with various asset management companies, including serving as (i) the deputy general manager, the chairman of the investment committee and an investment manager at Guangzhou Rongzhuo Private Securities Fund Management Co., Ltd. (廣州榮卓私募證券投資管理有限公司) from September 2021 to May 2024; (ii) a FOF (Fund of Funds) fund manager of the Asset Allocation Department (from August 2017 to June 2021) and a director of the Fund Product Design Department (from July 2015 to

DIRECTORS AND SENIOR MANAGEMENT

June 2019) of Zheshang Securities Asset Management Co., Ltd. (浙商證券資產管理有限公司); and (iii) an assistant general manager of the Fund Strategy Department (from December 2011 to June 2015) and an assistant general manager of the Marketing Department (from June 2007 to December 2011) of Soochow Asset Management Co., Ltd. (東吳基金管理有限公司).

Mr. Zhuang obtained a bachelor's degree in economics with a major in finance from Zhejiang University (浙江大學) in June 2003 and a master's degree in business administration from the Shanghai University (上海大學) in June 2007. Mr. Zhuang has passed the Fund Practitioner Qualification Examinations of the Asset Management Association of China.

SENIOR MANAGEMENT

Mr. Lee Jackie Kai Yat, aged 45, joined the Group in July 2019 and was appointed as the chief executive officer of the Company with effect from 13 June 2024. Prior to that, he was the Company's chief executive officer of the Greater China region and he currently serves as a director of certain subsidiaries of the Company. Mr Lee has over 20 years of experience in accounting, finance and financial management. Prior to joining the Group, Mr. Lee worked at KPMG, an international accounting firm, from August 2003 to August 2010. From September 2010 till March 2011, Mr. Lee served as a senior analyst at the research department of UOB Kay Hian (Hong Kong) Limited. Between April 2011 and December 2013, Mr. Lee served as the financial controller of Sino Prosper State Gold Resources Holdings Limited, which is currently known as Sino Prosper (Group) Holdings Limited (a company previously listed on the Main Board of the Stock Exchange, former stock code: 0766). From January 2014 to February 2015, Mr. Lee served as a managing director at Global Networking One Consulting Limited. From March 2015 to March 2018, Mr. Lee served as the financial controller at China Silver Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0815). Mr. Lee subsequently served as the chief financial officer and joint company secretary of CSMall Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1815) from March 2018 to January 2019 and as the chief financial officer of PT International Development Corporation Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0372) from January 2019 to June 2019. Mr. Lee has also been appointed as an independent director of Pardus Ventures Inc (a company listed on the TSX Venture Exchange, stock code: PDVN.P) since December 2022.

In May 2003, Mr. Lee obtained his bachelor's degree with Honours in Commerce, majoring in Finance and Accounting, from the University of British Columbia in Canada. Mr. Lee joined the Association of Chartered Certified Accountants as an affiliate in 2005 and was admitted as a member in 2007.

Mr. Ng Cheuk Kwan, aged 33, was appointed as the chief financial officer and company secretary of the Company with effect from 20 May 2024. Mr. Ng is responsible for our Group's strategic planning, corporate finance activities, oversight of financial reporting procedures, company secretary matters, internal controls and compliance with the requirements under Listing Rules. Mr. Ng holds a bachelor's degree in business administration in accounting and finance from the University of Hong Kong. Prior to joining the Group, he worked as a senior accountant in a leading international accounting firm. Mr. Ng has extensive experience in the field of accounting, financial management and auditing. He is a member of The Hong Kong Institute of Certified Public Accountants.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to establishing good corporate governance practices and procedures. The maintenance of high standard of business ethics and corporate governance practices has always been one of the Group's goals. In formulating and implementing its corporate governance practices, the Company has applied the principles in the Code. The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture, thereby leading to the enhancement of Shareholders' value.

The Board has adopted the Code as set out in Appendix C1 to the Listing Rules. Continuous efforts are made to review and enhance the Group's internal controls and procedures in light of changes in regulations and developments in best practices. To us, maintaining high standards of corporate governance practices is not just complying with the provisions but also the intent of the regulations to enhance corporate performance and accountability.

During the Year, the Company has complied with the code provisions under the Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by Directors. Having made specific enquiry with all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the Year.

BOARD OF DIRECTORS

During the Year and up to the date of this report, the Board comprises:

Executive Directors	:	Mr. Hui Chun Ying (<i>Chairman</i>) Ms. Chen Yizi
Independent Non-Executive Directors	:	Mr. Peter Edward Jackson (<i>Resigned with effect from 10 September 2025</i>) Mr. Charles Matthew Pecot III Ms. Hau Yan Hannah Lee Mr. Zhuang Qiyu (<i>Appointed with effect from 10 September 2025</i>)

There is no relationship (including financial, business, family or other material/relevant relationship(s)) between members of the Board and in particular, between the chairman and the chief executive officer of the Company.

Each of the current independent non-executive Directors has given an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules to the Company, and the Company considers them to be independent under Rule 3.13 of the Listing Rules.

CORPORATE GOVERNANCE REPORT

BOARD OF DIRECTORS *(continued)*

During the Year, a total of five (5) Board meetings and one (1) annual general meeting (the "2025 AGM") were held and the attendance of each of the Directors is set out as follows:

Name of Directors	Number of meetings held and attended during the Year	
	Board meetings	2025 AGM
Mr. Hui Chun Ying	5/5	1/1
Ms. Chen Yizi	5/5	1/1
Mr. Peter Edward Jackson <i>(resigned with effect from 10 September 2025)</i>	4/5	1/1
Mr. Charles Matthew Pecot III	5/5	1/1
Ms. Hau Yan Hannah Lee	5/5	1/1
Mr. Zhuang Qiyu <i>(appointed with effect from 10 September 2025)</i>	1/1	N/A

The chairman of the Board, and the chairman and/or a designated member of each of the Board committees attended the 2025 AGM by electronic means to answer questions and collect views of the Shareholders of the Company.

RESPONSIBILITIES OF THE BOARD

The Board is responsible for leadership and control of the Group and be collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board, led by our Chairman, Mr. Hui Chun Ying, determines, monitors and oversees our overall strategies and policies, authorizing the development plan and annual budgets, setting the Group's values, standards and culture, evaluates the financial and operating performance, reviewing the effectiveness of the internal control system and supervises the management of the Group. The Board delegates the day-to-day management, administration and operation of the Group to the executive Directors, chief executive officer and senior management of the Group, and putting in place mechanisms for ensuring that the objectives of the Company is understood and shared at all levels of the Group. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group.

The Company recognizes that Board independence is essential to good corporate governance. As part of the established governance framework, the Group has in place effective mechanisms that underpin a strong independent Board and that independent views and input from Directors are conveyed to the Board. The governance framework and mechanisms are kept under regular review, ensuring their effectiveness. The implementation and effectiveness of such mechanisms are reviewed by the Board on an annual basis.

The Board process, ranging from agenda setting, provision of information and focus on constructive debates and discussions, facilitates effective and active participation by our independent non-executive Directors. Each year, the Chairman meets with the independent non-executive Directors at least once without the presence of other Directors, enabling them to express their views outside the boardroom.

CORPORATE GOVERNANCE REPORT

DIRECTORS' INDUCTION AND PROFESSIONAL DEVELOPMENT

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

The Directors are regularly updated and apprised of the amendments to or updates on the relevant laws, rules, regulations and guidelines, particularly the effects of such new or amended laws, rules, regulations and guidelines on directors specifically, and the Company and the Group generally.

On an ongoing basis, Directors are encouraged to keep up-to-date on all matters relevant to the Group and to attend briefings, seminars and relevant training courses as appropriate. The Directors are requested to provide the Company with their respective training record pursuant to the requirement of the Code on continuous professional development.

During the Year, all of Mr. Hui Chun Ying, Ms. Chen Yizi, Mr. Peter Edward Jackson (resigned with effect from 10 September 2025), Mr. Charles Matthew Pecot III, Ms. Hau Yan Hannah Lee and Mr. Zhuang Qiyu (appointed with effect from 10 September 2025) (during their respective term of office as Directors) have participated in appropriate continuous professional development activities by way of attending training sessions, conferences and seminars and reading materials relevant to the Company's business, directors' duties and responsibilities, corporate governance and recent amendments to the Listing Rules.

For the new independent non-executive Director, Mr. Zhuang Qiyu, who was appointed during the Year, he has obtained legal advice from an external law firm as required under Rule 3.09D of the Listing Rules on 5 September 2025. Mr. Zhuang has confirmed his understanding of the obligations as a Director of the Company.

CORPORATE GOVERNANCE FUNCTIONS

The corporate governance committee has been established since 24 November 2017 and is responsible for performing the corporate governance functions such as developing and reviewing the Company's policies, practices on corporate governance, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements and reviewing Company's compliance with the Code.

The Board held meetings from time to time whenever necessary and no less than four times a year at approximately quarterly intervals. At least 14 days' notice of regular Board meetings is given to all Directors and they can include matters for discussion in the agenda as they think fit. The agenda and accompanying Board papers are sent in full to all Directors at least 3 days before the date of a Board meeting in order to allow sufficient time for the Directors to review the documents.

Minutes of each Board meeting are circulated to all Directors for their perusal and comments prior to confirmation of the minutes. The Board also ensures that it is supplied in a timely manner with all necessary information in a form and of a quality appropriate to enable it to discharge its duties.

Every Board member has full access to the advice and services of the company secretary with a view to ensuring that Board procedures, and all applicable rules and regulations are followed and they are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

During the Year, Mr. Hui Chun Ying is the Chairman and Mr. Lee Jackie Kai Yat is the chief executive officer of the Company.

The Chairman is primarily responsible for providing the overall leadership in the Board's affairs and in the strategic development of the business of the Group and ensuring that good corporate governance practices and procedures are established, along with the responsibilities of the Chairman under the Bye-laws and the Listing Rules while the chief executive officer was and shall be responsible for the overall management, business strategy and development, as well as merger and acquisition activities of the Group.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All non-executive Directors (including independent non-executive Directors, if any) are appointed for a specific term.

Mr. Charles Matthew Pecot III, as an independent non-executive Director, has entered into a formal letter of appointment with the Company. His current term of service commenced from 1 June 2023 for a period of 36 months and is renewable automatically for a successive term of 12 months.

Ms. Hau Yan Hannah Lee, as an independent non-executive Director, has entered into a formal letter of appointment with the Company. Her current term of service commenced from 1 April 2025 for a period of 36 months and is renewable automatically for a successive term of 12 months.

Mr. Zhuang Qiyu, as an independent non-executive Director has entered into a formal letter of appointment with the Company. His current term of service commenced from 10 September 2025 for a period of 36 months and is renewable automatically for a successive term of 12 months.

The Bye-laws provide that subject to the manner of retirement by rotation of Directors as from time to time prescribed by the Listing Rules, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation and that every Director shall be subject to retirement by rotation at least once every three years.

AUDIT COMMITTEE

During the Year and as at the date of this report, the Audit Committee comprised the following members:

Ms. Hau Yan Hannah Lee (*Chairperson*)

Mr. Peter Edward Jackson (*ceased to be a member with effect from 10 September 2025*)

Mr. Charles Matthew Pecot III

Mr. Zhuang Qiyu (*appointed as a member with effect from 10 September 2025*)

As at the date of this report, the chairperson of the Audit Committee is Ms. Hau Yan Hannah Lee. All members of the Audit Committee, namely Mr. Charles Matthew Pecot III, Ms. Hau Yan Hannah Lee and Mr. Zhuang Qiyu are independent non-executive Directors. Ms. Hau Yan Hannah Lee, who is a Certified Public Accountant in the United States of America and a Chartered Professional Accountant in Canada, has the appropriate professional qualification to lead and chair the Audit Committee. The terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE *(continued)*

The roles and functions of the Audit Committee are to, among others, assist the Board in providing an independent view of the effectiveness of the Company's financial controls, internal control and risk management systems, to review and monitor the effectiveness of the audit process and to perform other duties and responsibilities as assigned by the Board.

According to the terms of reference of the Audit Committee, meeting of the Audit Committee shall be held at least twice a year. Two (2) meetings of the Audit Committee were held during the Year. The attendance of each member of the Audit Committee is set out as follows:

Name of members of Audit Committee	Number of meetings held and attended during the Year
Ms. Hau Yan Hannah Lee <i>(Chairperson)</i>	2/2
Mr. Peter Edward Jackson <i>(ceased to be a member with effect from 10 September 2025)</i>	2/2
Mr. Charles Matthew Pecot III	2/2
Mr. Zhuang Qiyu <i>(appointed as a member with effect from 10 September 2025)</i>	N/A

The works performed by the Audit Committee during the Year includes the following:

- reviewed the annual report and the annual results announcement of the Company for the year ended 31 December 2024;
- reviewed the interim report and the interim results announcement of the Company for the six months ended 30 June 2025;
- reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function and the Company's performance and reporting in the aspect of environmental, social and governance;
- reviewed the Group's financial and accounting policies and practices;
- reviewed the risk management and internal control systems of the Group;
- reviewed the effectiveness of the Company's internal audit function;
- reviewed the management letter of the auditors of the Company;
- met and discussed with the auditors of the Company in respect of the annual results of the Company for the year ended 31 December 2024 and the interim results of the Company for the six months ended 30 June 2025; and
- considered the change of the auditor of the Company.

CORPORATE GOVERNANCE REPORT

REMUNERATION COMMITTEE

During the Year and as at the date of this report, the Remuneration Committee comprised the following members:

Mr. Charles Matthew Pecot III (*Chairman*)
 Mr. Hui Chun Ying
 Mr. Peter Edward Jackson (*ceased to be a member with effect from 10 September 2025*)
 Ms. Hau Yan Hannah Lee
 Mr. Zhuang Qiyu (*appointed as a member with effect from 10 September 2025*)

As at the date of this report, the chairman of the Remuneration Committee is Mr. Charles Matthew Pecot III. A majority of the members of the Remuneration Committee, namely Mr. Charles Matthew Pecot III, Ms. Hau Yan Hannah Lee and Mr. Zhuang Qiyu are independent non-executive Directors. Mr. Hui Chun Ying is an executive Director. The terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The Remuneration Committee has adopted the model described in code provision E.1.2(c)(ii) of the Code in its terms of reference. It makes recommendations to the Board on the remuneration packages of individual executive Directors and senior management, with the Board retaining the final authority to approve such remuneration packages. The other principal roles and functions of the Remuneration Committee include (i) making recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; (ii) making recommendations to the Board on the remuneration of the non-executive Directors; (iii) reviewing and recommending the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (iv) reviewing and approving matters relating to share schemes under Chapter 17 of the Listing Rules.

According to the terms of reference of the Remuneration Committee, meeting of the Remuneration Committee shall be held at least once a year. Two (2) meetings of the Remuneration Committee were held during the Year. The attendance of each member of the Remuneration Committee is set out as follows:

Name of members of Remuneration Committee	Number of meeting(s) held and attended during the Year
Mr. Charles Matthew Pecot III (<i>Chairman</i>)	2/2
Mr. Hui Chun Ying	2/2
Mr. Peter Edward Jackson (<i>ceased to a the member with effect from 10 September 2025</i>)	1/2
Ms. Hau Yan Hannah Lee	2/2
Mr. Zhuang Qiyu (<i>appointed as a member with effect from 10 September 2025</i>)	N/A

The work performed by the Remuneration Committee during the Year includes the following:

- reviewed and determined the policy for the remuneration of Directors and senior management;
- assessed performance of Directors and senior management; and
- reviewed and recommended the remuneration packages of the Directors (including the Director newly appointed during the Year) and senior management to the Board.

CORPORATE GOVERNANCE REPORT

REMUNERATION COMMITTEE *(continued)*

Details of the remuneration of the Directors and the five highest paid individuals are set out in notes 9 and 10 to the consolidated financial statements.

No share options were granted under the 2023 Share Option Scheme during the Year. Further details of the 2023 Share Option Scheme are set out in note 33 to the consolidated financial statements.

Pursuant to the code provision E.1.5 of the Code, the remuneration of the members of the Board and the senior management by band for the Year is set out below:

In the band of	Number of Individuals
Nil to HK\$500,000	4
HK\$5,500,001 to HK\$6,000,000	1
HK\$6,500,001 to HK\$7,000,000	1
HK\$7,500,001 to HK\$8,000,000	1
HK\$8,000,001 to HK\$8,500,000	1

NOMINATION COMMITTEE

During the Year and as at the date of this report, the Nomination Committee comprised the following members:

Mr. Hui Chun Ying (*Chairman*)

Ms. Chen Yizi

Mr. Peter Edward Jackson (*ceased to be the member with effect from 10 September 2025*)

Mr. Charles Matthew Pecot III

Ms. Hau Yan Hannah Lee

Mr. Zhuang Qiyu (*appointed as the member with effect from 10 September 2025*)

As at the date of this report, the chairman of the Nomination Committee is Mr. Hui Chun Ying. A majority of the members of the Nomination Committee, namely, Mr. Charles Matthew Pecot III, Ms. Hau Yan Hannah Lee and Mr. Zhuang Qiyu are independent non-executive Directors. Mr. Hui Chun Ying is the Chairman of the Board and an executive Director and Ms. Chen Yizi is an executive Director. The terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

CORPORATE GOVERNANCE REPORT

NOMINATION COMMITTEE *(continued)*

The roles and functions of the Nomination Committee include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a board skills matrix, making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become members of the Board and selecting individuals nominated for directorship (if necessary), assessing the independence of the independent non-executive Directors, making recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors, in particular the chairman and the chief executive officer of the Company, and support the Company's regular evaluation of the Board's performance. For the re-appointment and nomination of new Directors, the Nomination Committee would consider the candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates, especially their experience in the relevant industry and/or other professional areas.

According to the terms of reference of the Nomination Committee, meeting of the Nomination Committee shall be held at least once a year. Two (2) meetings of the Nomination Committee were held during the Year. The attendance of each member of the Nomination Committee is set out as follows:

Name of members of Nomination Committee	Number of meeting(s) held and attended during the Year
Mr. Hui Chun Ying (<i>Chairman</i>)	2/2
Ms. Chen Yizi	2/2
Mr. Peter Edward Jackson (<i>ceased to be a member with effect from 10 September 2025</i>)	1/2
Mr. Charles Matthew Pecot III	2/2
Ms. Hau Yan Hannah Lee	2/2
Mr. Zhuang Qiyu (<i>appointed as a member with effect from 10 September 2025</i>)	N/A

The works performed by the Nomination Committee during the Year includes the following:

- reviewed the structure, size and composition of the Board;
- assessed the independence of independent non-executive Directors;
- considered and recommended the re-election of Directors; and
- considered and recommended the appointment of Mr. Zhuang Qiyu as an independent non-executive Director based on the procedures and the process and criteria set out in its terms of reference.

CORPORATE GOVERNANCE REPORT

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy effective on 1 September 2013. The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

For the purpose of implementation of the board diversity policy, the following measurable objectives were adopted:

1. The Company should comply with the requirements of the Listing Rules on the board composition from time to time.
2. The number of independent non-executive Directors should be not less than three and one-third of the Board.
3. At least one of the independent non-executive Directors must have appropriate professional qualifications or accounting or related financial management expertise.
4. The Board should have at least one member of a different gender in order to achieve gender diversity at Board level.

The Nomination Committee is of the view that the Company has achieved these measurable objectives under the board diversity policy. The Board will continue to ensure any successors to the Board shall follow the above measurable objectives.

As at the date of this report, the Board comprises five Directors. Three of them are independent non-executive Directors, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, whether considered in terms of nationality, gender, professional background and skills and the Board is of the view that the Company has achieved these measurable objectives under the Board diversity policy.

GENDER DIVERSITY

The Board targets to appoint or maintain gender diversity and will refrain from having a single gender Board. Since Ms. Hau Yau Hannah Lee was appointed as an independent non-executive Director in April 2022, the Board has already achieved gender diversity in accordance with the Listing Rules requirement. Following Ms. Chen Yizi's appointment as an executive Director in November 2023, as of 31 December 2025, two out of five Directors are females.

As at 31 December 2025, the gender ratio in the total workforce of the Group (including senior management) was approximately 1.23:1 (male:female). Traditionally, the automobile industry has been short of female talents. Nevertheless, the Company targets to avoid a single gender senior workforce by providing supports (e.g. provide relevant trainings to employees in the workplace to enhance their competitiveness) and will timely review the gender diversity of the senior management and the workforce in accordance with the business development of the Group, thereby to improve the proportion of female employees gradually.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee was established on 24 November 2017. During the Year and as at the date of this report, the Corporate Governance Committee comprised the following members:

Ms. Chen Yizi (*Chairperson*)
 Mr. Peter Edward Jackson (*ceased to be a member with effect from 10 September 2025*)
 Mr. Charles Matthew Pecot III
 Ms. Hau Yan Hannah Lee
 Mr. Zhuang Qiyu (*appointed as a member with effect from 10 September 2025*)

As at the date of this report, the Chairperson of the Corporate Governance Committee is Ms. Chen Yizi. A majority of the members of the Corporate Governance Committee, namely Mr. Charles Matthew Pecot III, Ms. Hau Yan Hannah Lee and Mr. Zhuang Qiyu are independent non-executive Directors. Ms. Chen Yizi, the Chairperson of the Corporate Governance Committee, is an executive Director. The terms of reference of the Corporate Governance Committee are available at the Company's website.

The primary responsibilities of the Corporate Governance Committee include, among other things, developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board, reviewing and monitoring the training and continuous professional development of Directors and senior management, and reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, and reviewing the Company's compliance with the Code and disclosure in this report.

According to the terms of reference of the Corporate Governance Committee, meeting of the Corporate Governance Committee shall be held at least once a year. One (1) meeting the Corporate Governance Committee was held during the Year. The attendance of each member of the Corporate Governance Committee is set out as follows:

Name of members of the Corporate Governance Committee	Number of meeting(s) held and attended during the Year
Ms. Chen Yizi (<i>Chairperson</i>)	1/1
Mr. Peter Edward Jackson (<i>ceased to be a member with effect from 10 September 2025</i>)	1/1
Mr. Charles Matthew Pecot III	1/1
Ms. Hau Yan Hannah Lee	1/1
Mr. Zhuang Qiyu (<i>appointed as a member with effect from 10 September 2025</i>)	N/A

The works performed by the Corporate Governance Committee during the Year includes the following:

- reviewed the Company's policies and practices on corporate governance and made recommendations to the Board;
- reviewed and monitored the training and continuous professional development of Directors and senior management;
- reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements;
- reviewed the Company's compliance with the Code; and
- reviewed the corporate governance report as part of the 2024 annual report of the Company.

CORPORATE GOVERNANCE REPORT

INVESTMENT COMMITTEE

The Investment Committee was established on 7 March 2016. During the Year and as at the date of this report, the Investment Committee comprises Mr. Hui Chun Ying (Chairman), Ms. Chen Yizi, and Ms. Hau Yan Hannah Lee. The terms of reference of the Investment Committee are available at the Company's website.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The management provides such explanation and information to the Board and reports regularly to the Board on financial position and prospects of the business of the Company so as to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

The Directors acknowledge their responsibilities (as set out in the Independent Auditor's Report) for preparing the consolidated financial statements of the Group that give a true and fair view of the state of affairs of the Group. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern and the Board has prepared the consolidated financial statements on a going concern basis. The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the Shareholders of the Company. A statement issued by Forvis Mazars, the auditors of the Company, about their reporting responsibility is set out in the Independent Auditor's Report.

The Board considers that the processes for the Group's financial reporting and Listing Rules compliances are effective and adequate.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing their effectiveness. Such systems 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.

Main Features of Risk Management and Internal Control Systems

The key elements of the Company's risk management and internal control systems include the assessment and evaluation of risks, the development and continuous updating of responsive procedures, and the ongoing testing of internal control procedures to ensure their effectiveness.

Process Used to Identify, Evaluate and Manage Significant Risk

The management, with the assistance of a professional firm, conducts internal control assessment regularly to identify significant risks that potentially impact the business of the Group (including ESG risks) and various aspects including key operational and financial processes, regulatory compliance and information security. The management will assess the likelihood of risk occurrence and monitor the risk management progress, and report to the Board on all findings (including all significant control failings or weaknesses identified) and the effectiveness of the risk management and internal control systems.

The Board, as supported by the Audit Committee, reviews the Group's risk management and internal control systems annually in respect of the relevant financial year. The review includes major financial, operational and compliance controls. The Group has not established an internal audit department and the Board has conducted an annual review on the need for an internal audit function and is of the view that given the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professional firms to perform the internal audit function for the Group in order to meet its needs.

CORPORATE GOVERNANCE REPORT

INTERNAL CONTROL AND RISK MANAGEMENT *(continued)*

The Board has, through the Audit Committee, conducted review of the effectiveness of the risk management and internal control systems of the Group for the Year with the assistance of the professional firm. The review report with examination results (including the identification of major risks in operation) and relevant improvement recommendations were duly reported to the Audit Committee and the Board for them to assess risks controls of the Group and the effectiveness of the risk management system and any material failings or weaknesses in the internal control system, and to take appropriate actions to remedy any of these failings or weaknesses in a timely manner. All remedial actions will be regularly followed up where necessary to ensure that the failings and weaknesses have been duly addressed.

Reference is made to the supplemental announcement of the Company published on 24 March 2026 in relation to the Company's annual report for the year ended 31 December 2024. The Group has enhanced its internal control measures for engineering and technology research projects as further recommended by the Group's internal control consultant since 31 March 2026, which includes, among others (i) the setting up of an approval matrix for research and development projects; (ii) requesting Internal Technical Committee to pre-vet material research and development projects before entering into any binding agreements; and (iii) enhancing the documentation required for the pre-vetting of the Internal Technical Committee.

In respect of the year ended 31 December 2025, the Board, with confirmation from the management, considers that the risk management and internal control systems are effective and adequate for the purposes set out in Principle D2 of the Code and that the Group has complied with the code provisions relating to risk management and internal control of the Code.

INVESTMENTS

The Group's long-term investments represent minority interests in both listed and unlisted entities. Details of the long-term investments held by the Group as at 31 December 2025 are disclosed in Notes 21 and 41 to the consolidated financial statements.

All such investments are long-term strategic investments made by the Group using its internal resources. The Group does not trade stocks or participate in private equity investments on a regular basis or purely for achieving profits. Accordingly, the Group periodically reviews its portfolio against its investment policies after an investment is made; however, it does not adopt a definitive strategy, target or objective, nor does it execute trades solely by reference to the proportion of long-term and short-term investments, target rate of return, concentration limits, pricing transparency and market liquidity, or the value of high-risk investments. The Group has the following risk management and control measures in place:

1. the Group aims to maintain sufficient working capital for the next twelve months;
2. for investments in unlisted equities, the Group will perform due diligence steps including: (i) meeting with the senior management of the investee companies to understand their background, competitive landscape and future development plans; (ii) engaging external professional parties (such as financial advisers and legal advisers) to perform a comprehensive due diligence exercise (including financial and legal due diligence) on the investee's businesses, operations and assets, as well as the counterparty; and (iii) engaging external valuers to advise on the valuation of the investments; and
3. for investments in listed equities, the Group will continue to monitor such investments from a long-term risk management and control perspective and may consider disposing of the relevant shares if any major red flags arise, such as concerns regarding business prospects, industry landscape or the going concern of the investee.

CORPORATE GOVERNANCE REPORT

INVESTMENTS *(continued)*

For investment transactions that are not in the ordinary course of business and exceed HK\$3,000,000, the executive Directors, the Chief Executive Officer, the Chief Financial Officer and the in-house finance manager would consult relevant professional parties to ensure compliance with the Listing Rules. If the transaction size triggers a connected transaction or a discloseable transaction or above, the executive Directors will also reach out to the other members of the Board to obtain the Board approval. The Company believes that the executive Directors, the Chief Executive Officer, the Chief Financial Officer and the in-house finance manager, with the assistance of external professional parties, have sufficient knowledge of the Company's business and can support the Company's investment activities. Other members of the Board also have sufficient experience to support the Company's investment activities, if needed.

DISSEMINATION OF INSIDE INFORMATION

The Group regulates the handling and dissemination of inside information according to internal procedures and policy so as to ensure inside information remains confidential until the disclosure and publication of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

The Board is responsible for approving the policy on disclosure of inside information which aims at providing guiding principles, practices and procedures to assist employees and officers of the Group in (i) relaying inside information to the Board to enable it to make timely decisions on disclosure, if necessary; and (ii) communicating with the Group's stakeholders, in ways which are in compliance with the SFO and the Listing Rules.

An employee who becomes aware of a matter or event that he/she considers to be material or inside information shall report to his division/department head who will assess the sensitivity of the relevant information and, if considered appropriate, escalate and report to the Board and/or the company secretary of the Company.

AUDITORS' REMUNERATION

The remuneration of external auditors of the Company, Forvis Mazars, in respect of audit services and non-audit services for the Year is set out below:

Services rendered	Fees paid/payable (HK\$'000)
Audit services:	
— 2025 Annual Audit	5,970
Non-audit services:	
— Attend the annual general meeting of the Company in respect of 2025 Annual Audit	50
— Provision for agreed-upon procedures for preliminary announcement of annual result in respect of 2025 Annual Audit	100
— Provision for agreed-upon procedures on the interim financial information for the six months ended 30 June 2025	585
Total audit and non-audit fees	6,705

COMPANY SECRETARY

Mr. Ng Cheuk Kwan ("Mr. Ng") is the company secretary of the Company. In accordance with Rule 3.29 of the Listing Rules, Mr. Ng has taken no less than 15 hours of relevant professional training during the Year.

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the Shareholders of the Company and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called a special general meeting ("SGM").

— Right to convene extraordinary general meeting

Any one or more members holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, shall at all times have the right, by written requisition sent to the Company's principal office as set out in the manner below, to require an SGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

The written requisition must state the purposes of the meeting, signed by the requisitionist(s) and deposit it to the Board or the company secretary of the Company at the Company's principal place of business at Units 2001–2002, 20/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Sheung Wan, Hong Kong, and such may consist of several documents in like form, each signed by one or more requisitionists.

The request will be verified with the Company's branch share registrars in Hong Kong and upon their confirmation that the request is proper and in order, the company secretary of the Company will ask the Board to convene an SGM by serving sufficient notice in accordance with the statutory requirements to all the registered members. On the contrary, if the request has been verified is not in order, the Shareholders will be advised of this outcome and accordingly, an SGM will not be convened as requested. If within twenty-one days from the date of the deposit of the requisition the Board fails to proceed to convene such meeting, the requisitionist(s), may convene a meeting in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed by the Company to the requisitionist(s).

— Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the principal place of business of the Company in Hong Kong or by e-mail to info@apollofmg.com for the attention of the company secretary of the Company.

— Right to put forward proposals at general meetings

There are no provisions allowing Shareholders of the Company to propose new resolutions at the general meetings under the Companies Act 1981 of Bermuda. However, Shareholders are requested to follow bye-law 58 of the Bye-laws for including a resolution at a general meeting. The requirements and procedures are set out above. Pursuant to bye-law 85 of the Bye-laws, no person, other than a Director retiring at a meeting, shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any general meeting unless there shall have been lodged at the head office or at the registration office notice in writing signed by a Shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose that person for election as a Director and also notice in writing signed by that person of his willingness to be elected as a director and a written consent to the publication of his/her personal data. Unless otherwise determined by the Directors and notified by the Company to the Shareholders, the period for lodgment of the said notices shall be a seven day period commencing on the day after the despatch of the notice of the general meeting for such election of Director(s) and ending on the date falling seven days after the despatch of the said notice of the general meeting. The written notice must state that person's biographical details as required by Rule 13.51(2) of the Listing Rules and his/her contact details. The procedures for Shareholders of the Company to propose a person for election as a Director is posted on the Company's website.

CORPORATE GOVERNANCE REPORT

DIVIDEND POLICY

The Board has approved and adopted a dividend policy on 28 December 2018 (the "Dividend Policy").

The Dividend Policy is the policy of the Board, in considering the payment of dividends, to allow Shareholders of the Company to participate in the Company's profits whilst retaining adequate reserves for the Group's future growth.

The Board shall consider the following factors before declaring, recommending or paying any dividends:

- a. the Company's actual and expected financial performance;
- b. the Group's liquidity position;
- c. retained earnings and distributable reserves of the Company and each of the members of the Group;
- d. the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants;
- e. any restrictions on payment of dividends that may be imposed by the Group's lenders;
- f. the Group's expected working capital requirements and future expansion plans;
- g. general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- h. any other factors that the Board deem appropriate.

The Shareholders of the Company may not expect any dividends under the following circumstances:

- a. during the growth phase of the Group or during significant expansion or undertaking of any acquisitions or joint ventures requiring higher allocation of capital;
- b. whenever the Company proposes or plans to utilize surplus cash to repurchase the Shares of the Company; or
- c. inadequacy of profits or if the Company incurs losses.

The declaration, recommendation and payment of any dividends are also subject to compliance with applicable laws, regulations and the Bye-laws. The Board will continually review the Dividend Policy from time to time and there can be no assurance that dividends will be paid in any particular amount for any given period.

CORPORATE GOVERNANCE REPORT

INVESTOR RELATIONS

The Company has established a range of communication channels between itself and its Shareholders, potential investors and other stakeholders. These include the annual general meeting, the annual and interim reports, notices, announcements and circulars and the Company's website at www.apollofmg.com.

The Company considers communications with its investors as being vital. The Company continues to enhance investor relations. Designated members of the Board and senior management of the Company are given the specific responsibilities to maintain regular contact with institutional investors, potential investors as well as other stakeholders. Press releases were issued as appropriate to provide with the most updated business development of the Group to the public. The Board reviewed the investor engagement and communication activities during the Year and was satisfied with the effectiveness of the Shareholders communication channels and policy in place.

CONSTITUTIONAL DOCUMENTS

There was no change in the constitutional documents of the Company during the year ended 31 December 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. ABOUT THE REPORT

1.1 Introduction

We are pleased to present our Environmental, Social and Governance (“**ESG**”) Report (the “**ESG Report**”), which discusses the Group’s initiatives, strategies and performance to demonstrate our vision and long-term commitment to sustainability. We consider this ESG Report as a communication channel with our stakeholders and disclose ESG information that is meaningful and important to their decision-making. The board of directors (the “**Board**”) acknowledges its responsibility for the Group’s ESG strategy and reporting.

1.2 Scope and Reporting Boundary

The scope of the ESG Report covers the environmental and social performances of the Group’s principal operating activities over the period from 1 January 2025 to 31 December 2025 (the “**Reporting Period**”). The Group consists of three operating segments: mobility technology solutions, jewellery products, watches and other commodities, and money lending, with international presence spanning across Hong Kong, the People’s Republic of China (the “**PRC**”), Japan and Germany.

The reporting boundary of the ESG Report is established consistently based on all significant operations and entities that are substantially owned by the Group and are under our management across the Group structure.

1.3 Reporting Guidelines

The ESG Report is prepared in accordance with the Environmental, Social and Governance Reporting Code (the “**ESG Reporting Code**”) as set out in Appendix C2 to the Listing Rules, with reference to the international standards and reporting guidance on environmental key performance indicators (“**KPIs**”). There is no change from the previous year in the way the ESG Report has been prepared, unless otherwise stated. The Board considers that the Group has complied with the requirements and provisions set out in the ESG Reporting Code, including the mandatory disclosure requirements, “comply or explain” provisions and climate-related disclosures.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. ABOUT THE REPORT *(continued)*

1.4 Reporting Principles

Materiality	We identify the material ESG factors by considering the ESG issues that would have impact on our business and stakeholders. Details are set out in the sub-sections headed “2.3 Stakeholder Engagement” and “2.4 Materiality Assessment”.
Quantitative	We provide information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption in the respective sections in this ESG report, where applicable.
Balance	We aim to provide an unbiased picture of the Group’s performance. Hence, we avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.
Consistency	Methodologies and KPIs are used and calculated in a consistent approach. If there is any change that may affect a meaningful comparison, details of which would be disclosed.

1.5 Data Collection

Data in this ESG Report are extracted from the Group’s internal management system and statistics. Unless otherwise stated, HK\$ is used in this ESG Report as its functional currency.

1.6 Contact

We welcome all sorts of comments and suggestions from our stakeholders with respect to this ESG Report or our sustainability performance. Comments or views can be sent to info@apollofmg.com.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

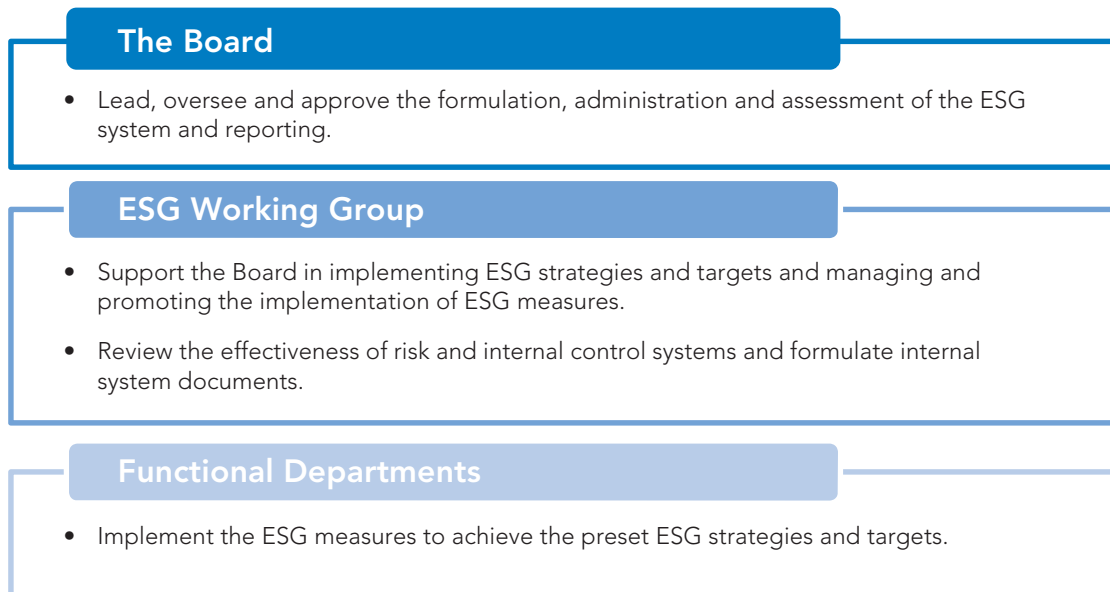
2. ESG POLICY, STRATEGY AND MANAGEMENT

2.1 ESG Governance Structure

Sustainability has become a core element in the Group’s strategy. We have a well-established governance structure to effectively oversee our ESG issues and manage our sustainability performance. The Board assumes ultimate responsibility for overseeing the Group’s ESG (including climate-related) risks and opportunities, establishing the ESG strategies and targets, and reviewing the Group’s performance and progress annually against the goals and targets set.

Growing environmental concerns, increasingly complex regulations and shifting stakeholder expectations drive the need to set up an ESG Working Group (the “**ESG Working Group**”), which comprised of senior management and department heads across different functions with appropriate and diversified skills and competencies. To effectively manage ESG-related issues that are considered material and relevant to the Group, the Board requires the ESG Working Group to report the ESG updates regularly.

The Board reviews the sustainability priorities through stakeholder engagement and embeds the results into our sustainability initiatives and strategies. We also take into consideration the industry practices, international trends and benchmarks against peers in setting and evaluating our environmental and social KPIs as well as other ESG topics that are material to the Group’s principal business.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2. ESG POLICY, STRATEGY AND MANAGEMENT *(continued)*

2.2 ESG Values and Vision

We are committed to allocating our resources and our best thinking to build a sustainable business model and to build a better world for all stakeholders in different aspects. Key ESG values and vision are as follows:



Carbon Emission and Climate Change Mitigation

Fighting Climate Change

We strive to protect and preserve our planet by adopting sustainable practices throughout our business, identifying and assessing financial and other risks associated with climate change and integrating low-carbon solutions into our operations. At the same time, we are committed to bringing energy-saving and environmental friendly mobility technology solutions to customers.

Supporting Technological Innovation

We are dedicating our unmatched innovative capacity to accomplish long-term sustainability, offering a range of low-carbon and intelligent requirements of mobility technology solutions to help managing energy use in a greener and smarter way. The Group will continue to plan ahead and focus on leveraging our core skills of design and engineering along with our global partners to build up sustainable competitiveness in automobile transformation in electrification and intelligence, so as to create an exceptional mobility technology solutions and experience for the future.



Social Responsibility

Health and Well Being

We are determined to set ourselves in a good position to maintain robust business performance and growth together with our employees, with an objective to uphold “openness, equality, respect and inclusion” in human resources policy. The Group is committed to providing a healthy, comfortable and safe workplace for our employees, enabling them to work delightfully and diligently and share the development achievement of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2. ESG POLICY, STRATEGY AND MANAGEMENT *(continued)*

2.2 ESG Values and Vision *(continued)*



Community Contribution

Supporting Sustainable Community

We actively leverage our resources to encourage our employees and business partners to jointly participate in philanthropic activities, events, conferences and sponsorships. By providing resources and actively engaging in such initiatives, the Group seeks to strengthen its relationship with the local community while making a positive impact on people's lives.



Corporate Governance

Building Strong Governance Structure

We will continue to strengthen the ESG governance structure at both decision-making level and execution level, deepen the ESG supervision, and improve the Group's ESG performance. At the same time, we will speed up the formulation and improvement of ESG goals and action plans across different departments, promote effective implementation of environmental protection and social responsibility initiatives, and enhance the public disclosure of ESG-related information.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2. ESG POLICY, STRATEGY AND MANAGEMENT *(continued)*

2.3 Stakeholder Engagement

Our Group recognises the expectation and feedback from our stakeholders. The Group carried out a stakeholder engagement exercise during the Reporting Period by involving the stakeholders who may affect or may be affected by our decisions. The Group has developed an approach which identifies the broad topics that the stakeholders are most concerned with and used a materiality matrix to assess the material topics in formulating the strategies.

Details of communication channels and management responses to the stakeholders’ expectations and concerns are as follows:

Stakeholders	Expectations and Concerns	Communication Channels and Management Responses
Government and regulatory authorities	<ul style="list-style-type: none"> • Compliance with laws and regulations • Contribution to the local economy • Fulfill tax obligations 	<ul style="list-style-type: none"> • On time tax return filing and payment • Compliance reporting • Annual and interim reports
Shareholders/ Investors	<ul style="list-style-type: none"> • Return on investment • Corporate governance and image • Business strategies and performance • Information transparency 	<ul style="list-style-type: none"> • Annual general meeting and other general meetings • Announcements and circulars • Annual and interim reports • Company’s website
Suppliers	<ul style="list-style-type: none"> • Strong and long-term relationship • Corporate reputation • Fair and open procurement 	<ul style="list-style-type: none"> • Open tender • Contracts and agreements • Review and evaluation
Customers	<ul style="list-style-type: none"> • Product and service quality • Commercial credibility • Reasonable prices • Privacy protection 	<ul style="list-style-type: none"> • After-sales services • Customer services hotline and email • Privacy agreement
Employees	<ul style="list-style-type: none"> • Labour rights • Competitive remuneration and welfare • Training and development • Occupational health and safety 	<ul style="list-style-type: none"> • Regular meetings and performance review • Provision of safety equipment • Emails and instant messaging group • Employee activities and training
Community	<ul style="list-style-type: none"> • Employment opportunities • Community contribution • Environmental protection • Economic development 	<ul style="list-style-type: none"> • Community and public welfare activities • Press releases and announcements • ESG report

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2. ESG POLICY, STRATEGY AND MANAGEMENT *(continued)*

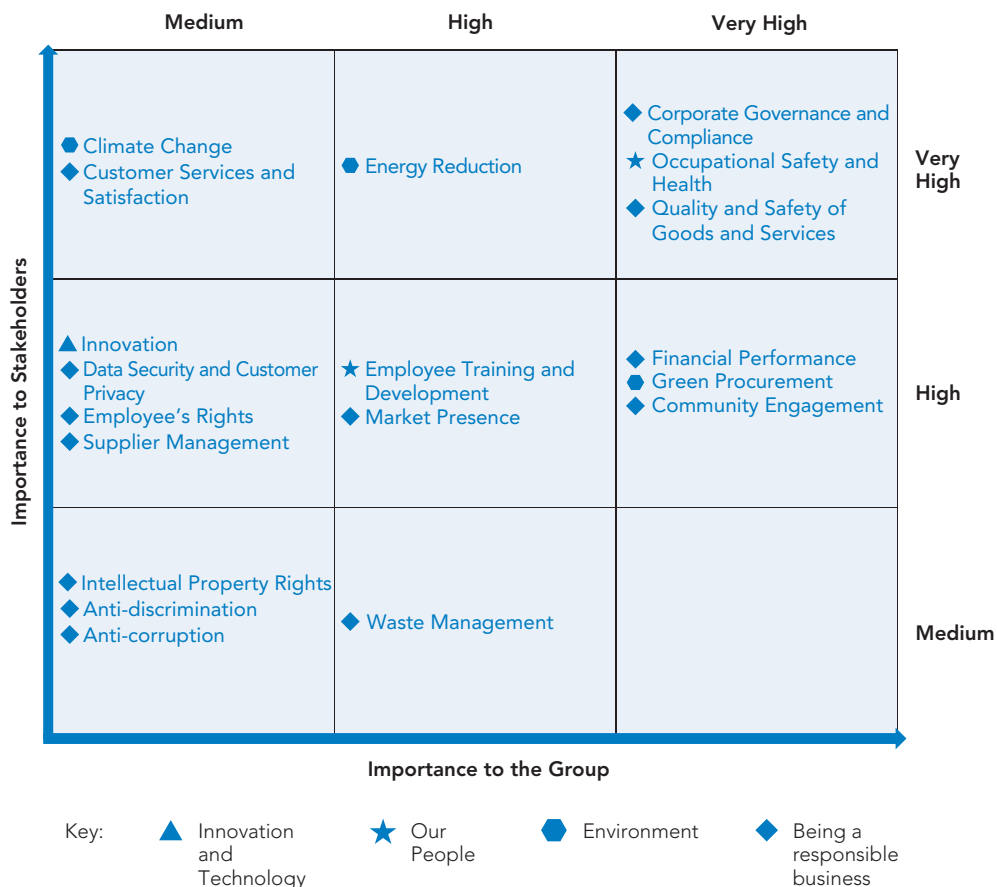
2.4 Materiality Assessment

Following the stakeholder engagement, we conducted a materiality assessment to evaluate, prioritise and manage material ESG-related issues:

1. Identify the sustainability issues that are relevant to the Group’s business, based on international and local reporting standards;
2. Prioritise the potential material topics that are relevant to the Group’s ESG performance;
3. Conduct a questionnaire survey to examine stakeholders’ expectations and rate the importance of each issue towards stakeholders and the Group’s business; and
4. Screen out the most representative material topics and analyse the results.

The Group considers that climate-related risks and opportunities are also critical issues which could reasonably be expected to affect our capital and financial performance over the short, medium or long term and therefore incorporates such considerations into the assessment.

Based on the analysis results, the Group concluded that there have been no significant changes in the main concerns of stakeholders. The assessment results are presented below:



Effective internal control systems on these aspects are reinforced with the aim of enhancing efficiency of operations and generating the environmental and social benefits to the stakeholders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT

The Group is committed to helping our customers to embrace the green transition and instilling the consciousness of resources conservation, low-carbon concept and environmental protection into the work and life of every employee. We firmly believe that our commitment to environmental protection will become a part of our competitiveness, leading the Group to a greater success in the future and fulfil our responsibilities as a member of the community we all live in.

The Group dedicated itself to empowering the low-carbon transformation of the global economy and committed to implementing the recommendations of the Task Force on Climate-Related Financial Disclosure (“TCFD”), providing investors and stakeholders with useful information on climate-related risks and opportunities that are related to our business.

3.1 Climate Change Mitigation

The Group has allocated human and financial resources to continuously assess the impact of climate change on our operations. Through a comprehensive climate risk assessment, we have qualitatively analysed the potential impacts of climate-related physical risks and transition risks on our cash flows, access to finance or cost of capital, assets, operations, and financial performance across short term (2030), medium term (2050) and long term (2080) time horizons.

Climate-related Physical Risks

Physical risks reflect how changes in the frequency and intensity of extreme and ongoing weather can affect, disrupt and damage business operations, assets and supply chains, as well as lead to broader impacts such as environmental stress, food and water security and trends in migration. Physical impacts from climate change are inevitable. The rate and extent of change will depend on global decarbonisation efforts.

The TCFD distinguishes between the following physical risks:

- Acute risk — A change in the frequency and/or intensity of extreme weather events.
- Chronic risk — Longer-term shifts in climate patterns.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.1 Climate Change Mitigation *(continued)*

Climate-related Physical Risks *(continued)*

Risks	Timeframe and Risk Level	Risk Description and Effects	Response Measures
ACUTE PHYSICAL RISK			
Increased severity of extreme weather events	Short term (low)	The increased severity of cyclones and flooding arising from climate change may cause damage to the Group’s facilities and equipment, elevate maintenance costs and endanger employee safety.	We establish safety management system, including adverse weather guidelines, deploy monitoring and alarm systems and conduct on-site safety inspections to monitor hazards associated with natural disasters.
	Medium term (low)		
	Long term (medium)	Disruptions to supply chain and delays in product delivery may further increase the operation costs, affect the operational efficiency and defer the timing of revenue recognition.	
CHRONIC PHYSICAL RISK			
Increased rainfall	Short term (low)	The rate of change in average annual rainfall in geographical locations that we are operating at shows a continuous upward trend, indicating operational disruptions, supply chain disturbances and physical risks to assets triggered by extreme rainfall are increasingly intensifying.	All new projects assess and develop management and mitigation mechanisms to address the potential physical impacts of climate change. For critical supplies, the Group is considering the development of detailed emergency response plans to ensure rapid recovery of operations in the event of sudden supply disruptions.
	Medium term (medium)		
	Long term (medium)	Disruptions to supply chain and delays in product delivery may further increase the operation costs, affect the operational efficiency and defer the timing of revenue recognition. Also, the increased rainfall and emergency incidents may pose risks on personnel safety and cause damage to offices and properties, thereby elevating maintenance costs.	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.1 Climate Change Mitigation *(continued)*

Climate-related Transition Risks

Transition risks are those associated with the transition to a low carbon economy, which may be due to changes in policies, technologies and markets.

Risks	Timeframe and Risk Level	Risk Description and Effects	Response Measures
Market Risk	Short term (medium)	Downstream market developments, including a change in consumer behaviour, introduction of carbon tax, carbon border adjustment and increased cost of raw material due to embedded Greenhouse Gas (“GHG”) emissions pricing may increase operating pressures.	We will keep abreast of the industry standards and adopt green procurement. A stringent environmental management system will be adopted to ensure the Group meets the expectations and requirements of the customers.
	Medium term (high)		
	Long term (high)	Failure to respond promptly to changes in consumer preferences or market demand may lead to a decline in brand competitiveness, thereby reducing overall revenue.	
Policy and Regulatory Change Risk	Short term (low and medium)	To respond to evolving policy and regulatory changes on decarbonization, the Group may increase mandates for renewable energy usage, leading to higher operational and compliance costs, as well as increase in capital expenditure.	We will continuously monitor national announcements and government policy updates to stay abreast of the latest policy developments and changes, enabling flexible adjustments while ensuring alignment between the Group’s overall strategy and national sustainable development goals.
	Medium term (high)		
	Long term (high)		

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.1 Climate Change Mitigation *(continued)*

Climate-related Opportunities

Opportunity	Timeframe and Opportunity Level	Description	Effects
Green Resources, Energy Efficiency and Resilience	Short term (high)	Further adopt renewable energy sources, introduce electric vehicles to reduce emissions and utilize energy-efficient equipment.	It helps in mitigating exposure to future volatility in fossil fuel prices and anticipated increases in carbon taxes and build a green brand image, enhancing the Group’s long term competitiveness. It also strengthens resilience planning, supporting an improved market valuation of the Group.
	Medium term (high)		
	Long term (high)		

As at 31 December 2025, the current and anticipated financial effects of climate-related risks and opportunities are not separately and quantitatively identifiable. The Group is currently developing its capability to further estimate and quantify the financial effects of and amount of assets or business activities vulnerable to climate-related risks and opportunities in the future, with the long term objective of developing a system to support scenario modelling and appropriate disclosures. Based on current year’s assessment, we consider that there is no significant risk of a material adjustment within the next reporting year to the carrying amounts of assets and liabilities reported in the financial statements.

Reasonable information relief is adopted on current and anticipated effects of climate-related risks and opportunities on the Group’s value chain. We will keep refining our method in determining the scope of value chain in climate risk assessment.

The Group has considered the resilience of its strategy and business model to climate-related changes, developments and uncertainties. There is no climate-related transition plan formulated as at 31 December 2025. Given the evolving nature of climate-related impacts, the Group steadily increases its capital investment, strengthens its climate adaptation and mitigation efforts, and reviews the assessment results annually to ensure they reflect the latest development. When necessary, we will dynamically adjust our strategic planning in resource allocation, business model and value chain to maintain the Group’s resilience and competitiveness in the face of climate change.

Metrics and Targets

Greenhouse gas emissions and targets of the Group are discussed in the sub-section headed “3.4 Emissions” of this ESG Report. The targets have not been validated by any third party and no revisions were made to the targets during the Reporting Period. Sectoral decarbonisation approach is not applicable to the Group.

The Group does not apply carbon price in decision making and no climate-related considerations are factored into remuneration policy. We do not have plan to use carbon credits to offset greenhouse gas emissions. Disclosure of industry-based metrics has yet to be included.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.2 Corporate Environmental Principles

The Group adopts the following environmental management principles and directions:

- Assess, monitor and manage environmental risks and opportunities associated with our business;
- Integrate environmental considerations in its operational decision-making process;
- Define and review appropriate objectives and targets on a regular basis for our ESG management approach;
- Continuously improve the ESG management system to set and maintain robust standards;
- Prevent pollution and protect the environment by conserving natural resources and minimising waste; and
- Promote environmental awareness and low carbon lifestyle among the workforce.

During the Reporting Period, the Group complied with environmental protection laws and regulations in relation to air and GHG emissions, discharge into water and land, and generation of hazardous and non-hazardous waste, including the "Air Pollution Control Ordinance", "Waste Disposal Ordinance" and "Water Pollution Control Ordinance" of Hong Kong, "Environmental Protection Law of the PRC", "Law of the PRC on the Prevention and Control of Atmospheric Pollution", "Basic Environment Law" of Japan, and "Federal Immission Control Act", "Water Protection Law", "Waste Management Act" and "Federal Climate Change Act" of Germany. The Group did not violate any environmental protection law or regulation of the regions where we operate, nor was it subject to any significant fine, non-monetary penalty and litigation relating to environmental protection.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.3 Optimising Energy Saving and Resources Consumption

The air emissions generated by the Group are mainly from mobile combustion sources in the business operations during the Reporting Period. The material air pollutants emitted are mainly composed of nitrogen oxides (“**NOx**”), sulphur oxides (“**SOx**”), and particulate matter (“**PM**”).

The main contributors to the Group’s carbon footprint are GHG emissions generated from direct consumption of fossil fuel (Scope 1), energy indirect GHG emissions generated from the consumption of purchased electricity (Scope 2) and other indirect GHG emissions generated from business travel by flight and paper consumption in business operations (Scope 3).

The calculation methodologies for the corresponding GHG emissions, as well as the emission factors used in the calculations, are based on international, national or regional standards, including “Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange of Hong Kong. There is no material change made to the measurement approach, inputs and assumptions during the Reporting Period.

The Group is highly aware that such GHG emission is one of the major sources of global warming. Therefore, we strive to reduce our carbon and ecological footprint and adopt practices that are sustainable to the environment and minimise our impact on the environment. The sustainable measures adopted by the Group to achieve emission and energy use efficiency targets includes:

Reduce Energy Consumption

- Promote energy-saving measures such as applying energy-saving lighting facilities in production and office areas, energy-efficient air-conditioning system and high-efficient energy-saving equipment; and
- Enhance our employees’ awareness towards resource conservation, energy saving and environmental protection, inspiring tangible changes to their long-term behavioural patterns.

Reduce Paper Consumption

The business operation of the Group consumes certain amount of paper and the Group has adopted a series of initiatives to reduce paper consumption:

- Paperless office by developing our own internal administration system to reduce the use of paper in all level of our staff;
- Select working partners which provide paperless operating procedures whenever feasible;
- Paperless board meeting;
- Encourage the use of electronic means of communication to manage daily process; and
- Use duplex printing and reuse single-side printed papers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.3 Optimising Energy Saving and Resources Consumption *(continued)*

Reduce Air Business Travel

The Group encourages its employees to adopt electronic means of communication such as video or telephone conferencing to avoid unnecessary travel arrangement. Video conference equipment is available in conference rooms to conduct virtual meetings. We are seeking to minimise emissions from commuting through work-from-home programs and associate adoption of sustainable commuter transport options.

Fleet Management

Regular maintenance checks are performed for all the vehicles to enhance fuel consumption efficiency, ensure road safety and to keep air and GHG emissions at their minimum.

3.4 Emissions

The Group's business inevitably involves the consumption of fossil fuel, which directly or indirectly, releases NO_x, SO_x, PM and carbon dioxide equivalents ("CO₂e"). Our environmental performance is tabulated below.

Emissions	Unit	FY2025	FY2024
Air Emissions			
NO _x	kg	48	16
SO _x	kg	–	–
PM	kg	5	2
GHG Emissions			
Direct GHG Emissions (Scope 1)	tCO ₂ e	10	7
Energy Indirect GHG Emissions (Scope 2)	tCO ₂ e	68	82
Other Indirect GHG Emissions (Scope 3)	tCO ₂ e	56	56
Total GHG Emissions Intensity	tCO ₂ e/employee	2.74	3.36

The Group is committed to achieve the air emissions from vehicle usage and GHG emissions between 90% to 120% for the next reporting period, against the level of the baseline year ended 31 December 2025.

The increase in the Reporting Period's NO_x emission as well as direct energy consumption (as discussed in the sub-section headed "3.6 Use of Resources") was mainly arising from the increase in total kilometres travelled by the Group's motor vehicles. The Group purchased an electric vehicle during the Reporting Period and plans to further promote the usage of electric vehicles over the next 3–5 years.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.5 Pollution and Waste Management

Waste Management Policy

The Group’s waste management policy endeavours an adoption of the waste management hierarchy in order to achieve a green and paperless operation with a minimal generation of waste wherever possible and practical. The Group implements the following measures and objectives to achieve our waste control target.

- Endorse the ‘4-R Principles — Reduce, Reuse, Replace and Recycle’ as our key policy of waste management;
- Extend our commitment to using sustainable products into every aspect of the business;
- Encourage an increased use of reusable product, such as envelopes, and better separation of waste streams for recycling;
- Encourage recycling of used toner cartridges by collecting and returning all used cartridge to recycling agents;
- Strengthen our employee’s awareness in environmental management, waste reduction and waste recycle, encourage them to be equipped with appropriate skills and knowledge with respect to the practice of sustainable development; and
- Closely keep up with the latest government’s initiatives and policies in relation to waste management, waste reduction and recycle campaigns in order to allocate resources and formulate strategy in a timely manner.

Hazardous Waste

Given our business nature, the Group does not directly produce hazardous waste throughout the operations. The Group endeavours to recycle electronic waste and fluorescent tube throughout our operations wherever practical, ultimately reducing both the monetary and environmental costs involved in disposal of these wastes that would otherwise be scrapped and treated as hazardous waste.

Non-hazardous Waste

The non-hazardous waste generated by the Group are mainly domestic waste including office supplies and paper from our operations, among which, recyclable waste have been recycled.

Waste	Unit	FY2025	FY2024
Total Non-hazardous Waste Generated	tonne	11	10
Intensity of Non-hazardous Waste Generated	tonne/employee	0.23	0.23

The Group is committed to achieve the non-hazardous waste intensity between 90% to 120% for the next reporting period, against the level of the baseline year ended 31 December 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

3. PROTECTING THE ENVIRONMENT *(continued)*

3.6 Use of Resources

In light of finite earth's resources, the Group considers the conservation of natural resources through low-carbon practices as an indispensable component of our sustainable business. Due to the nature of the business, the Group does not have any direct and significant impact on the environment and natural resources during our operations. We have implemented various initiatives throughout our operations to keep on improving resource use efficiency, reducing and avoiding pollutant generation, while lowering our operating cost.

Water Consumption

The Group takes a cautious approach to water stewardship, seeking to maximise efficiency and reduce water consumption. We strive to engage all employees to develop a habit of conserving water consciously. Pantry is posted with environmental messages to remind employee the importance and urgency of water conservation. The utility facilities are maintained regularly for service to ensure that water seepage or leaking pipelines are replaced or repaired on a timely basis. During the Reporting Period, we had no issue in sourcing water that is fit for purpose. The Group's water consumption was minimal and immaterial, hence we did not disclose the total water consumption and intensity during the Reporting Period.

Packaging Material

Given our business model, the Group does not consume a significant amount of packaging materials for our operations. However, we encourage our suppliers to promote the simplification, reduction, reuse, degradation and recycling of packaging.

Energy Consumption

Our energy consumption during the Reporting Period is summarised below.

Energy Consumption	Unit	FY2025	FY2024
Direct Energy Consumption			
Unleaded Petrol	kWh'000	–	8
Diesel	kWh'000	42	18
Indirect Energy Consumption			
Purchased Electricity	kWh'000	145	147
Total Energy Consumption	kWh'000	187	173
Energy Consumption Intensity	kWh'000/employee	3.82	4.02

The Group is committed to achieve the energy consumption intensity between 90% to 120% for the next reporting period, against the level of the baseline year ended 31 December 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. PEOPLE

4.1 A Workplace for People

The Group promises to provide all employees with equal opportunities and a broad career development platform, so as to enhance employees' sense of belonging, enthusiasm and creativity.

Meanwhile, we continue to invest resources to absorb global talents with different backgrounds and support the development of employees, carry out cross-cultural communication and integration, and build a diversified talent team. We also make every effort to provide long-term employment opportunities for employees and local communities where we operate.

4.2 Occupational Health and Safety

The Group is committed to providing and maintaining a safe, healthy, and hygienic workplace for all employees and all other parties that are likely to be affected by our operations and activities. Health and safety standards are given prime consideration in our operations, and regulatory compliance is strictly upheld. The goals of our Occupational Safety and Health ("OSH") policy are highlighted as below:

- Pursuit of a healthy, pleasant and safe workplace environment for our employees;
- Commitment of appropriate resources and leadership to the OSH management system;
- Identification and management of risks and hazards throughout the workplaces as well as provision of follow-up actions for accidents or personal injuries;
- Zero tolerance of accidents and injuries; and
- Promotion of a safety culture among employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. PEOPLE *(continued)*

4.2 Occupational Health and Safety *(continued)*

To achieve the goals of our OSH policy, the following measures are adopted:

- Formulate emergency response plans, risk assessment and accident investigation mechanism so as to ensure legal compliance with OSH;
- Organize fire drills and emergency evacuation simulations to raise the employees’ awareness of fire prevention and to equip employees with appropriate knowledge and skills in the event of emergency;
- Promote safety culture among employees;
- Organize induction programs and provide OSH training sessions to employees according to their roles and responsibilities to ensure awareness of job hazards and conformity to safety practices with respect to OSH; and
- Prohibit smoking and abuse of alcohol and drugs in workplaces.

During the Reporting Period, the Group complied with the applicable laws and regulations in relation to providing safe working environment in the regions where we are operating at and protecting employees from occupational hazards, including the “Occupational Safety and Health Ordinance” of Hong Kong, “Law of PRC on Work Safety”, “Industrial Safety and Health Act of Japan” and “Occupational Safety and Health Act of Germany”. The OSH policy is reviewed annually. The Group did not record any accident that resulted in death or serious physical injury during the Reporting Period.

	FY2025	FY2024	FY2023
Number of Work-related Fatalities	0	0	0
Rate of Work-related Fatalities	0%	0%	0%
Lost Days due to Injury at Work	0	0	0

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. PEOPLE *(continued)*

4.3 Talent Attraction and Retention

We encourage differences and individuality in employees, with the philosophy that diversity can bring new ideas, dynamics and challenges to our operations. We discourage all forms of discrimination on gender, age, family status, sexual orientation, disability, race and religion. We are committed to supporting our employees and maintaining a family-friendly work environment because we respect their roles and responsibilities in their families. We strive to make sure employees and business partners comply with laws and regulations, follow ethical business practices and respect equal opportunity in work.

In order to attract and retain our employees, the Group offers competitive wages and performance-based bonus, medical insurance, maternity leave and other compensation to our employees. The Group decides the remunerations payable to its employee based on their duties, work experiences and the prevailing market practices. Apart from basic remuneration, share options may be granted to eligible employees by reference to the performance of the Group and individual employees. We are committed to providing career development resources to our employees to further nurture their skills and capabilities that will contribute to our long-term sustainable growth.

During the Reporting Period, we were in compliance with the applicable laws and regulations relating to recruitment and promotion, compensation and dismissal, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

4.4 Our Workforce

Hong Kong

The Group complied with the labour law and relevant employment laws and regulations throughout the Reporting Period, including the "Mandatory Provident Fund Schemes Ordinance", "Minimum Wage Ordinance", "Employment Ordinance" and "Employees' Compensation Ordinance" by offering competitive wages, retirement benefits, medical insurance, disability and invalidity coverage, maternity leave and other compensation to our employees.

The PRC

We participated in welfare schemes concerning pension insurance, unemployment insurance, maternity insurance, occupational injury insurance and medical insurance in accordance with the local laws and regulations, including the "Labour Contract Law of the PRC", "Labour Law of the PRC", "Social Insurance Law of the PRC" and "Regulations on the Management of Housing Provident Fund".

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. PEOPLE *(continued)*

4.4 Our Workforce *(continued)*

Japan

During the Reporting Period, the Group participated in Employee's Pension Insurance Scheme, accident insurance and medical insurance for eligible employee in accordance with the local laws and regulations including the "Labour Standards Act" and "Labour Contract Act".

Germany

We complied with the employment law and regulations of Germany throughout the Reporting Period, including the "Social Code", "General Equal Treatment Act", "Part-Time and Limited Term Employment Act", "Continued Remuneration Act", "Minimum Wage Act", "Protection Against Dismissal Act", "Federal Holidays Act", "Working Hours Act", "Maternity Protection Act" and "Federal Parental Benefit and Parental Leave Act".

Summary of employee composition and turnover is disclosed as follows:

Workforce	FY2025	FY2024
Total Number of Employees	49	43
By Gender		
Male	27	28
Female	22	15
By Age		
Under 30 years old	3	2
30–50 years old	42	37
Over 50 years old	4	4
By Employment Type		
Full-time	47	41
Part-time	2	2
By Geographical Region		
Hong Kong	16	16
Japan	17	15
The PRC	11	10
Germany	4	1
United States	1	1

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. PEOPLE *(continued)*

4.4 Our Workforce *(continued)*

	FY2025	FY2024
Employee Turnover Rate	6%	14%
By Gender		
Male	11%	18%
Female	–	7%
By Age		
Under 30 years old	–	–
30–50 years old	5%	16%
Over 50 years old	25%	–
By Geographical Region		
Hong Kong	6%	31%
Japan	12%	–
The PRC	–	–
Germany	25%	100%
United States	–	–

4.5 Talent Development and Training

The Group strives to create an environment of continuous learning to our employees. We pay full attention to the relevant regulatory changes and work closely with different departments to determine the professional training required for relevant employees at all levels to improve their knowledge and skills for discharging duties at work and maintain their professional competencies. Details of the development and training programs are summarised as below.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. PEOPLE *(continued)*

4.5 Talent Development and Training *(continued)*

Orientation Programs Orientation programs are organised for new joiners by introducing the history and corporate culture of the Group, as well as functions of respective departments, helping them adapt to the new work environment affirmatively and quickly.

Continuous Professional Training It includes internal training programs and comprehensive courses focused on specific skill development and professional knowledge enhancement.

Thematic Training Directors and senior management are encouraged to take part in professional thematic training and seminars including OSH, corporate governance, business development and strategy.

Employees from respective departments are encouraged to take part in courses to strengthen and refresh their knowledge and management skills, including various topics stipulated in relevant ordinances, rules and guidelines such as the Securities and Futures Ordinance, Personal Data (Privacy) Ordinance, the Listing Rules, Anti-money Laundering (“AML”) and application of Artificial Intelligence.

Summary of employee training for the years ended 31 December 2025 and 2024 is shown below:

	Unit	FY2025	FY2024
Average Hours of Training Completed per Employee	hours	0.3	0.4
By Gender			
Male	hours	0.3	0.3
Female	hours	0.3	0.5
By Employment Category			
Senior Staff	hours	0.2	0.2
Middle Staff	hours	0.4	0.4
Junior Staff	hours	0.2	0.4
Percentage of Employees Trained			
By Gender			
Male		30%	25%
Female		32%	47%
By Employment Category			
Senior Staff		55%	55%
Middle Staff		26%	27%
Junior Staff		21%	20%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

4. PEOPLE *(continued)*

4.6 Labour Standards

The Group strictly prohibits the employment of any child labour and forced labour in any form, being fully aware that exploitation of child and forced labour violates human rights and international labour conventions. All candidates applying to a position in the Group are required to present their identity documents for inspection and ascertaining their identities, age and validity of employment status. Recruiting team is required to strictly review the documents including medical examination certificates, academic certificates and identity cards.

During the Reporting Period, the Group strictly complied with the relevant laws and regulations relating to preventing child and forced labour, including the "Law of the PRC on the Protection of Minors", "Provisions on Prohibition of Using Child Labour of the PRC" and "The German Youth Employment Protection Act". In the event that any irregularities in ages, identities and/or validities of employment status is subsequently found, employment with all such concerned employees will be immediately terminated, and the Group will report such incident to the relevant authorities as soon as practicable. No child and forced labour incident was reported during the Reporting Period.

5. OPERATING PRACTICES

The demand for ethical compliance and sustainable development are increasingly pressing both globally and locally. It is essential for us to encourage all business partners to incorporate those practices and policies into their operations thoroughly in order to work together in our pursuit of sustainable development.

During the Reporting Period, our operations complied with relevant laws and regulations in relation to health and safety, advertising, labelling and privacy matters, including the "Trade Descriptions Ordinance" of Hong Kong, "Law of the PRC on the Protection of Consumer Rights and Interests", "Advertising Law of the PRC", "Product Quality Law of the PRC" and "Product Safety Act" of Germany.

5.1 Innovation-driven Development

The Group anticipates that innovation and technology strategies shall play a crucial role in our long-term business development. We are determined to set ourselves in a good position to continuously and proactively introduce products and services derived from high-tech oriented research and development, into our operations and business model wherever commercially feasible and appropriate.

5.2 Supply Chain Management

The Group understands that the supply chain management is always one of the key aspects of the Group's operations. Our sustainable supply chain includes the adoption of environmentally conscious operations in logistics, environmentally responsible sourcing of raw material, and due diligence of material and product procurement.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

5. OPERATING PRACTICES *(continued)*

5.2 Supply Chain Management *(continued)*

We developed a vendor and supplier selection mechanism based on potential vendors' compliance with all applicable laws and regulations in relation to safety, environment, forced labour, child labour and other social aspects. Products and services with environmental friendly and socially responsible features will be given a higher technical score during our assessment process. To evaluate the performance of the selected suppliers as well as to minimise the environmental and social risks along the supply chain, regular review and assessment on suppliers covering the business licenses and qualification, products safety and services quality, financial performance and credibility, integrity, and social responsibility will be conducted on a risk-basis approach. When the evaluation result of a supplier is not satisfactory, the supplier will be removed from the approved list.

Every supplier is required to comply with our code of practice, which prohibits the offering of gifts, loans, hospitality, services or favor in an improper manner. To promote environmentally preferable products and services when selecting suppliers, the Group encourages our business partners to adopt the best environmental and social practices and to disseminate the pursuit of sustainability into the core business, through developing energy-saving and consumption-reducing policies. For example, we recommend the suppliers to be engaged with the strategy of sustainable transport and logistics solutions such as using online carbon calculator for route planning in order to reduce carbon footprint throughout their delivery process.

No complaint was received from the suppliers and there was no disputed or unsettled debt. All payables were settled on or before due dates or a latest date as mutually agreed.

The distribution of our suppliers by geographical region is summarised below:

Geographical Region	FY2025	FY2024
Europe	10	13
Hong Kong	2	–
Japan	61	273
The PRC	2	6
The United States	–	1
The United Kingdom	2	9
Other Asia-Pacific countries	1	6
Total	78	308

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

5. OPERATING PRACTICES *(continued)*

5.3 Product and Service Responsibility

Quality Assurance

We are committed to the highest standards of services and products we deliver. The Group undertakes the defined quality assurance protocol to ensure products and services constantly meet customer requirements and legal and safety standards for its intended use and for circumstances of reasonably foreseeable misuse. We carry out regular assessment for each product type with respect to environmental impact, health impact, safety and hazards associated with raw materials. We ensure that every product is correctly labelled with sufficient information and directions for use required by legislation and industry codes of practice.

In the event that products are identified to be defective and a recall is necessary to be initiated, we will notify clients directly in a timely manner. Subject to the severity of the identified defect, (i) we may direct clients to the nearest authorised partner for repair and change of parts; (ii) we may send a "flying doctor" from our factory to clients for repair and change of parts, or (iii) we may assist clients to ship the car back to our factory for repair and change of parts. As part of our commitment to the highest quality of services and products, we are responsible for all expenses arising from the recall procedures for our clients.

	FY2025	FY2024
Percentage of Total Products Sold or Shipped subject to Recalls for Safety and Health Reasons	0%	0%
Number of Products and Service Related Complaints Received	0	0

5.4 Privacy Protection

The Group emphasizes the importance of protecting our clients' personal data against unauthorised access and we adhere to the "Personal Data (Privacy) Ordinance" of Hong Kong, "Personal Information Protection Law of the PRC", "Act on the Protection of Personal Information" of Japan, "The EU General Data Protection Regulation" and "Federal Data Protection Act" of Germany when collecting, processing and using clients' personal data. To safeguard clients' privacy, the Group takes practicable steps to ensure clients' data are securely stored and the use of data is limited to the original collection purpose. The Group respects the privacy rights of its stakeholders with utmost importance.

The Group sets out data privacy requirements in corporate policies, under which customer and supplier data would be used exclusively for matters relating to the Group's operations only. We strive to ensure all collected data kept is free of unauthorised or accidental access, processing, erasure or other use.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

5. OPERATING PRACTICES *(continued)*

5.5 Anti-corruption

The Group makes every effort to uphold a high standard of business ethics and prohibition of any form of bribery and corrupt practice. The Group has developed a series of policies, compiled code-of-conduct and employee training with respect to anti-fraud and anti-bribery, which apply to all levels (including directors of the Company). In general, we require our employees to declare any conflict of interest, to avoid any possible conflict with sub-contractors or suppliers. We also encourage our business parties, including suppliers and sub-contractors to observe those principles of the policies and to proactively report any suspected misconduct issues to the Group. Meanwhile, employees are encouraged to report any concern in relation to accounting and internal control matters to the Audit Committee, who will review each complaint and decide how the investigation should be conducted. The Audit Committee did not identify any complaint from employees during the Reporting Period. The Group will closely monitor the regulatory development and arrange relevant anti-corruption training for our employees and directors, where necessary.

During the Reporting Period, the Group complied with relevant laws and regulations relating to bribery, extortion, fraud and money laundering in the regions where we operate, including the "Prevention of Bribery Ordinance" and "Anti-Money Laundering and Counter-Terrorist Financing Ordinance" of Hong Kong, "Anti-Money Laundering Law of the PRC", "Law Against Unfair Competition of the PRC", "Penal Code" and "Unfair Competition Prevention Act" of Japan, and "German Criminal Code". There was no concluded legal case regarding corrupt practices brought against us or our employees during the Reporting Period.

5.6 Whistle-blowing

In order to encourage our employees and those who deal with the Group (including customers and suppliers) to report illegality, irregularity, malpractice, unethical acts or behaviors, and inappropriate conducts or actions, which may damage the Group's interests, we establish whistle-blowing policy and implement procedures to report improprieties via a confidential reporting channel to the extent that is made possible to all employees and those who deal with the Group. The policy aims to encourage our employees and those who deal with the Group to report behaviour that is not in line with the principles of ethics and the Group's policy such as events that are non-compliance to the laws and regulations, general practice of financial reporting and internal control.

The Group is committed to addressing the "whistle-blowers" concerns in a fair and reasonable manner, handling the reports with due care and conducting a comprehensive and independent investigation for each reasonably established case. All "whistle-blowers" who report in good faith are reasonably protected from retaliation or adverse consequence of their employment regardless of whether the allegation is substantiated.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

5. OPERATING PRACTICES *(continued)*

5.7 Protection of Intellectual Property Rights

The Group is committed to complying with relevant laws and regulations in relation to intellectual property rights by valuing and protecting its intellectual properties through patent fees and periodic trademark renewals, including but not limited to the "Trade Marks Ordinance" and "Copyright Ordinance" of Hong Kong, "Trademark Law of the PRC", "Patent Law of the PRC", "Trademark Act" and "Patent Act" of Japan, and "Act on the Protection of Trade Marks and other Signs" and "Patent Act" of Germany. In order to prevent infringement and enhance copyright protection, a copyright compliance policy is in place covering the area of installation of computer software, making copies of copyright works or publication and use of internet.

5.8 Customer Satisfaction

Realising that our customer needs and expectations should be well addressed, the Group highly values the level of satisfaction of clients and their feedback. Communication channels and feedback systems, such as telephone hotline, emails and websites, are in place to collect information on satisfaction and suggestions for improvement from our diverse portfolio of clients regularly.

The Group will consolidate and comprehensively analyse the customers' feedback in order to identify the issues. Follow-up actions, including internal evaluation and modification of training programs for employees, will be taken to address the identified issues and improve our service delivery continuously. Feedback will additionally be provided to the clients in a timely manner.

6. CONTRIBUTING TO OUR COMMUNITY

We are committed to making a better society through our active involvement in the community and taking concrete actions in helping the community and people in needs through community services. The contribution made by the Group mainly focused on community engagement and sponsorship programs.

During the Reporting Period, the Group supported the "Kyoto Food Delivery Project for Children" by spending over 84 hours in the campaign. The objective of this project is to deliver food and essential daily necessities directly to families with primary school children who are facing difficulties in meeting a normal standard of living in Japan. The Group demonstrated its dedication to social welfare and community development through this project.

Going forward, the Group will continue to foster the culture of participation in community engagement, encouraging our staff members to be actively engaged in voluntary services and join hands together to disseminate the spirit of services in the community where we all depend on.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

7. ESG REPORTING CODE BY HKEX — “COMPLY OR EXPLAIN” PROVISIONS

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report
A. ENVIRONMENTAL		
Aspect A1: Emissions		
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	3. Protecting the Environment
KPI A1.1	The types of emissions and respective emissions data	
KPI A1.2	[Repealed 1 January 2025]	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

7. ESG REPORTING CODE BY HKEX — “COMPLY OR EXPLAIN” PROVISIONS *(continued)*

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report
Aspect A2: Use of Resources		3. Protecting the Environment
General Disclosure	Policies on efficient use of resources, including energy, water and other raw materials	
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity	
KPI A2.2	Water consumption in total and intensity	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	
Aspect A3: The Environment and Natural Resources		3. Protecting the Environment
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	
Aspect A4: Climate Change		
General Disclosure	[Repealed 1 January 2025]	
KPI A4.1	[Repealed 1 January 2025]	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

7. ESG REPORTING CODE BY HKEX — “COMPLY OR EXPLAIN” PROVISIONS *(continued)*

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report
B. SOCIAL		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	4. People
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	
KPI B1.2	Employee turnover rate by gender, age group and geographical region	
Aspect B2: Health and Safety		
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	4. People
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	
KPI B2.2	Lost days due to work injury	
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

7. ESG REPORTING CODE BY HKEX — “COMPLY OR EXPLAIN” PROVISIONS *(continued)*

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report
Aspect B3: Development and Training		4. People
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities	
KPI B3.1	The percentage of employees trained by gender and employee category	
KPI B3.2	The average training hours completed per employee by gender and employee category	
Aspect B4: Labour Standards		4. People
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	
KPI B4.2	Description of steps taken to eliminate such practices when discovered	
Operating Practices		
Aspect B5: Supply Chain Management		5. Operating Practices
General Disclosure	Policies on managing environmental and social risks of the supply chain	
KPI B5.1	Number of suppliers by geographical region	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

7. ESG REPORTING CODE BY HKEX — “COMPLY OR EXPLAIN” PROVISIONS *(continued)*

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report
Aspect B6: Product Responsibility		5. Operating Practices
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	
KPI B6.2	Number of products and service related complaints received and how they are dealt with	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	
KPI B6.4	Description of quality assurance process and recall procedures	
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

7. ESG REPORTING CODE BY HKEX — “COMPLY OR EXPLAIN” PROVISIONS *(continued)*

Subject Areas, Aspects, General Disclosures and KPIs	Description	Relevant sections in the ESG Report
Aspect B7: Anti-corruption		5. Operating Practices
General Disclosure	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	
KPI B7.3	Description of anti-corruption training provided to directors and staff	
Community		6. Contributing to Our Community
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration the communities’ interests	
KPI B8.1	Focus areas of contribution	
KPI B8.2	Resources contributed to the focus areas	

INDEPENDENT AUDITOR'S REPORT



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To the members of Apollo Future Mobility Group Limited

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Apollo Future Mobility Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 94 to 203, which comprise the consolidated statement of financial position at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS *(continued)*

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessments of goodwill and other intangible assets with indefinite useful lives</p> <p>Refers to Notes 2, 17 and 18 to the consolidated financial statements</p> <p>At 31 December 2025, the Group had goodwill and other intangible assets with indefinite useful lives, representing trademarks (the "Intangible Assets"), acquired through business combinations allocated to mobility technology solutions cash-generating units ("CGUs") of the Group with net carrying amounts of approximately HK\$393,480,000 and HK\$172,311,000, respectively. The corresponding impairments of goodwill and Intangible Assets with indefinite useful lives recognised in profit or loss were approximately HK\$151,843,000 and nil, respectively, during the year ended 31 December 2025. Goodwill and the Intangible Assets are tested for impairment annually or more frequently if events or changes in circumstances indicate that their carrying amounts may be impaired.</p> <p>Impairments are determined by assessing the recoverable amounts of CGUs to which the goodwill and the Intangible Assets relate and whether the recoverable amounts of CGUs are less than their carrying amounts. The recoverable amounts of CGUs have been determined based on CGUs' value in use using cash flow projections specific to each CGU and applying a discount rate which reflects specific risks relating to the CGUs, with the assistance from certain independent qualified professional valuers (the "external valuers").</p> <p>The impairment assessments of the goodwill and the Intangible Assets required the Group's management to make certain estimates and assumptions that would affect the reported amounts of goodwill and the Intangible Assets and related disclosures in the consolidated financial statements.</p> <p>We identified the impairment assessments of goodwill and Intangible Assets as key audit matters due to their significances to the consolidated financial statements and the use of judgements and estimates by the management of the Group in determining the recoverable amounts of the relevant CGUs.</p>	<p>Our key audit procedures, among others, included:</p> <ul style="list-style-type: none"> (i) enquiring the Group's management to understand and evaluate the methodologies, assumptions and estimates applied in the impairment assessments; (ii) obtaining an understanding of the current and expected future developments of the CGUs and factors that might affect key assumptions and estimates of the fair values or cash flow projections and discount rates applicable to the CGUs; (iii) evaluating the assessments made by the management of the Group about reasonable possible changes in relevant key assumptions and estimates, as appropriate; (iv) assessing the historical accuracy of the prior year's assumptions and estimates made by the Group's management, as appropriate; (v) reviewing the related disclosures on determination of recoverable amounts in the consolidated financial statements; (vi) engaging an independent qualified professional valuer to provide opinion to us (the "auditor's valuation expert") on evaluating the appropriateness and reasonableness of the methodologies used and certain key assumptions and estimates made by the Group's management and/or the external valuers, in particular, the specific discount rates and long term growth rates of each relevant CGU, with reference to relevant historical/market information, and other information, assumptions and estimates for the assessment of value in use; and (vii) evaluating the objectivity, capabilities and competence of the external valuers and the auditor's valuation expert.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS *(continued)*

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of financial assets at fair value through profit or loss ("FVTPL") for unlisted equity investments</p> <p>Refers to Notes 2, 21 and 41 to the consolidated financial statements</p> <p>At 31 December 2025, the Group's financial assets at FVTPL for unlisted equity investments (before share of loss of an associate) of approximately HK\$394,609,000 were categorised as Level 3 within the fair value hierarchy. For Level 3 valuation, the Group engaged independent qualified professional valuers (the "external valuers") to apply valuation techniques to determine the fair values of the financial assets at FVTPL that are not quoted in active markets. These valuation techniques, in particular those that included significant unobservable inputs, involved subjective judgements, estimations and assumptions. The sensitivity of the assumptions used may have material impact on the valuation of these financial assets at FVTPL.</p> <p>We identified the valuation of financial assets at FVTPL as a key audit matter due to their significances to the consolidated financial statements and the use of judgements and estimates in determining the respective fair values.</p>	<p>Our key audit procedures, among others, included:</p> <ul style="list-style-type: none"> (i) enquiring the Group's management to understand and evaluate the methodologies, assumptions and estimates applied in the valuation of financial assets at FVTPL; (ii) examining the terms of the unlisted equity investments and the relevant agreements; (iii) engaging an independent qualified professional valuer (the "auditor's valuation expert") to evaluate the appropriateness and reasonableness of the methodologies used and certain key assumptions and estimates made by the Group's management and/or the external valuers, in particular, the key parameters used, such as volatility and risk-free rate and time to liquidity, against available market information; (iv) evaluating the assessment made by the management of the Group about reasonable possible changes in relevant key assumptions and estimates, as appropriate; (v) evaluating the objectivity, capabilities and competence of the external valuers and the auditor's valuation expert; and (vi) reviewing the related disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS *(continued)*

Key audit matter	How our audit addressed the key audit matter
<p>Loss allowances for expected credit loss ("ECL") of loans receivable and consideration receivables</p> <p>Refers to Notes 2, 22 and 23 to the consolidated financial statements</p> <p>At 31 December 2025, the Group had outstanding loans receivable and consideration receivables with net carrying amounts of approximately HK\$114,891,000, and nil, respectively. The loss allowances for ECL of loans receivable and consideration receivables recognised in profit or loss were approximately HK\$70,575,000, and HK\$25,065,000, respectively, during the year ended 31 December 2025.</p> <p>The Group's loans receivable and consideration receivables were subject to assessment of loss allowance for ECL under HKFRS 9 "Financial Instruments" ("HKFRS 9"). The Group assesses the loss allowances for ECL for each loan receivable and consideration receivable by applying the probability of default approach under HKFRS 9, with the assistance of independent qualified professional valuers (the "external valuers"). Significant accounting judgements, estimates and assumptions are required in determining the loss allowances for ECL of loans receivable and consideration receivables.</p> <p>We identified the loss allowances for ECL of loans receivable and consideration receivables as a key audit matter due to their significances to the consolidated financial statements and the use of judgements and estimates in determining the loss allowances for impairment of loans receivable and consideration receivables.</p>	<p>Our key audit procedures, among others, included:</p> <ul style="list-style-type: none"> (i) enquiring the Group's management to understand and evaluate the methodologies, assumptions and estimates applied in the loss allowances for ECL of loans receivable and consideration receivables; (ii) examining background information and repayment capability of the debtors, such as available credit assessments and information regarding the creditability/financial strengths of the debtors; (iii) assessing the reasonableness and appropriateness of the management's judgement on determining if a significant increase in credit risk has occurred or a receivable is credit-impaired and the basis for classification of exposures into the 3 stages of risk as required by HKFRS 9 and examining supporting information to assess the appropriateness of the classification of exposures at the end of the reporting period; (iv) testing the accuracy of key data sources and parameters applied in the loss allowances for ECL computations by checking to appropriate supporting information and the relevant agreements;

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS *(continued)*

Key audit matter	How our audit addressed the key audit matter
<p><i>Loss allowances for ECL of loans receivable and consideration receivables (continued):</i></p>	<p>Our key audit procedures, among others, included (continued):</p> <ul style="list-style-type: none"> (v) reviewing the related disclosures on loss allowances for ECL in the consolidated financial statements; (vi) assessing the historical accuracy of the prior year's assumptions and estimates made by the Group's management, as appropriate; (vii) engaging an independent qualified professional valuer (the "auditor's valuation expert") to evaluate the appropriateness and reasonableness of the methodologies used and certain key assumptions and estimates adopted as well as information and parameters used by checking to applicable external data sources and other available information, in particular, the fair value of any collaterals and applicable external data sources, with reference to relevant historical/market information, and the impact of forward-looking factors for the loss allowances for ECL of loans receivable and consideration receivables; and (viii) evaluating the objectivity, capabilities and competence of the external valuers and the auditor's valuation expert.

INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2025 annual report of the Company but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with 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 HKSA's, we exercise professional judgment 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 of the Company.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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.

INDEPENDENT AUDITOR'S REPORT

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

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.

Forvis Mazars CPA Limited

Certified Public Accountants, Hong Kong

31 March 2026

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

She Shing Pang

Practising Certificate number: P05510

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	4	91,102	340,198
Cost of sales		(82,717)	(324,474)
Gross profit		8,385	15,724
Other income	5	18,538	35,828
Other losses, net	6	(307,668)	(1,257,476)
Selling and distribution expenses		(6,228)	(8,402)
Administrative and other operating expenses		(149,405)	(149,386)
Research and development costs		(222,474)	(184,619)
Finance costs	7	(16,258)	(3,938)
Share of results of:			
Joint venture	19	(2,682)	(56,954)
Associate	20	(19,365)	50,374
Loss before tax	8	(697,157)	(1,558,849)
Income tax (expenses) credits	11	(3,213)	9,757
Loss for the year		(700,370)	(1,549,092)
Loss for the year attributable to:			
Owners of the Company		(664,072)	(1,538,341)
Non-controlling interests	35	(36,298)	(10,751)
		(700,370)	(1,549,092)
Loss per share attributable to owners of the Company	13		
Basic		HK(65.0) cents	HK(180.0) cents
Diluted		HK(65.0) cents	HK(180.0) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Loss for the year		(700,370)	(1,549,092)
Other comprehensive income (loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		30,107	(91,470)
Share of other comprehensive loss of an associate	20	(88)	(2,158)
Total other comprehensive income (loss) for the year		30,019	(93,628)
Total comprehensive loss for the year		(670,351)	(1,642,720)
Total comprehensive loss for the year attributable to:			
Owners of the Company		(638,211)	(1,631,584)
Non-controlling interests	35	(32,140)	(11,136)
		(670,351)	(1,642,720)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment	14	67,383	63,964
Investment properties	15	10,375	10,971
Right-of-use assets	16(a)	17,901	20,547
Goodwill	17	393,480	542,369
Other intangible assets	18	250,466	195,056
Interest in a joint venture	19	–	–
Interest in an associate	20	–	–
Loans receivable	22	–	66,723
Deposits	23	2,440	2,442
Financial assets at fair value through profit or loss	21	381,261	411,521
Deferred tax assets	31	529	3,728
Total non-current assets		1,123,835	1,317,321
Current assets			
Inventories	24	46,515	42,040
Accounts receivable	25	526	8,596
Loans receivable	22	114,891	92,434
Prepayments, deposits and other receivables	23	145,136	283,264
Financial assets at fair value through profit or loss	21	11,475	658,635
Cash and cash equivalents	26	538,828	464,844
Total current assets		857,371	1,549,813
Current liabilities			
Accounts payable	27	7,835	83,244
Other payables and accruals	28	302,072	451,672
Interest-bearing bank borrowings	29	4,705	2,804
Lease liabilities	16(b)	3,457	3,277
Convertible bonds	30	297,029	298,304
Tax payable		15,367	15,398
Total current liabilities		630,465	854,699
Net current assets		226,906	695,114
Total assets less current liabilities		1,350,741	2,012,435

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

At 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current liabilities			
Interest-bearing bank borrowings	29	9,096	13,571
Lease liabilities	16(b)	1,113	4,570
Deferred tax liabilities	31	27,487	27,533
Total non-current liabilities		37,696	45,674
NET ASSETS			
Capital and reserves			
Share capital	32	10,224	10,224
Reserves		1,367,853	1,989,429
Equity attributable to owners of the Company		1,378,077	1,999,653
Non-controlling interests	35	(65,032)	(32,892)
TOTAL EQUITY		1,313,045	1,966,761

These consolidated financial statements on pages 94 to 203 were approved and authorised for issue by the Board of Directors on 31 March 2026 and signed on its behalf by

Mr. Hui Chun Ying
Director

Ms. Chen Yi Zi
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the Company										
	Reserves								Total	Non-controlling interests	Total equity
	Issued capital	Share premium	Contributed surplus	Exchange reserve	Reserve funds	Share option reserve	Other reserve	Accumulated losses			
	HK\$'000 (Note 32)	HK\$'000 (Note 34(a))	HK\$'000 (Note 34(b))	HK\$'000	HK\$'000 (Note 34(c))	HK\$'000 (Note 33)	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note 35)	HK\$'000
At 1 January 2024	4,807	-	7,495,564	(251,136)	392	169,665	11	(4,056,090)	3,363,213	(21,756)	3,341,457
Loss for the year	-	-	-	-	-	-	-	(1,538,341)	(1,538,341)	(10,751)	(1,549,092)
Other comprehensive loss for the year:											
Items that may be reclassified subsequently to profit or loss:											
Exchange differences on translation of foreign operations	-	-	-	(91,085)	-	-	-	-	(91,085)	(385)	(91,470)
Share of other comprehensive loss of an associate (Note 20)	-	-	-	(2,158)	-	-	-	-	(2,158)	-	(2,158)
Total other comprehensive loss for the year	-	-	-	(93,243)	-	-	-	-	(93,243)	(385)	(93,628)
Total comprehensive loss for the year	-	-	-	(93,243)	-	-	-	(1,538,341)	(1,631,584)	(11,136)	(1,642,720)
Transactions with owners:											
Contributions and distributions											
Issue of shares (Note 32)	5,417	248,610	-	-	-	-	-	-	254,027	-	254,027
Share issue expenses	-	(2,784)	-	-	-	-	-	-	(2,784)	-	(2,784)
Equity-settled share option arrangements (Note 8)	-	-	-	-	-	16,781	-	-	16,781	-	16,781
Transfer of share option reserve upon the forfeiture of share options	-	-	-	-	-	(77,675)	-	77,675	-	-	-
Total transactions with owners	5,417	245,826	-	-	-	(60,894)	-	77,675	268,024	-	268,024
At 31 December 2024	10,224	245,826	7,495,564	(344,379)	392	108,771	11	(5,516,756)	1,999,653	(32,892)	1,966,761

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(continued)*

For the year ended 31 December 2025

	Attributable to owners of the Company										
	Reserves								Total	Non-controlling interests	Total equity
	Issued capital	Share premium	Contributed surplus	Exchange reserve	Reserve funds	Share option reserve	Other reserve	Accumulated losses			
	HK\$'000 (Note 32)	HK\$'000 (Note 34(a))	HK\$'000 (Note 34(b))	HK\$'000	HK\$'000 (Note 34(c))	HK\$'000 (Note 33)	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note 35)	HK\$'000
At 1 January 2025	10,224	245,826*	7,495,564*	(344,379)*	392*	108,771*	11*	(5,516,756)*	1,999,653	(32,892)	1,966,761
Loss for the year	-	-	-	-	-	-	-	(664,072)	(664,072)	(36,298)	(700,370)
Other comprehensive income (loss) for the year:											
<i>Items that may be reclassified subsequently to profit or loss:</i>											
Exchange differences on translation of foreign operations	-	-	-	25,949	-	-	-	-	25,949	4,158	30,107
Share of other comprehensive loss of an associate (Note 20)	-	-	-	(88)	-	-	-	-	(88)	-	(88)
Total other comprehensive income for the year	-	-	-	25,861	-	-	-	-	25,861	4,158	30,019
Total comprehensive income (loss) for the year	-	-	-	25,861	-	-	-	(664,072)	(638,211)	(32,140)	(670,351)
Transactions with owners:											
<i>Contributions and distributions</i>											
Equity-settled share option arrangements (Note 8)	-	-	-	-	-	16,635	-	-	16,635	-	16,635
Transfer of share option reserve upon the forfeiture of share options	-	-	-	-	-	(1,208)	-	1,208	-	-	-
Total transactions with owners	-	-	-	-	-	15,427	-	1,208	16,635	-	16,635
At 31 December 2025	10,224	245,826*	7,495,564*	(318,518)*	392*	124,198*	11*	(6,179,620)*	1,378,077	(65,032)	1,313,045

* These reserve accounts aggregately represented the consolidated reserves of HK\$1,367,853,000 (2024: HK\$1,989,429,000) in the consolidated statement of financial position.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
OPERATING ACTIVITIES			
Loss before tax		(697,157)	(1,558,849)
Adjustments for:			
Finance costs	7	16,258	3,938
Share of results of a joint venture	19	2,682	56,954
Share of results of an associate	20	19,365	(50,374)
Bank interest income	5	(13,625)	(1,444)
Other interest income	5	–	(27,597)
Net fair value losses on investment properties	6	1,087	1,008
Net fair value losses on financial assets at fair value through profit or loss	6	1,586	327,195
Net fair value gains on convertible bonds	6	(1,275)	(4,073)
Gains on early termination of leases	6	–	(2)
Impairment of goodwill	6	151,843	646,063
Impairment of intangible assets	6	17,901	–
Provision for loss allowances on accounts receivable, net	6	2,227	2,894
Provision for loss allowances on loans receivable, net	6	70,575	70,127
Provision for loss allowances on deposit and other receivables, net	6	60,065	201,264
(Gains) losses on disposal of property, plant and equipment and right-of-use assets, net	6	(189)	1,193
Depreciation of property, plant and equipment	8	5,502	4,862
Depreciation of right-of-use assets	8	3,254	4,077
Amortisation of other intangible assets	8	–	46,276
Provision for write-down of inventories, net	8	1,071	10,517
Equity-settled share option expenses	33	16,635	16,781
Changes in working capital:		(342,195)	(249,190)
Inventories		(11,501)	20,807
Accounts receivable		5,398	(9,935)
Loans receivable		(24,302)	(21,237)
Prepayments, deposits and other receivables		80,731	(9,700)
Accounts payable		(76,525)	(15,043)
Other payables and accruals		(107,246)	135,610
Cash used in operations		(475,640)	(148,688)
Taxes paid		(70)	(29)
Net cash used in operating activities		(475,710)	(148,717)

CONSOLIDATED STATEMENT OF CASH FLOWS *(continued)*

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
INVESTING ACTIVITIES			
Interest received		13,625	1,444
Purchases of property, plant and equipment		(730)	(4,147)
Proceeds from disposal of property, plant and equipment and right-of-use assets		211	34,429
Additions to other intangible assets		(48,736)	–
Investment in a joint venture		(51,950)	–
Purchases of a financial asset at fair value through profit or loss		(11,144)	–
Proceed from disposal of a financial asset at fair value through profit or loss		667,534	117,000
Net cash from investing activities		568,810	148,726
FINANCING ACTIVITIES			
Proceeds from issue of shares		–	215,027
Share issue expenses		–	(2,784)
Proceeds from issue of convertible bonds	36(b)	–	300,000
Repayment of convertible bonds	36(b)	–	(78,000)
Repayment of bank borrowings	36(b)	(2,796)	(19,034)
Principal portion of lease payments	36(b)	(3,277)	(3,162)
Interest paid		(16,258)	(5,743)
Net cash (used in) from financing activities		(22,331)	406,304
Net increase in cash and cash equivalents		70,769	406,313
Cash and cash equivalents at the beginning of the reporting period		464,844	64,289
Effect of foreign exchange rate changes on cash and cash equivalents, net		3,215	(5,758)
Cash and cash equivalents at the end of the reporting period, represented by bank balances and cash		538,828	464,844
Analysis of the balances of cash and cash equivalents			
Bank balances and cash	26	68,931	136,365
Non-pledged time deposits with original maturity of 3 months or less when acquired	26	469,897	328,479
		538,828	464,844

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. CORPORATE INFORMATION

Apollo Future Mobility Group Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability duly registered and validly existing under the laws of Bermuda. The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is located at Units 2001–2002, 20/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Sheung Wan, Hong Kong.

The Company and its subsidiaries (collectively referred to as the "Group") were involved in the following principal activities:

- designing, developing, manufacturing and sales of high-performance hypercars and provision of mobility technology solutions;
- retailing and wholesale of jewellery products, watches and other commodities; and
- money lending.

Information about subsidiaries

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

Name	Place of incorporation/ registration and business	Issued ordinary share/ Registered capital	Percentage of equity attributable to the Company		Principal activities
			2025 %	2024 %	
Ming Fung Investment Holdings Limited ("Ming Fung Investment") (Note (a))	British Virgin Islands ("BVI")	US\$1,000	100	100	Investment holding
GLM Co., Ltd. ("GLM") (Note a)	Japan	Japanese Yen ("JPY") 100,000,000	88.56	88.56	Provision of mobility technology solutions
Sino Partner Global Limited ("Sino Partner") (Note (a))	BVI	United States dollars ("US\$") 23,299	86.06	86.06	Investment holding
Apollo Automobile Limited	England and Wales	British Pound ("GBP") 100	86.06	86.06	Holder of trademark
Apollo Automobil Limited ("Apollo HK")	Hong Kong	HK\$10,000	86.06	86.06	Sales of high performance hypercars
Apollo Automobil GmbH	Germany	Euro ("EUR") 25,000	86.06	86.06	Design, development and manufacturing of high performance hypercars

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. CORPORATE INFORMATION *(continued)*

Information about subsidiaries *(continued)*

Name	Place of incorporation/ registration and business	Issued ordinary share/ Registered capital	Percentage of equity attributable to the Company		Principal activities
			2025 %	2024 %	
Grand Destiny Venture Ltd. ("Grand Destiny") (Note a))	BVI	US\$1	100	100	Investment holding
Global 3D Printing Ltd. ("Global 3D Printing") (Note a))	Cayman Islands	US\$1	100	100	Investment holding
Shenzhen Qijingda Trading Company Limited (深圳市琪晶達貿易有限公司) (Notes (b), (c) and (d))	Chinese Mainland of the People's Republic of China ("PRC")	Renminbi ("RMB") 100,000,000	100	100	Retail and wholesale of jewellery products, watches and other commodities
Raise Success Limited ("Raise Success") (Note a))	Hong Kong	HK\$2	100	100	Money lending

Notes:

- (a) Except for Ming Fung Investment, Sino Partner, Grand Destiny, Global 3D Printing, Raise Success and the 85.52% (2024: 85.52%) equity interests in GLM which are directly held by the Company, all the above subsidiaries and the remaining 3.04% (2024: 3.04%) equity interest in GLM are indirectly held by the Company.
- (b) Limited liability company established in the PRC.
- (c) English name for identification purposes only.
- (d) Registered as a wholly-foreign-owned enterprise in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the years ended 31 December 2025 and 2024 or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

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

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company and all amounts have been rounded to the nearest thousand (“HK\$’000”), unless otherwise indicated.

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

Changes in new/revised accounting policies

The Group has applied, for the first time, the following new/revised HKFRS Accounting Standard that is relevant to the Group:

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

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

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

A summary of the principal accounting policies adopted by the Group is set out below.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for investment properties, financial assets at fair value through profit or loss (“FVTPL”) and convertible bonds, which are measured at fair value as explained in the accounting policies set out below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Basis of consolidation

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

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

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

Allocation of total comprehensive income

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

Changes in ownership interest

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Subsidiaries

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

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

Associates and joint ventures

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

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is a contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group reassesses whether it has joint control of an arrangement and whether the type of joint arrangement in which it is involved has changed, if facts and circumstances change.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Goodwill

Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree (if applicable) and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if applicable) and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Any resulting gain or loss arising from remeasuring the previously held equity interests in the acquiree at the acquisition-date fair value is recognised in profit or loss or other comprehensive income, as appropriate.

Property, plant and equipment

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

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives/annual depreciation rates as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line. Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately:

Freehold lands	Not depreciated
Buildings	2% to 5%
Leasehold improvements	Over the shorter of the lease terms and 10% to 20%
Plant and machinery	6% to 50%
Furniture, fixtures and office equipment	13% to 33%
Motor vehicles	15% to 50%

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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Investment properties

Investment properties are land and buildings (including right-of-use assets) that are held by owner or lessee, to earn rental income and/or for capital appreciation. These include properties held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs, and subsequently stated at fair value, which reflects market conditions at the end of the reporting period. Any gain or loss arising from a change in fair value is recognised in profit or loss. The fair value of investment property is based on a valuation by an independent valuer who holds a recognised professional qualification and has recent experience in the location and category of property being valued. The fair value reflects, among other things, rental income from current leases and other assumptions that market participants would use when pricing investment property under current market conditions and is adjusted for separately recognised assets or liabilities to avoid double-counting assets or liabilities.

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

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each reporting period.

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

The Group's intangible assets represent (i) deferred development costs as further explained below; and (ii) trademarks with indefinite useful lives, which are stated at cost less any impairment losses.

Research and development costs

Research costs are expensed as incurred. Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding seven years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Intangible assets (other than goodwill) *(continued)*

Trademarks

The initial cost of acquiring trademarks is capitalised. Trademarks with indefinite useful lives are carried at cost less accumulated impairment losses.

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis, except for financial assets mandatorily measured at FVTPL which are accounted for on the settlement date basis.

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

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

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income ("Mandatory FVOCI"); (iii) equity investment measured at fair value through other comprehensive income ("Designated FVOCI"); or (iv) measured at FVTPL.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial assets *(continued)*

Recognition and derecognition *(continued)*

1) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Group's financial assets at amortised cost include accounts receivable, loans receivable, deposits and other receivables, and cash and cash equivalents.

2) Financial assets at FVTPL

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

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

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

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

The Group's financial assets mandatorily measured at FVTPL include (i) unlisted investments in preferred shares, (ii) listed equity investments in a listed entity and (iii) wealth management product issued by a licensed bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial liabilities

Recognition and derecognition

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

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

Classification and measurement

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

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

Financial liabilities at FVTPL include financial liabilities held for trading, financial liabilities designated upon initial recognition as at FVTPL and financial liabilities that are contingent consideration of an acquirer in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss (including accrued interest expenses) recognised in profit or loss, except for the portion of fair value changes of financial liabilities designated at FVTPL that are attributable to the credit risk of the liabilities which is presented in other comprehensive income unless such treatment would create or enlarge an accounting mismatch in profit or loss. The amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss. Interest expenses are presented separately from fair value gain or loss.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial liabilities *(continued)*

Classification and measurement *(continued)*

Financial liabilities are designated at initial recognition as at FVTPL only if:

- (i) the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases;
- (ii) they are part of a group of financial liabilities or financial assets and financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or
- (iii) they contain one or more embedded derivatives, in which case the entire hybrid contract may be designated as a financial liability at FVTPL, except where the embedded derivatives do not significantly modify the cash flows or it is clear that separation of the embedded derivatives is prohibited.

The Group's convertible bonds are designated as financial liabilities at FVTPL.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment occurs if there is a change in the terms of the contract that significantly modifies the cash flows.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets *(continued)*

Measurement of ECL

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

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

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

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

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral
- (iv) industry of debtors
- (v) geographical location of debtors
- (vi) external credit risk ratings

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets *(continued)*

Definition of default

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

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

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

Assessment of significant increase in credit risk

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

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

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due, except for the Group has reasonable and supportable information to demonstrate that previous non-payments were an administrative oversight, instead of resulting from financial difficulty of the borrower, or that there is no correlation between significant increases in the risk of a default occurring and financial assets on which payments are more than 30 days past due, but that evidence does identify such a correlation when payments are more than 60 days past due.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Impairment of financial assets *(continued)*

Low credit risk

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

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

The Group's bank balances and certain items recognised under deposits and other receivables are determined to have low credit risk.

Simplified approach of ECL

For accounts receivable without a significant financing component or otherwise for which the Group applies the practical expedient not to account for the significant financing components, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset

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

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

Write-off

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash, and which are subject to an insignificant risk of changes in value. For classification in the statement of financial position, cash equivalents represent cash on hand and at banks, and short-term deposits which are assets similar in nature to cash and which are not restricted as to use.

Revenue recognition

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The nature of the goods or services provided by the Group is as follows:

- (a) Sales of jewellery products, watches and other commodities;
- (b) Sales and distribution of vehicles and related components and provision of engineering services; and
- (c) Provision of design, development and prototyping of vehicle components

Identification of performance obligations

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

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

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

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

Timing of revenue recognition

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

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

Timing of revenue recognition *(continued)*

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

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

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

The timing of the Group's revenue recognition is as follows:

- (a) Sales of jewellery products, watches and other commodities

Revenue from the sale of jewellery products, watches and other commodities is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

- (b) Sales and distribution of vehicles and related components and provision of engineering services

Revenue from the sale of vehicles and related components and provision of engineering services is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery to the customers.

- (c) Provision of design, development and prototyping of vehicle components

Revenue from the provision of design, development and prototyping of vehicle components is recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group.

For revenue recognised over time under HKFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the input method (i.e. based on the proportion of the actual inputs deployed to date as compared to the estimated total inputs) to measure the progress towards complete satisfaction of the performance obligation because there is a direct relationship between the Group's inputs and the transfer of control of goods or services to the customers. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

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

Transaction price: significant financing components

When the contract contains a significant financing component (i.e. the customer or the Group is provided with a significant benefit of financing the transfer of goods or services to the customer), in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money. The effect of the significant financing component is recognised as an interest income or interest expense separately from revenue from contracts with customers in profit or loss.

The Group determines the interest rate that is commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception by reference to, where appropriate, the interest rate implicit in the contract (i.e. the interest rate that discounts the cash selling price of the goods or services to the amount paid in advance or arrears), the prevailing market interest rates, the Group's borrowing rates and other relevant creditworthiness information of the customer of the Group.

The Group has applied the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for the effect of the significant financing component if the period of financing is one year or less.

Variable consideration

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer. The variable consideration is estimated by using either the expected-value or the most-likely-amount method whichever is better to predict the entitled amount. The estimated variable consideration is then included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised of the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Variable consideration: volume-based rebates

The Group gives rebates to selected customers under jewellery products, watches and other commodities segments. The Group estimates the volume rebates using the most-likely-amount method and assesses whether the estimated variable consideration is constrained. Any significant estimation variances will be analysed and taken into consideration in the current estimation and assessment. Typically, the estimated consideration is constrained.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Revenue recognition *(continued)*

Revenue from other sources

Interest income from loan financing

Interest income from loan financing is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial assets or a shorter period. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Other interest income

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

Rental income

Rental income under operating leases is recognised when the assets are let out and on the straight-line basis over the lease term.

Licensing income

Licensing income is recognised over the licensing periods for granting the right to access the brands for the specified products.

Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional and presentation currencies are Hong Kong dollars ("HK\$") which is same as the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at the end of the reporting period.
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rate.
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity.
- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.
- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss.
- On all other partial disposals, which includes partial disposal of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first in, first out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion (if any) and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Impairment of other assets, other than goodwill

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

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

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

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Leases

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee

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

The Group adopts the practical expedient not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

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

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

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

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

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

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

Leasehold land	50 years
Leased properties	Over the unexpired term of lease

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "Investment properties".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee *(continued)*

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

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

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

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

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

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

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

A lease modification is accounted for as a separate lease if

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Leases *(continued)*

As lessee *(continued)*

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,

- (a) the Group allocates the consideration in the modified contract on the basis of relative stand-alone price as described above.
- (b) the Group determines the lease term of the modified contract.
- (c) the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term.
- (d) for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss.
- (e) for all other lease modifications, the Group accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

As lessor

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

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

As lessor — operating lease

Rental income is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised in the period in which they are earned.

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

A modification to an operating lease is accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave, and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred.

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Chinese Mainland of the PRC and overseas are required to participate in central pension schemes operated by the local government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension schemes. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension schemes.

Share-based payment transactions

Equity-settled transactions

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Share-based payment transactions *(continued)*

Equity-settled transactions *(continued)*

When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

No expense is recognised for awards that do not ultimately vest, except for awards that are conditional on a market condition or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all non-market vesting conditions are satisfied. Where the terms of an equity-settled award are modified, an additional expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described above. Share-based payment transactions in which the Company grants share options to subsidiaries' employees are accounted for as an increase in value of investment in subsidiaries in the Company's statement of financial position which is eliminated on consolidation.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Taxation

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

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences is not recognised.

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

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

Deferred tax is provided on temporary differences arising on investments in subsidiaries, an associate and a joint venture, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Related parties

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

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of the holding company of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the holding company of the Group.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management, which is the Group's chief operating decision maker ("CODM"), for the purposes of allocating resources to, and assessing the performance of, the Group's various geographical locations.

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

Critical accounting estimates and judgements

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

Key sources of estimation uncertainty

(i) Impairment of non-financial assets

The Group (i) assesses whether there are any indicators of impairment for all non-financial assets, including property, plant and equipment, other intangible assets, right-of-use assets, the Company's investments in subsidiaries, interest in a joint venture or interest in an associate at the end of each reporting period and (ii) conducts annual impairment assessed on goodwill, intangible assets with indefinite useful lives and intangible assets that are not yet available for use in accordance with the relevant accounting policies. In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists and for annual impairment asset, the recoverable amounts of the asset would be determined as the greater of the fair value less costs of disposal and value in use, the calculations of which involve the use of estimates. Owing to inherent risk associated with estimations in the timing and amounts of the future cash flows, as well as the determination of value in use and fair value less costs of disposal, the estimated recoverable amount of the asset may be different from the amount actually received and profit or loss could be affected by accuracy of the estimations.

(ii) Useful lives of property, plant and equipment and right-of-use assets

The Group determines the estimated useful lives of the Group's property, plant and equipment and right-of-use assets based on the historical experience of the actual useful lives of the relevant assets of similar nature and functions. The depreciation expenses for future periods are adjusted if there are significant changes from previous estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Critical accounting estimates and judgements *(continued)*

Key sources of estimation uncertainty *(continued)*

(iii) *Useful lives of intangible assets with finite useful lives*

The Group determines the estimated useful lives of the Group's intangible assets with finite lives for the calculation of amortisation of intangible assets. This estimate is determined after considering the expected period in which economic benefits can be generated from the intangible assets. The Group reviews the estimated useful lives on an annual basis and future amortisation charges are adjusted where management believes the useful lives differ from previous estimates.

(iv) *Allowance for inventories*

The Group sells jewellery products and watches, which are subject to changing consumer demands and fashion trends, and high-performance vehicles and related components. Significant judgement is required to assess the appropriate level of inventory provision for these jewellery products and watches and vehicles and related components which might be sold below cost.

To consider whether any write-down of inventories is required, the Group estimates the net realisable value of inventories based on, inter alia, the condition of the inventories, current market conditions, relevant historical and current sales information, and the expected future sales of goods, as well as the ageing of inventories to identify slow-moving items.

(v) *Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis or at other times when an indicator of impairment exists. This requires an estimation of the fair value less costs of disposal or value in use of each cash-generating unit to which the goodwill is allocated. The determination of fair value less costs of disposal is based on available data from comparable binding sales transactions in an arm's length transaction or observable market prices, or other valuation techniques, as appropriate. Estimating the value in use using the discounted cash flow method and estimating the value in use require the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The net carrying amount of goodwill at 31 December 2025 of approximately HK\$393,480,000 (2024: HK\$542,369,000) was allocated to the mobility technology solutions cash-generating units. Further details of the methodologies, assumptions and estimates adopted to arrive at the recoverable amounts of the respective cash generating units to which the goodwill is allocated are set out in Note 17. Attributable to the nature and the underlying stage of development of the cash-generating units, the related industries and relevant markets, as well as other forward-looking factors, and the valuation methodologies adopted, the recoverable amounts of the respective cash-generating units are sensitive to the assumptions and estimates, in particular the respective estimated long-term growth rates and discount rates adopted, underlying their calculations. Any significant unexpected changes/variations of underlying assumptions and estimates might have material impact on the recoverable amounts of the respective cash-generating units and, consequently, the net carrying amounts of the goodwill allocated to the respective cash-generating units within the next reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Critical accounting estimates and judgements *(continued)*

Key sources of estimation uncertainty (continued)

(vi) *Loss allowance for ECLs on accounts receivable*

The Group uses a provision matrix to calculate ECLs for accounts receivable. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. Details information about the ECLs on the Group's accounts receivable is disclosed in Note 25.

(vii) *Loss allowance for ECLs on loans receivable, deposits and other receivables*

The measurement of impairment losses under HKFRS 9 on loans receivable, deposits and other receivables requires judgement and estimates, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes qualitative and quantitative information and also forward-looking analysis. Details information about the ECLs on the Group's loans receivable, deposits and other receivables is disclosed in Notes 22 and 23, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Future changes in HKFRS Accounting Standards

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

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

⁽¹⁾ Effective for annual periods beginning on or after 1 January 2026

⁽²⁾ Effective for annual periods beginning on or after 1 January 2027

⁽³⁾ The effective date to be determined

Except for the amendments to HKFRS 9 and HKFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" and HKFRS 18 "Presentation and Disclosure in Financial Statements", the directors of the Company do not anticipate that the adoption of the new/revised HKFRS Accounting Standards in future periods will have any material impact on the results of the Group.

The directors of the Company are in the process of assessing the possible impact on the future adoption of the amendments to HKFRS 9 and HKFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" and HKFRS 18 "Presentation and Disclosure in Financial Statements", but are not yet in a position to reasonably estimate their impact on the Company's consolidated financial statements.

3. SEGMENT INFORMATION

The executive directors of the Company who make strategic decisions have been identified as the CODM to evaluate the performance of operating segments and to allocate resources to those segments. The CODM organises the Group into business units based on their products and services and considers the Group has three reportable operating segments as follows:

- (a) Mobility technology solutions segment: design, development, manufacturing and sales of high-performance hypercars, and provision of mobility technology solutions;
- (b) Jewellery products, watches and other commodities segment: retailing and wholesale of jewellery products, watches and other commodities; and
- (c) Money lending segment: provision of loan finance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. SEGMENT INFORMATION *(continued)*

Segment results represent results before tax reported by each segment without allocation of bank interest income, net fair values changes on listed equity investments and convertible bonds, certain administrative and other operating expenses incurred by the corporate office, and finance costs other than interest on lease liabilities which are considered as unallocatable income and expenses. This is the measure reported to the CODM of the Company for the purposes of resource allocation and performance assessment.

Segment assets exclude deferred tax assets, listed equity investments, tax recoverable, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude certain interest-bearing bank borrowings, convertible bonds, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

(A) By Business Segments

At 31 December 2025

	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Money lending HK\$'000	Total HK\$'000
Segment revenue:				
Revenue from external customers	3,426	82,845	4,831	91,102
Segment results	(444,930)	(12,570)	(68,110)	(525,610)
Reconciliation				
Bank interest income				13,625
Net fair value losses on listed equity investments				(4,567)
Net fair value gains on convertible bonds				1,275
Corporate and other unallocated income and expenses, net				(165,962)
Finance costs (other than interest on lease liabilities)				(15,918)
Loss before tax				(697,157)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. SEGMENT INFORMATION *(continued)*

(A) By Business Segments *(continued)*

At 31 December 2024

	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Money lending HK\$'000	Total HK\$'000
Segment revenue:				
Revenue from external customers	40,595	290,968	8,635	340,198
Segment results				
	(1,208,878)	(29,259)	(64,269)	(1,302,406)
Reconciliation				
Bank interest income				1,444
Other interest income				27,597
Net fair value losses on listed equity investments				(11,091)
Net fair value gains on convertible bonds				4,073
Corporate and other unallocated income and expenses, net				(274,801)
Finance costs (other than interest on lease liabilities)				(3,665)
Loss before tax				(1,558,849)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. SEGMENT INFORMATION *(continued)*

(A) By Business Segments *(continued)*

At 31 December 2025

	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Money lending HK\$'000	Total HK\$'000
Segment assets	1,169,486	133,689	73,121	1,376,296
Reconciliation				
Corporate and other unallocated assets				604,910
Total assets				1,981,206
Segment liabilities	28,750	164,995	98	193,843
Reconciliation				
Corporate and other unallocated liabilities				474,318
Total liabilities				668,161
Other segment information:				
Capital expenditure (Note i)	49,459	–	–	49,459
Interest in a joint venture	–	–	–	–
Interest in an associate	–	–	–	–
Share of loss of a joint venture	2,682	–	–	2,682
Share of loss of an associate	19,365	–	–	19,365
Net fair value gains on financial assets at FVTPL (other than listed equity investments)	(2,659)	(322)	–	(2,981)
Impairment of goodwill	151,843	–	–	151,843
Provision for loss allowances on accounts receivable, net	2,227	–	–	2,227
Provision for loss allowances on loans receivable, net	–	–	70,575	70,575
Depreciation of property, plant and equipment (Note iii)	3,549	222	–	3,771
Depreciation of right-of-use assets (Note iv)	–	447	–	447
Net fair value losses on investment properties	–	1,087	–	1,087
Provision for write-down of other intangible assets	17,901	–	–	17,901
Provision for write-down of inventories, net	976	95	–	1,071

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. SEGMENT INFORMATION *(continued)*

(A) By Business Segments *(continued)*

At 31 December 2024

	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Money lending HK\$'000	Total HK\$'000
Segment assets	1,989,369	200,188	115,665	2,305,222
Reconciliation				
Corporate and other unallocated assets				561,912
Total assets				2,867,134
Segment liabilities	134,014	226,178	51	360,243
Reconciliation				
Corporate and other unallocated liabilities				540,130
Total liabilities				900,373
Other segment information:				
Capital expenditure	3,752	395	–	4,147
Interest in a joint venture	–	–	–	–
Interest in an associate	–	–	–	–
Share of loss of a joint venture	56,954	–	–	56,954
Share of profit of an associate	(50,374)	–	–	(50,374)
Net fair value losses on financial assets at FVTPL (other than listed equity investments)	316,104	–	–	316,104
Impairment of goodwill	646,063	–	–	646,063
Provision for loss allowances on accounts receivable, net	2,894	–	–	2,894
Provision for loss allowances on loans receivable, net	–	–	70,127	70,127
Provision for loss allowances on deposit and other receivables, net (Note ii)	–	7,368	–	7,368
Depreciation of property, plant and equipment (Note iii)	2,964	412	–	3,376
Depreciation of right-of-use assets (Note iv)	31	866	–	897
Net fair value losses on investment properties	–	1,008	–	1,008
Amortisation of other intangible assets	46,276	–	–	46,276
Provision for write-down of inventories, net	1,257	9,260	–	10,517

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. SEGMENT INFORMATION *(continued)*

(A) By Business Segments *(continued)*

Notes:

- (i) Capital expenditure of approximately HK\$7,000 represented unallocated capital expenditure incurred during the year ended 31 December 2025.
- (ii) Net loss allowances on deposit and other receivables amounting to approximately HK\$60,065,000 (2024: HK\$193,896,000) is included in corporate and other unallocated income and expenses, net above.
- (iii) Depreciation of property, plant and equipment amounting to approximately HK\$1,731,000 (2024: HK\$1,486,000) is included in corporate and other unallocated income and expenses, net above.
- (iv) Depreciation of right-of-use assets amounting to approximately HK\$2,807,000 (2024: HK\$3,180,000) is included in corporate and other unallocated income and expenses, net above.

Details of the customers (presented by entities under common control) individually account for 10% or more of total revenue of the Group are as follows.

	2025 HK\$'000	2024 HK\$'000
Jewellery products, watches and other commodities segment		
Customer A	17,670	Note
Customer B	14,321	Note
Customer C	27,278	102,632
Customer D	13,583	Note

Note: These customers contributed less than 10% of the Group's total revenue during the year ended 31 December 2024.

(B) By Geographic Information

(a) Revenue from external customers

	2025 HK\$'000	2024 HK\$'000
Chinese Mainland of the PRC	82,845	290,968
Hong Kong	4,831	8,635
United States	–	16,378
Japan	3,046	21,039
Germany	380	3,178
	91,102	340,198

In determining the Group's geographical markets, revenue is attributable to the geographical markets based on the location of external customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. SEGMENT INFORMATION *(continued)*

(B) By Geographic Information *(continued)*

(b) Specified non-current assets

	2025 HK\$'000	2024 HK\$'000
Chinese Mainland of the PRC	24,743	42,996
Hong Kong	597,717	542,463
Japan	93,833	223,344
Germany	23,312	24,104
	739,605	832,907

The specified non-current assets information is based on the locations of assets and included the Group's property, plant and equipment, investment properties, right-of-use assets, goodwill and other intangible assets (the "Specified Non-current Assets").

4. REVENUE

	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers within HKFRS 15		
Sales and distribution of vehicles and related components, provision of engineering services, and provision of design, development and prototyping of vehicle components	3,426	40,595
Sales of jewellery products, watches and other commodities	82,845	290,968
Sub-total	86,271	331,563
Revenue from other sources		
Interest income from loan financing arrangements	4,831	8,635
Total	91,102	340,198

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. REVENUE (continued)

An analysis of disaggregated revenue information is as follows:

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the year ended 31 December 2025

Segments	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Total HK\$'000
Types of goods or services			
Sales and distribution of vehicles and related components and provision of engineering services, and provision of design, development and prototyping of vehicle components	3,426	–	3,426
Sales of jewellery products, watches and other commodities	–	82,845	82,845
	3,426	82,845	86,271
Geographical markets (Note)			
Chinese Mainland of the PRC	–	82,845	82,845
Germany	380	–	380
Japan	3,046	–	3,046
	3,426	82,845	86,271
Timing of revenue recognition			
At a point in time	1,083	82,845	83,928
Over time	2,343	–	2,343
	3,426	82,845	86,271

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. REVENUE (continued)

An analysis of disaggregated revenue information is as follows:

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the year ended 31 December 2024

Segments	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Total HK\$'000
Types of goods or services			
Sales and distribution of vehicles and related components and provision of engineering services, and provision of design, development and prototyping of vehicle components	40,595	–	40,595
Sales of jewellery products, watches and other commodities	–	290,968	290,968
	40,595	290,968	331,563
Geographical markets (Note)			
Chinese Mainland of the PRC	–	290,968	290,968
United States	16,378	–	16,378
Germany	3,178	–	3,178
Japan	21,039	–	21,039
	40,595	290,968	331,563
Timing of revenue recognition			
At a point in time	38,071	290,968	329,039
Over time	2,524	–	2,524
	40,595	290,968	331,563

Note: In determining the Group's geographical markets, revenue is attributable to the geographical markets based on the location of external customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. REVENUE (continued)

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

	2025 HK\$'000	2024 HK\$'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sales and distribution of vehicles and related components, provision of engineering services, and provision of design, development and prototyping of vehicle components	–	30,530
Sales of jewellery products, watches and other commodities	4,100	3,551
	4,100	34,081

5. OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Bank interest income	13,625	1,444
Other interest income	–	27,597
Rental income	114	570
Licensing income	214	2,180
Others	4,585	4,037
	18,538	35,828

6. OTHER LOSSES, NET

	Notes	2025 HK\$'000	2024 HK\$'000
Net fair value losses on investment properties	15	(1,087)	(1,008)
Net fair value losses on financial assets at FVTPL		(1,586)	(327,195)
Net fair value gains on convertible bonds		1,275	4,073
Gains on early termination of leases		–	2
Impairment of goodwill	17	(151,843)	(646,063)
Impairment of intangible assets	18	(17,901)	–
Provision for loss allowances on accounts receivable, net	25	(2,227)	(2,894)
Provision for loss allowances on loans receivable, net	22	(70,575)	(70,127)
Provision for loss allowances on deposit and other receivables, net	23(g)	(60,065)	(201,264)
Provision for write-down of inventories		(1,373)	–
Foreign currencies differences, net		(2,475)	(11,375)
Gains (losses) on disposal of property, plant and equipment and right-of-use assets, net		189	(1,193)
Others		–	(432)
		(307,668)	(1,257,476)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

7. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on interest-bearing bank borrowings	918	2,026
Interest on lease liabilities	340	273
Interest on convertible bonds	15,000	1,639
	16,258	3,938

8. LOSS BEFORE TAX

This arrived after charging:

	Notes	2025 HK\$'000	2024 HK\$'000
Staff costs (including directors' emoluments)			
Salaries, discretionary bonus, allowances and other benefits in kind		46,263	30,458
Equity-settled share option expenses		16,635	16,781
Contributions to defined contribution plans (Note)		2,176	1,580
		65,074	48,819
Other items			
Auditor's remuneration		6,705	8,080
Cost of inventories sold		83,019	313,957
Depreciation of property, plant and equipment (charged to "selling and distribution expenses", "administrative and other operating expenses" and "research and development costs", as appropriate)	14	5,502	4,862
Depreciation of right-of-use assets (charged to "administrative and other operating expenses")	16(a)	3,254	4,077
Amortisation of other intangible assets (charged to "research and development costs")	18	–	46,276
Expenses recognised under short-term leases	16(c)	2,067	2,065
Provision for write-down of inventories, net		1,071	10,517

Note:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9. DIRECTORS' AND CHIEF EXECUTIVES' REMUNERATION

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

	2025 HK\$'000	2024 HK\$'000
Directors' fees	2,550	2,662
Other emoluments:		
Salaries, allowances and other benefits in kind	3,600	2,957
Discretionary bonus	12,400	–
Equity-settled share option expenses	4,786	5,008
Contributions to defined contribution plans	36	28
Subtotal	20,822	7,993
Total	23,372	10,655

During the reporting periods, certain directors and the chief executives were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in Note 33. The fair value of such options, which has been recognised in the consolidated statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the respective periods was included in the above directors' and chief executives' remuneration disclosures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9. DIRECTORS' AND CHIEF EXECUTIVES' REMUNERATION (continued)

(a) Independent non-executive directors

	Directors' fees (Note (i)) HK\$'000	Equity-settled share option expenses HK\$'000	Total remuneration HK\$'000
For the year ended 31 December 2025			
Mr. Charles Matthew Pecot III	250	177	427
Ms. Hau Yan Hannah Lee	250	177	427
Mr. Peter Edward Jackson (Note ii)	173	177	350
Mr. Zhuang Qiyu (Note ii)	77	–	77
	750	531	1,281
For the year ended 31 December 2024			
Mr. Charles Matthew Pecot III	250	179	429
Ms. Hau Yan Hannah Lee	250	179	429
Mr. Peter Edward Jackson (Note ii)	250	179	429
Mr. Teoh Chun Ming (Note iii)	112	–	112
	862	537	1,399

Notes:

- (i) The remuneration was for their services as directors of the Company.
- (ii) Mr. Peter Edward Jackson resigned, and Mr. Zhuang Qiyu was appointed as an independent non-executive director of the Company with effect from 10 September 2025.
- (iii) Mr. Teoh Chun Ming resigned as an independent non-executive director of the Company with effect from 13 June 2024.

There were no other emoluments payable to the independent non-executive directors during the years ended 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9. DIRECTORS' AND CHIEF EXECUTIVES' REMUNERATION (continued)

(b) Executive directors and the chief executives

	Directors' fees (Note (i)) HK\$'000	Salaries, allowances and other benefits in kind (Note (ii)) HK\$'000	Discretionary bonus HK\$'000	Equity-settled share option expenses HK\$'000	Contributions to defined contribution plans HK\$'000	Total remuneration HK\$'000
For the year ended 31 December 2025						
Executive directors						
Mr. Hui Chun Ying (Note iii)	–	1,800	4,600	1,772	18	8,190
Ms. Chen Yi Zi	1,800	–	4,000	1,772	–	7,572
Chief executive officer						
Mr. Lee Jackie Kai Yat (Note iv)	–	1,800	3,800	711	18	6,329
	1,800	3,600	12,400	4,255	36	22,091
For the year ended 31 December 2024						
Executive directors						
Mr. Hui Chun Ying (Note iii)	–	1,800	–	1,792	18	3,610
Ms. Chen Yi Zi	1,800	–	–	1,792	–	3,592
Chief executive officer						
Mr. Lee Jackie Kai Yat (Note iv)	–	1,157	–	887	10	2,054
	1,800	2,957	–	4,471	28	9,256

Notes:

- (i) The remuneration was for their services as directors of the Company.
- (ii) The remuneration was for their services in connection with management of affairs of the Group.
- (iii) Mr. Hui Chun Ying is an executive director and the chairman of the Company.
- (iv) Mr. Lee Jackie Kai Yat was appointed as the chief executive officer of the Company with effect from 13 June 2024.

During the years ended 31 December 2025 and 2024, no remuneration was paid by the Group to any of these directors as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which a director 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

10. FIVE HIGHEST PAID INDIVIDUALS

An analysis of the five highest paid individuals is as follows:

	Number of individuals	
	2025	2024
Director	2	2
Non-director	3	3
Total	5	5

Details of the remuneration of the above highest paid non-director individuals are as follows:

	2025 HK\$'000	2024 HK\$'000
Salaries, allowances and other benefits in kind	4,422	6,149
Discretionary bonus	7,400	–
Equity-settled share option expenses	3,235	2,460
Contributions to defined contribution plans	54	44
	15,111	8,653

The number of these non-director individuals whose emoluments fell within the following emoluments band is as follows:

	Number of employees	
	2025	2024
HK\$2,000,001 to HK\$2,500,000	–	1
HK\$2,500,001 to HK\$3,000,000	1	–
HK\$3,000,001 to HK\$3,500,000	–	2
HK\$5,500,001 to HK\$6,000,000	1	–
HK\$6,500,001 to HK\$7,000,000	1	–
Total	3	3

During the years ended 31 December 2025 and 2024, share options were granted to the non-director highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in Note 33. The fair value of such options, which has been recognised in the consolidated statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the respective periods is included in the above non-director highest paid employees' remuneration disclosures.

During the years ended 31 December 2025 and 2024, no remuneration was paid by the Group to any of these highest paid non-director individuals as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which any of these highest paid non-director individuals waived or has 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

11. INCOME TAX

Hong Kong profits tax has not been provided as the Group had no assessable profits for the years ended 31 December 2025 and 2024.

The income tax provision in respect of operations in elsewhere is calculated at the applicable tax rates on the estimated assessable profits for the period based on existing legislation, interpretations and practices in respect thereof.

	2025 HK\$'000	2024 HK\$'000
Current tax:		
— Hong Kong profit tax		
Overprovision in prior periods	–	(865)
— Elsewhere corporate income tax		
Charge for the period	70	389
Deferred taxation (Note 31)	3,143	(9,281)
Total income tax expenses (credits)	3,213	(9,757)

Reconciliation of income tax expenses (credits)

	2025 HK\$'000	2024 HK\$'000
Loss before tax	(697,157)	(1,558,849)
Income tax at Hong Kong's applicable tax rate of 16.5% (2024: 16.5%)	(115,031)	(257,210)
Effect of different tax rates for or enacted by other jurisdictions	(4,499)	(12,634)
Adjustments in respect of current tax of previous periods	–	(865)
Profits and losses attributable to a joint venture and an associate	3,638	1,086
Tax exempt revenue	(4,676)	(5,032)
Non-deductible expenses	92,171	238,887
Utilisation of previously unrecognised tax losses	(143)	(668)
Unrecognised tax losses	30,372	20,085
Others	1,381	6,594
Income tax expenses (credits)	3,213	(9,757)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. DIVIDEND

The board of directors of the Company does not recommend the payment of any dividend in respect of the year ended 31 December 2025 (2024: Nil).

13. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to owners of the Company, and the weighted average number of ordinary shares of 1,022,438,090 (2024: 854,452,428) in issue during the year ended 31 December 2025.

No adjustment has been made to the basic loss per share amount presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the impact of the adjustments to (i) the share of results of an associate and other financial impact resulted from holding the preferred shares of this associate, (ii) the share options and (iii) convertible bonds outstanding had an anti-dilutive effect on the basic loss per share amount presented.

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

Loss

	2025 HK\$'000	2024 HK\$'000
Loss attributable to owners of the Company, used in the basic and diluted loss per share calculation	(664,072)	(1,538,341)

Shares

	Number of shares	
	2025	2024
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation	1,022,438,090	854,452,428

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold lands HK\$'000	Buildings HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Furniture, fixtures and office equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Reconciliation of carrying amount — year ended 31 December 2024							
At the beginning of the reporting period	16,133	37,793	5,039	3,241	6,406	1,498	70,110
Additions	–	–	–	14	201	3,932	4,147
Disposals	–	(1,330)	–	(7)	(15)	–	(1,352)
Depreciation	–	(1,117)	(742)	(1,041)	(1,496)	(466)	(4,862)
Exchange realignments	(1,118)	(2,519)	(457)	(204)	219	–	(4,079)
At the end of the reporting period	15,015	32,827	3,840	2,003	5,315	4,964	63,964
Reconciliation of carrying amount — year ended 31 December 2025							
At the beginning of the reporting period	15,015	32,827	3,840	2,003	5,315	4,964	63,964
Additions	–	–	–	14	716	–	730
Disposals	–	–	–	–	(22)	–	(22)
Depreciation	–	(1,143)	(650)	(833)	(961)	(1,915)	(5,502)
Transfer from inventories	–	–	–	–	–	8,000	8,000
Exchange realignments	51	187	38	263	(8)	(318)	213
At the end of the reporting period	15,066	31,871	3,228	1,447	5,040	10,731	67,383
At 31 December 2024							
Cost	15,015	39,756	11,030	8,306	17,295	8,432	99,834
Accumulated depreciation	–	(6,929)	(7,190)	(6,303)	(11,980)	(3,468)	(35,870)
Net carrying amount	15,015	32,827	3,840	2,003	5,315	4,964	63,964
At 31 December 2025							
Cost	15,066	39,939	11,510	9,634	17,052	14,756	107,957
Accumulated depreciation	–	(8,068)	(8,282)	(8,187)	(12,012)	(4,025)	(40,574)
Net carrying amount	15,066	31,871	3,228	1,447	5,040	10,731	67,383

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT *(continued)*

At 31 December 2025, the Group's freehold lands with carrying amounts of approximately HK\$5,725,000 (2024: HK\$5,725,000) and HK\$9,341,000 (2024: HK\$9,290,000), which are held by Apollo HK and GLM, respectively, are situated in Germany and Japan, respectively.

At 31 December 2025, certain of the freeholds land and buildings in Japan with net carrying amounts of approximately HK\$30,046,000 (2024: HK\$30,674,000) were pledged to secure certain interest-bearing bank borrowings granted to GLM (Note 29(a)).

15. INVESTMENT PROPERTIES

	2025 HK\$'000	2024 HK\$'000
At fair value		
At the beginning of the reporting period	10,971	12,321
Changes in fair value recognised in profit or loss	(1,087)	(1,008)
Exchange realignments	491	(342)
At the end of the reporting period	10,375	10,971

The Group's investment properties consist of three properties in Chinese Mainland of the PRC. The directors of the Company have determined that the investment properties consist of one class of asset, i.e., commercial, based on the nature, characteristics and risks of each property. The Group's investment properties were revalued on 31 December 2025 based on valuations performed by Graval Consulting Limited, an independent qualified professional valuer, at approximately HK\$10,375,000 (2024: HK\$10,971,000). The Group's management selects the external valuer responsible for valuing the Group's properties based on a set of selection criteria, including the valuer's market knowledge, reputation, independence, and whether professional standards are maintained. The Group's management has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting. In estimating the fair value of the investment properties, the highest and best use of the properties is their current use.

The investment properties are leased to third parties under operating leases, further summary details of which are included in Note 16(c).

Further particulars of the Group's investment properties are included on page 204.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. INVESTMENT PROPERTIES *(continued)*

Fair value hierarchy

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

	Fair value measurement at 31 December 2025 using			Total HK\$'000		
	Quoted price in active market (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000			
	Recurring fair value measurement for commercial properties	–	–		10,375	10,375

	Fair value measurement at 31 December 2024 using			Total HK\$'000		
	Quoted price in active market (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000			
	Recurring fair value measurement for commercial properties	–	–		10,971	10,971

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. INVESTMENT PROPERTIES *(continued)*

Fair value hierarchy *(continued)*

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

	Commercial properties HK\$'000
At fair value	
At 1 January 2024	12,321
Net changes in fair value recognised in profit or loss	(1,008)
Exchange realignments	(342)
At 31 December 2024 and at 1 January 2025	10,971
Net changes in fair value recognised in profit or loss	(1,087)
Exchange realignments	491
At 31 December 2025	10,375

Below is a summary of the valuation technique used and the key inputs to the valuation of investment properties:

	Valuation technique	Significant unobservable inputs	Range	
			2025	2024
Commercial properties	Income approach	Estimated rental value (per square metre and per month)	RMB112 – RMB149	RMB115 – RMB167
		Capitalisation rate	4.2%	4.2%
		Reversionary yield	3.7%	3.7%

Under the income approach, fair value is estimated by considering of the rental income receivable from the existing leases and the potential reversionary rental after the current lease expired with reference to the relevant market rental evidence and capitalised such income with appropriate term and reversionary capitalisation rate.

A significant increase (decrease) in the estimated rental value in isolation would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the capitalisation rate and the reversionary yield in isolation would result in a significant (decrease) increase in the fair value of the investment properties. The valuations take into account the characteristics of the properties which include the location, size and other factors collectively.

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For the year ended 31 December 2025

16. LEASE

The Group as a lessee

The Group has lease contracts for office premises and directors' quarters. Lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of leased properties generally have lease terms ranged from 2 to 3 years.

(a) Right-of-use assets

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

	Leasehold land HK\$'000	Leased properties HK\$'000	Total HK\$'000
Reconciliation of carrying amount			
— year ended 31 December 2024			
At the beginning of the reporting period	49,043	2,437	51,480
Remeasurement on lease modification	–	8,315	8,315
Termination of leases	–	(124)	(124)
Disposals	(34,270)	–	(34,270)
Depreciation	(867)	(3,210)	(4,077)
Exchange realignments	(777)	–	(777)
At the end of the reporting period	13,129	7,418	20,547
Reconciliation of carrying amount			
— year ended 31 December 2025			
At the beginning of the reporting period	13,129	7,418	20,547
Depreciation	(447)	(2,807)	(3,254)
Exchange realignments	608	–	608
At the end of the reporting period	13,290	4,611	17,901
At 31 December 2024			
Cost	14,891	18,971	33,862
Accumulated depreciation	(1,762)	(11,553)	(13,315)
Net carrying amount	13,129	7,418	20,547
At 31 December 2025			
Cost	15,594	18,971	34,565
Accumulated depreciation	(2,304)	(14,360)	(16,664)
Net carrying amount	13,290	4,611	17,901

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

16. LEASE (continued)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements are as follows:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	7,847	2,820
Remeasurement on lease modification	–	8,315
Termination of leases	–	(126)
Accretion of interest recognised	340	273
Payments	(3,617)	(3,435)
At the end of the reporting period	4,570	7,847
Analysed into:		
Due within one year	3,457	3,277
Due in the second year	1,113	3,457
Due in the third to fifth years, inclusive	–	1,113
	4,570	7,847

The maturity analysis of lease liabilities is disclosed in Note 40.

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For the year ended 31 December 2025

16. LEASE (continued)

The Group as a lessee (continued)

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

	2025 HK\$'000	2024 HK\$'000
Interest on lease liabilities	340	273
Depreciation of right-of-use assets	3,254	4,077
Expenses recognised under short-term leases (Note i)	2,067	2,065
Total amounts recognised in profit or loss	5,661	6,415

Note i: Expenses recognised relating to short-term leases of approximately HK\$2,067,000 (2024: HK\$2,065,000) has been included in administrative and other expenses for the year ended 31 December 2025.

(d) The total cash outflow for leases is disclosed in Note 36(b).

The Group as a lessor

The Group leases its investment properties under operating lease arrangements. Rental income recognised by the Group during the year ended 31 December 2025 was approximately HK\$114,000 (2024: HK\$570,000) (Note 5).

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

	2025 HK\$'000	2024 HK\$'000
Within one year	42	487
After one year but within two years	–	42
	42	529

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For the year ended 31 December 2025

17. GOODWILL

	HK\$'000
Reconciliation of carrying amount — year ended 31 December 2024	
At the beginning of the reporting period	1,253,509
Impairment losses	(646,063)
Exchange realignments	(65,077)
At the end of the reporting period	542,369
Reconciliation of carrying amount — year ended 31 December 2025	
At the beginning of the reporting period	542,369
Impairment losses	(151,843)
Exchange realignments	2,954
At the end of the reporting period	393,480
At 31 December 2024	
Cost	2,183,897
Accumulated impairment	(1,641,528)
Net carrying amount	542,369
At 31 December 2025	
Cost	2,189,605
Accumulated impairment	(1,796,125)
Net carrying amount	393,480

Impairment tests of goodwill and trademarks with indefinite useful lives

Goodwill and trademarks with indefinite useful lives acquired through business combinations are allocated to the following individual mobility technology solutions cash-generating units ("Mobility Technology Solutions CGUs"), which are separate business operations, for annual impairment testing:

- Mobility Development unit ("Mobility Development CGU"); and
- Hypercar unit ("Hypercar CGU")

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

17. GOODWILL (continued)

Impairment tests of goodwill and trademarks with indefinite useful lives (continued)

The carrying amount of goodwill and trademarks allocated to each of the cash-generating units are as follows:

	Mobility Development CGU		Hypercar CGU		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Carrying amount of goodwill	59,179	187,006	334,301	355,363	393,480	542,369
Carrying amount of trademarks	–	–	172,311	151,653	172,311	151,653

Mobility Development CGU

The goodwill acquired through a business combination allocated to the Mobility Development CGU of the Group is primarily representing the business operations and undertakings of a subsidiary of the Group, GLM.

For the purpose of the annual impairment test, the recoverable amounts of the Mobility Development CGU have been determined based on value in use calculations using discounted cash flow projections. The discounted cash flow projections are based on financial estimates approved by the Group's management covering a five-year period and discount rates which reflect specific risks relating to the Mobility Development CGU. Cash flows beyond the five-year period are extrapolated using estimated long term growth rates of 2% (2024: 2%), with reference to certain external data.

The Group has engaged Win Bailey Valuation and Advisory Limited, an independent qualified professional valuer to assist in the determination of the value in use of the Mobility Development CGU based on the cash flow projections using an after tax discount rate of 25% (2024: 24%) adjusted by a pre-tax discount rate determined by reference to weighted average cost of capital reflecting the specific risks of the Mobility Development CGU (including, inter alia, its stage of development and other relevant factors), with reference to certain external data.

The Group considers the discounted cash flow method as a generally acceptable valuation technique that incorporates more information about the future prospects of the Mobility Development CGU for the determination of their recoverable amounts.

Assumptions were used in the value in use calculations of the Mobility Development CGU for 31 December 2025 and 2024. The following describes key assumptions on which management has based its discounted cash flow projections to undertake impairment testing of goodwill.

Estimated revenue/margins — The basis used to determine the value assigned to the estimated revenue/margins reflects the latest strategy and forecast taking into account expected economic, industry and market developments for the relevant markets.

Discount rates — The discount rates used reflected specific risks relating to the Mobility Development CGU.

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For the year ended 31 December 2025

17. GOODWILL *(continued)*

Impairment tests of goodwill and trademarks with indefinite useful lives *(continued)*

Mobility Development CGU *(continued)*

The fair value measurements of the Mobility Development CGU at 31 December 2025 and 2024 fell within Level 3 of the fair value measurement hierarchy. During the years ended 31 December 2025 and 2024, there were no transfers into or out of Level 3 for such fair value measurement.

31 December 2025

Taking into account the increasing competitive business landscape in the mobility industry, including the increase in competition in electric vehicles manufacturers in Chinese Mainland of the PRC which affected the potential application of the technologies/know-hows of the Mobility Development CGU coupled with (i) certain change in production timeline due to introduction of new suppliers and (ii) the ongoing uncertainties and deterioration of the global economy, the recoverable amount of the Mobility Development CGU at 31 December 2025 was approximately HK\$99,360,000. An impairment loss of the goodwill allocated to the Mobility Development CGU of approximately HK\$130,781,000 was recognised during the year ended 31 December 2025, which was included in "Other losses, net" in the consolidated statement of profit or loss.

In the opinion of the directors of the Company, for the Mobility Development CGU, a reasonably possible change in the key assumptions of the cash flow projections would cause its carrying amount to exceed its recoverable amount. If the budgeted gross margin of the Mobility Development CGU increased or decreased by 5% from the budgeted gross margins ranged from approximately 19.9% to 23.2% for the forecast period, the impairment loss would decrease by approximately HK\$9,839,000 or increase by approximately HK\$11,307,000, respectively, during the year ended 31 December 2025. If the discount rate of the Mobility Development CGU increased or decreased by 5% from 25%, the impairment loss would increase by approximately HK\$10,772,000 or decrease by approximately HK\$10,691,000, respectively, during the year ended 31 December 2025.

31 December 2024

Taking into account the increasing competitive business landscape in the mobility industry, including the increase in competition in electric vehicles markets in Chinese Mainland of the PRC which affected the potential application of the technologies/know-hows of the Mobility Development CGU, the recoverable amount of the Mobility Development CGU at 31 December 2024 was approximately HK\$247,050,000. An impairment loss of the goodwill allocated to the Mobility Development CGU of approximately HK\$353,409,000 was recognised during the year ended 31 December 2024, which was included in "Other losses, net" in the consolidated statement of profit or loss.

In the opinion of the directors of the Company, for the Mobility Development CGU, a reasonably possible change in the key assumptions of the cash flow projections would cause its carrying amount exceed its recoverable amount. If the budgeted gross margin of the Mobility Development CGU increased or decreased by 5% from the budgeted gross margins ranged from approximately 15.1% to 31.0% for the forecast period, the impairment loss would decrease by approximately HK\$26,274,000 or increase by approximately HK\$23,112,000, respectively, during the year ended 31 December 2024. If the discount rate of the Mobility Development CGU increased or decreased by 5% from 24%, the impairment loss would increase by approximately HK\$15,285,000 or decrease by approximately HK\$20,524,000 respectively, during the year ended 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

17. GOODWILL *(continued)*

Impairment tests of goodwill and trademarks with indefinite useful lives *(continued)*

Hypercar CGU

The goodwill acquired through a business combination allocated to the Hypercar CGU of the Group is primarily representing the business operations and undertakings of a subsidiary of the Group, Sino Partner.

For the purpose of the annual impairment test, the recoverable amounts of the Hypercar CGU have been determined based on value in use calculations using discounted cash flow projections. The discounted cash flow projections are based on financial estimates approved by management covering a five-year period and discount rates which reflect specific risks relating to the Hypercar CGU. Cash flows beyond the five-year period are extrapolated using estimated long term growth rates of 2% (2024: 2%), with reference to certain external data.

The Group has engaged Win Bailey Valuation and Advisory Limited, an independent qualified professional valuer to assist in the determination of the value in use of the Hypercar CGU based on the cash flow projections using an after tax discount rate of 18% (2024: 20%) adjusted by a pre-tax discount rate determined by reference to weighted average cost of capital reflecting the specific risks of the Hypercar CGU (including, inter alia, its stage of development and other relevant factors), with reference to certain external data.

The Group considers the discounted cash flow method as a generally acceptable valuation technique that incorporates more information about the future prospects of the Hypercar CGU for the determination of their recoverable amounts.

Assumptions were used in the value in use calculations of the Hypercar CGU for 31 December 2025 and 2024. The following describes key assumptions on which the Group's management has based its discounted cash flow projections to undertake impairment testing of goodwill and trademark with indefinite useful lives.

Estimated revenue/margins — The basis used to determine the value assigned to the estimated revenue/margins reflects the latest strategy and forecast taking into account expected economic, industry and market developments for the relevant markets.

Discount rates — The discount rates used reflected specific risks relating to the Hypercar CGU.

The fair value measurements of the Hypercar CGU at 31 December 2025 and 2024 fall within Level 3 of the fair value measurement hierarchy. During the years ended 31 December 2025 and 2024, there were no transfers into or out of Level 3 for such fair value measurement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

17. GOODWILL *(continued)*

Impairment tests of goodwill and trademarks with indefinite useful lives *(continued)*

Hypercar CGU *(continued)*

31 December 2025

Taking into account (i) the prevailing uncertainties in the global economic environment which may in turn affect the Group's supply chain and market conditions; and (ii) a cautious outlook for demand in the luxury automotive sector, the recoverable amount of the Hypercar CGU at 31 December 2025 was approximately HK\$630,000,000. An impairment loss of the goodwill allocated to the Hypercar CGU of approximately HK\$21,062,000 was recognised during the year ended 31 December 2025, which was included in "Other losses, net" in the consolidated statement of profit or loss.

In the opinion of the directors of the Company, for the Hypercar CGU, a reasonably possible change in the key assumptions of the cash flow projections would cause its carrying amount to exceed its recoverable amount. If the budgeted gross margin of the Hypercar CGU increased or decreased by 5% from the budgeted gross margins ranged from approximately 41.3% to 62.9% for the forecast period, the impairment loss would decrease by approximately HK\$21,062,000 or increase by approximately HK\$95,756,000, respectively, during the year ended 31 December 2025. If the discount rate of the Hypercar CGU increased or decreased by 5% from 18%, the impairment loss would increase by approximately HK\$79,252,000 or decrease by approximately HK\$21,062,000, respectively, during the year ended 31 December 2025.

31 December 2024

Taking into account of (i) the uncertainties in the global economic environment and the increasing global tensions which may in turn affect the Group's supply chain; and (ii) the ongoing deterioration of the global economy, the recoverable amount of the Hypercar CGU at 31 December 2024 was approximately HK\$614,900,000. An impairment loss of the goodwill allocated to the Hypercar CGU of approximately HK\$292,654,000 was recognised during the year ended 31 December 2024, which was included in "Other losses, net" in the consolidated statement of profit or loss.

In the opinion of the directors of the Company, for the Hypercar CGU, a reasonably possible change in the key assumptions of the cash flow projections would cause its carrying amount exceed its recoverable amount. If the budgeted gross margin of the Hypercar CGU increased or decreased by 5% from the budgeted gross margins ranged from approximately 48.0% to 61.9% for the forecast period, the impairment loss would decrease by approximately HK\$54,992,000 or increase by approximately HK\$55,251,000, respectively, during the year ended 31 December 2024. If the discount rate of the Hypercar CGU increased or decreased by 5% from 20%, the impairment loss would increase by approximately HK\$52,238,000 or decrease by approximately HK\$59,123,000, respectively, during the year ended 31 December 2024. If the probability of successful of a research and development program of the Hypercar CGU increased or decreased by 5% from 30%, the impairment loss would be decrease or increase by approximately HK\$9,720,000 during the year ended 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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18. OTHER INTANGIBLE ASSETS

	Deferred development costs (Note (i)) HK\$'000	Trademarks (Note (ii)) HK\$'000	Total HK\$'000
Reconciliation of carrying amount			
— year ended 31 December 2024			
At the beginning of the reporting period	98,226	162,603	260,829
Amortisation	(46,276)	–	(46,276)
Exchange realignments	(8,547)	(10,950)	(19,497)
At the end of the reporting period	43,403	151,653	195,056
Reconciliation of carrying amount			
— year ended 31 December 2025			
At the beginning of the reporting period	43,403	151,653	195,056
Additions	48,736	–	48,736
Impairment (Note iii)	(17,901)	–	(17,901)
Exchange realignments	3,917	20,658	24,575
At the end of the reporting period	78,155	172,311	250,466
At 31 December 2024			
Cost	156,580	151,653	308,233
Accumulated amortisation	(113,177)	–	(113,177)
Net carrying amount	43,403	151,653	195,056
At 31 December 2025			
Cost	204,820	172,311	377,131
Accumulated amortisation and impairment	(126,665)	–	(126,665)
Net carrying amount	78,155	172,311	250,466

Notes:

- (i) Certain deferred development costs were acquired as part of the business combination in prior periods relating to the development of hypercars and under the Hypercar CGU in the Mobility Technology Solutions CGUs. These deferred development costs are stated at cost less any impairment losses and are amortised on the straight-line basis over the commercial lives of the underlying products. At 31 December 2025, the deferred development costs of approximately HK\$78,155,000 (2024: HK\$43,403,000) are not yet be available for use.
- (ii) The trademarks are allocated to the Hypercar CGU in the Mobility Technology Solutions CGUs. Trademarks are regarded as having indefinite useful lives because the trademarked products are expected to generate net cash inflows indefinitely. Details of impairment testing are set out in Note 17.
- (iii) It represents part of the deferred development costs recognised in prior periods in respect of one of the research and development projects. The Group assesses impairment annually or whenever there is an indicator of impairment in accordance with HKAS 36 "Impairment of Assets". During the year ended 31 December 2025, the Group's management reassessed the carrying amounts of the capitalised development expenditures and concluded that certain portion of the capitalised development expenditures is no longer expected to generate future economic benefits. Accordingly, an impairment loss has been recognised in profit or loss for the year ended 31 December 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

19. INTEREST IN A JOINT VENTURE

	2025 HK\$'000	2024 HK\$'000
Share of net assets	–	–

Particulars of the Group's joint venture are as follows:

Name	Place of registration and business	Registered capital	Percentage of			Principal activities
			Ownership interests	Voting power	Profit sharing	
WESail New Energy Automotive Co. Ltd * (上海聯和力世紀新能源汽車有限公司)	Chinese Mainland of the PRC	US\$80,000,000	60	50	60	Research and development of new energy vehicles related technologies

The above investment is indirectly held by the Company.

* English name for identification purposes only.

The following table illustrates the financial information of the Group's joint venture that is not individually material:

	2025 HK\$'000	2024 HK\$'000
Share of the joint venture's loss and total comprehensive loss [#]	(2,682)	(56,954)
Carrying amount of the Group's interest in the joint venture	–	–

The Group has an obligation to continue to share 60% loss of the joint venture until the interest in the joint venture is reduced to zero. The Group therefore recognised a payable of HK\$59,928,000 (2024: HK\$104,829,000) included in "Other payables and accruals" at 31 December 2025. The decrease in such payable at 31 December 2025 resulted from the Group's injection of HK\$51,950,000 (net off the impact of foreign exchanges) to settle its obligations.

[#] The decrease in share of results of the joint venture was primarily due to the decrease in research and development related costs incurred for the year ended 31 December 2025 as compared to the costs in prior year.

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For the year ended 31 December 2025

20. INTEREST IN AN ASSOCIATE

	2025 HK\$'000	2024 HK\$'000
Share of net liabilities	(67,271)	(64,238)
Goodwill on acquisition	67,271	64,238
	–	–

At 31 December 2025, the Group held 10.48% (2024: 10.48%) of the issued ordinary shares of EV Power Holding Limited ("EV Power") (the "EV Power Ordinary Share Investment") which is incorporated in BVI. Based on the proportion of voting rights held by the Group as further detailed below, the Group considers it is in a position to exercise significant influence over EV Power and, accordingly, has accounted for the EV Power Ordinary Share Investment as an investment in an associate.

Particulars of the associate are as follows:

Name	Place of business	Particulars of issued shares held	Percentage of				Principal activities
			Ownership interests		Voting power		
			2025	2024	2025	2024	
EV Power	Hong Kong	Ordinary shares	10.48 Note (i)	10.48 Note (i)	27.91 Note (ii)	28.44 Note (ii)	Provision of electric vehicle charging solutions

Notes:

- (i) This reflects only the ownership interests based on the EV Power Ordinary Share Investment.
- (ii) The Group also held certain preferred shares of EV Power, which have been accounted for as financial assets at FVTPL (Note 21). The percentage of voting power as shown above has reflected the total voting rights currently held by the Group attributable to its investments in ordinary shares and preferred shares of EV Power.

Financial information of the Group's associate:

	2025 HK\$'000	2024 HK\$'000
Share of the associate's (loss) profit	(19,365)	50,374
Share of the associate's other comprehensive loss	(88)	(2,158)
Share of the associate's total comprehensive (loss) income	(19,453)	48,216
Carrying amount of the Group's interest in the associate	–	–

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21. FINANCIAL ASSETS AT FVTPL

	Notes	2025 HK\$'000	2024 HK\$'000
Unlisted equity investments	a	394,609	1,059,484
Share of loss of an associate		(40,096)	(20,643)
Subtotal		354,513	1,038,841
Listed equity investment	b	26,748	31,315
Wealth management products	c	11,475	–
Total		392,736	1,070,156
Portion classified as non-current assets		(381,261)	(411,521)
Portion classified as current assets		11,475	658,635

Notes:

- (a) At 31 December 2025, the unlisted equity investments represented the preferred shares of EV Power of approximately HK\$394,609,000. At 31 December 2024, the unlisted equity investments comprised of (i) preferred shares of Divergent Technologies Inc. ("Divergent") of approximately HK\$658,635,000 and (ii) preferred shares of EV Power of approximately HK\$400,849,000.

The unlisted equity investments were mandatorily classified as financial assets at FVTPL as their contractual cash flows are not solely payments of principal and interest.

- (b) The listed equity investment was classified as financial assets at FVTPL as the Group has not elected to recognise the changes in fair value through other comprehensive income.
- (c) The wealth management products are managed by a licensed bank in Chinese Mainland of the PRC and are redeemable on the Group's demand. They were classified as financial assets at FVTPL as their contractual cash flows are not solely payments of principal and interest.

22. LOANS RECEIVABLE

	2025 HK\$'000	2024 HK\$'000
Loans receivable	263,908	237,114
Less: Loss allowances	(149,017)	(77,957)
Net carrying amount	114,891	159,157
Portion classified as non-current assets	–	(66,723)
Portion classified as current assets	114,891	92,434

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For the year ended 31 December 2025

22. LOANS RECEIVABLE (continued)

The Group seeks to maintain strict control over its outstanding loans receivable so as to minimise credit risk. The granting of loans is subject to approval by the Group's management, whilst overdue balances are reviewed regularly for recoverability.

Loans receivable of the Group bear interest at rates ranging from approximately 5% to 8% (2024: 3.1% to 8%) per annum. At 31 December 2025, certain loans receivable with aggregate carrying amounts of HK\$61,155,000 (2024: HK\$110,362,000) were secured by the pledge of properties or guarantees provided by certain independent third parties.

The table below shows the credit quality and maximum exposure to credit risk at 31 December 2025 and 2024 based on the Group's internal credit rating system and period end staging classification. The amounts presented are gross carrying amounts.

At 31 December 2025

	12-month ECLs Stage 1 HK\$'000	Lifetime ECLs not credit- impaired Stage 2 HK\$'000	Lifetime ECLs credit- impaired Stage 3 HK\$'000	Total HK\$'000
Loans receivable				
— Performing	84,930	—	—	84,930
— Individually impaired (Note i)	—	—	178,978	178,978
	84,930	—	178,978	263,908

At 31 December 2024

	12-month ECLs Stage 1 HK\$'000	Lifetime ECLs not credit- impaired Stage 2 HK\$'000	Lifetime ECLs credit- impaired Stage 3 HK\$'000	Total HK\$'000
Loans receivable				
— Performing	136,527	22,587	—	159,114
— Individually impaired (Note i)	—	—	78,000	78,000
	136,527	22,587	78,000	237,114

Note i: Impaired loans receivable includes those with objective evidence of impairment.

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For the year ended 31 December 2025

22. LOANS RECEIVABLE (continued)

An analysis of the gross carrying amounts and the corresponding loss allowances is as follows:

	12-month ECLs Stage 1 HK\$'000	Lifetime ECLs not credit- impaired Stage 2 HK\$'000	Lifetime ECLs credit- impaired Stage 3 HK\$'000	Total HK\$'000
Gross carrying amounts				
At 1 January 2024	217,565	–	–	217,565
New loans drawdown	41,326	–	–	41,326
Accretion of interests	13,127	–	–	13,127
Repayments	(33,216)	–	–	(33,216)
Transfer from Stage 1 to Stage 2	(22,587)	22,587	–	–
Transfer from Stage 1 to Stage 3	(78,000)	–	78,000	–
Exchange realignments	(1,688)	–	–	(1,688)
At 31 December 2024 and at 1 January 2025	136,527	22,587	78,000	237,114
New loans drawdown	36,413	–	–	36,413
Accretion of interests	8,886	–	–	8,886
Repayments	(20,997)	–	–	(20,997)
Transfer from Stage 1 to Stage 3	(78,391)	–	78,391	–
Transfer from Stage 2 to Stage 3	–	(22,587)	22,587	–
Exchange realignments	2,492	–	–	2,492
At 31 December 2025	84,930	–	178,978	263,908

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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22. LOANS RECEIVABLE (continued)

	12-month ECLs Stage 1 HK\$'000	Lifetime ECLs not credit- impaired Stage 2 HK\$'000	Lifetime ECLs credit- impaired Stage 3 HK\$'000	Total HK\$'000
ECL allowances				
At 1 January 2024	(8,022)	–	–	(8,022)
Impairment losses, net	(22,746)	(2,226)	(45,155)	(70,127)
Transfer from Stage 1 to Stage 2	111	(111)	–	–
Transfer from Stage 1 to Stage 3	3,049	–	(3,049)	–
Exchange realignments	192	–	–	192
At 31 December 2024 and at 1 January 2025	(27,416)	(2,337)	(48,204)	(77,957)
Impairment losses, net	(382)	–	(70,193)	(70,575)
Transfer from Stage 1 to Stage 3	17,232	–	(17,232)	–
Transfer from Stage 2 to Stage 3	–	2,337	(2,337)	–
Exchange realignments	(485)	–	–	(485)
At 31 December 2025	(11,051)	–	(137,966)	(149,017)

Following the assessment of the changes in credit risk of loans receivable, including their past due information and the actual and expected changes in the financial conditions of the borrowers and guarantors, the gross carrying amount and the corresponding loss allowances of certain loans receivable were either transferred from Stage 1 to Stage 2, Stage 1 to Stage 3 or Stage 2 to Stage 3 during the respective periods as the loans receivable had a significant increase in credit risk or became credit-impaired, respectively.

The Group has engaged Win Bailey Valuation and Advisory Limited, an independent qualified professional valuer to assist in impairment assessments in respect of loans receivable. An impairment analysis was performed on the gross loan receivables of approximately HK\$263,908,000 (2024: HK\$237,114,000) at 31 December 2025 by considering the probability of default of counterparties. The Group also takes into account the forward-looking information to reflect the financial standing of the borrowers and the guarantors and forecasts of future economic conditions, as appropriate. At 31 December 2025, the probability of default applied ranged from approximately 9.0% to 100% (2024: 1.2% to 100%) and the loss given default was estimated to be from approximately 61.1% to 100% (2024: 61.8% to 63.8%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Notes	2025 HK\$'000	2024 HK\$'000
Deposit for research and development costs	(a)	–	93,600
Deposit paid for potential acquisition of a company	(b)	130,000	130,000
Other deposits	(c)	7,387	3,611
Prepayments and other receivables		43,734	31,975
Promissory note receivable	(d)	335,597	335,597
Consideration receivables	(e)	72,029	72,029
Due from an associate	(f)	1,455	1,455
		590,202	668,267
Less: Loss allowances	(g)	(442,626)	(382,561)
Total		147,576	285,706
Portion classified as non-current assets		(2,440)	(2,442)
Portion classified as current assets		145,136	283,264

Notes:

- (a) The balance at 31 December 2024 represented the deposit paid to a company incorporated in the BVI ("Entity A") which was engaged to design, develop and manufacture of a crucial component of the Group's hypercars (the "Design and Development Project"). In accordance with the agreements signed between the Group's subsidiary (Apollo HK) and Entity A for the Design and Development Project (the "Agreements"), the Group made a payment of HK\$93,600,000 to Entity A in November 2024 (the "First Deposit"), which was recorded as "Deposit for research and development costs" at 31 December 2024. A further payment of HK\$108,400,000 was made to Entity A in February 2025 (the "Second Deposit", together the First Deposit, collectively referred to as the "Deposits") in accordance with the terms set out in the Agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

- (a) In July 2025, an escrow agreement was signed among Apollo HK, Entity A, and an escrow agent (the "Escrow Agent"), pursuant to which the Group and Entity A agreed to jointly appoint and designate the Escrow Agent to hold and release a portion of the Deposits (the "Escrow Agreement"). According to the Escrow Agreement, HK\$5,000,000 of the Deposits shall be retained by Entity A to fund the initial phase of the Design and Development Project, while the remaining of the Deposits, i.e., HK\$197,000,000 (the "Escrow Amount"), shall be held by the Escrow Agent. The Escrow Agent shall open and maintain a dedicated, interest-bearing account at a bank for the sole purpose of holding the Escrow Amount (the "Escrow Account"). The Escrow Amount may only be released upon the Escrow Agent's receipt of a joint written instruction duly signed by both Apollo HK and Entity A. In July 2025, Entity A transferred the Escrow Amount to the Escrow Account.

During the year ended 31 December 2025, certain milestones of the Design and Development Project were achieved and certified by the Group with total research and development costs of HK\$213,750,000, of which, HK\$5,000,000 was offset against partial of the Deposits retained by Entity A in accordance with the Escrow Agreement; HK\$197,000,000 was fully offset against the Escrow Amount, whereas the remaining research and development costs of HK\$11,750,000 was recognised as "other payable" in Note 28(a).

- (b) The balances at 31 December 2025 and 2024 represented a deposit paid for a potential acquisition of the entire equity interest of a company from independent third parties, of which HK\$95,000,000 represents a refundable portion and HK\$35,000,000 represents a non-refundable portion. The non-refundable portion is subject to any definitive legally binding sale and purchase agreement entered into by the Group and the independent third parties for the potential acquisition on or before 31 December 2026.

At 31 December 2025 and 2024, the deposit paid for a potential acquisition of HK\$130,000,000 was maintained in an escrow account managed by an escrow agent. Despite of this, due to the ongoing uncertainties in the global economy, HK\$35,000,000 was impaired in regard to such deposit paid at 31 December 2025.

- (c) Other deposits mainly represented rental deposits and deposits with suppliers, where applicable, an impairment analysis is performed at each reporting date by considering the probability of default.
- (d) On 30 December 2022, Ming Fung Investment Holdings Limited ("Ming Fung"), an indirect wholly owned subsidiary of the Company (as seller), entered into an agreement with Innosophi Company Limited ("Innosophi"), pursuant to which Ming Fung had conditionally agreed to sell and Innosophi had conditionally agreed to acquire the entire share capital of Chance Achieve Limited (former subsidiary of Ming Fung) at a total consideration of HK\$408,000,000 (the "Chance Achieve Disposal"). Innosophi is an investment holding company wholly owned by Mr. Freeman Hui Shen, a former non-executive director of the Company and a former substantial shareholder of the Company. The completion of the Chance Achieve Disposal took place on 31 July 2023.

For the total consideration of HK\$408,000,000, HK\$100,000,000 was satisfied by cash while the remaining HK\$308,000,000 was satisfied by a promissory note issued by Innosophi. The promissory note was recognised as a promissory note receivable. The promissory note receivable is unsecured, guaranteed by a company wholly owned by Mr. Freeman Hui Shen, bears interest at 6.2% per annum and was repayable on 31 July 2024. Subsequently, Innosophi exercised its option to extend the maturity date of the promissory note for one year to 31 July 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

- (d) Given that no repayment was received from Innosphi following the maturity date of the promissory note on 31 July 2025, Ming Fung commenced legal action against Innosphi on 11 August 2025. On 30 September 2025, a default judgment was entered against Innosphi, whereby Innosphi was ordered to pay Ming Fung (i) the sum of HK\$308,000,000, together with interest at the contractual rate of 6.2% per annum from the date of the promissory note until full payment; and (ii) other fixed costs.

An impairment analysis is performed at each reporting date by considering the probability of default of Innosphi. The Group also takes into account the current financial conditions of Innosphi and the guarantor, the ongoing uncertainties in the financial market sentiment and the challenging global economic environment. At 31 December 2025, the probability of default applied was 100% (2024: 100%) and the loss given default was estimated to be 100% (2024: 100%). The loss allowance at 31 December 2025 was HK\$335,597,000 (2024: HK\$335,597,000).

- (e) The amount represented the receivables for disposal of subsidiaries in prior periods. An impairment analysis is performed at each reporting date by considering the probability of default of counterparties. The Group also takes into account the current condition of market that the counterparties are operating and the forecasts of future global economic conditions to reflect the probability of default. At 31 December 2025, the probability of default applied was 100% (2024: 100%), and the loss given default was estimated to be 100% (2024: 61.8% to 100%). The loss allowances at 31 December 2025 was HK\$72,029,000 (2024: HK\$46,964,000).
- (f) The amount due from an associate is unsecured, interest-free and repayable on demand.
- (g) The movements in the loss allowances for impairment of deposits and other receivables are as follows:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	382,561	181,297
Increase in allowances (Note 6)	60,065	201,264
At the end of the reporting period	442,626	382,561

At 31 December 2025 and 2024, the expected credit losses for deposit for research and developments costs, other deposits, other receivables and the amount due from an associate were assessed to be minimal given there has been no significant increase in credit risk since initial recognition and the counterparties have demonstrated a strong capacity to meet their contractual obligations based on historical experience and available forward-looking information.

At 31 December 2025 and 2024, the other receivables were expected to be recovered within 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

24. INVENTORIES

	2025 HK\$'000	2024 HK\$'000
Vehicles and related components (Note)	43,677	38,441
Jewellery products, watches and other commodities	2,838	3,599
Total	46,515	42,040

Note: Included in the balance are work-in-progress of HK\$13,239,000 (2024: HK\$470,000) and finished goods of HK\$17,639,000 (2024: HK\$27,912,000).

25. ACCOUNTS RECEIVABLE

	2025 HK\$'000	2024 HK\$'000
Accounts receivable	4,450	10,117
Less: Loss allowances	(3,924)	(1,521)
	526	8,596

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance may be required. The credit period is generally one month, extending up to three months or more for certain customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by the Group's senior management. The Group does not hold any collateral or other credit enhancements over its accounts receivable. Accounts receivable is non-interest-bearing.

An ageing analysis of the accounts receivable, net of loss allowances, at the end of the reporting period, based on the invoice date, is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 30 days	526	322
61 to 90 days	–	2,025
Over 90 days	–	6,249
Total	526	8,596

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

25. ACCOUNTS RECEIVABLE (continued)

The movements in loss allowances for accounts receivable are as follows:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	1,521	1,176
Increase in allowances (Note 6)	2,227	2,894
Amount written off as uncollectible	–	(2,471)
Exchange realignments	176	(78)
At the end of the reporting period	3,924	1,521

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's accounts receivable using a provision matrix:

At 31 December 2025

	Current	Past due Over 3 months*	Total
Expected credit loss rates	8.84%	100.00%	88.18%
Gross carrying amount (HK\$'000)	577	3,873	4,450
Expected credit losses (HK\$'000)	51	3,873	3,924

* The gross carrying amounts of these accounts receivable were determined to be credit impaired.

At 31 December 2024

	Current	Past due Over 3 months	Total
Expected credit loss rates	20.07%	12.59%	15.03%
Gross carrying amount (HK\$'000)	3,309	6,808	10,117
Expected credit losses (HK\$'000)	664	857	1,521

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

26. CASH AND CASH EQUIVALENTS

	2025 HK\$'000	2024 HK\$'000
Cash and bank balances	68,931	136,365
Time deposits	469,897	328,479
Cash and cash equivalents	538,828	464,844

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$31,362,000 (2024: HK\$102,221,000). The RMB is not freely convertible into other currencies, however, under the Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations in the PRC, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

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

27. ACCOUNTS PAYABLE

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

	2025 HK\$'000	2024 HK\$'000
Within 30 days	218	122
Over 90 days	7,617	83,122
Total	7,835	83,244

28. OTHER PAYABLES AND ACCRUALS

	Notes	2025 HK\$'000	2024 HK\$'000
Other payables and accruals	a, b	251,215	280,028
Contract liabilities	c	50,857	171,644
		302,072	451,672

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

28. OTHER PAYABLES AND ACCRUALS *(continued)*

Notes:

- (a) Included in other payables and accruals, there are HK\$11,750,000 representing the payable to Entity A in respect of certain milestones of the Design and Development Project that have been achieved by Entity A and certified by the Group at 31 December 2025 (Note 23(a)).
- (b) The Group's other payables are non-interest-bearing and generally have an average term of 30 days.
- (c) Contract liabilities — receipts in advance

Details of contract liabilities are as follows:

	31 December 2025 HK\$'000	31 December 2024 HK\$'000
<i>Consideration received from customers in advance:</i>		
Sales and distribution of vehicles and provision of design, development and prototyping of vehicle components	–	117,000
Sales of jewellery products, watches and other commodities	50,857	54,644
	50,857	171,644

The Group applies the practical expedient and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

The movements (excluding those arising from increases and decreases both occurred within the same reporting period) of contract liabilities within HKFRS 15 during the reporting periods are as follows:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the reporting period	171,644	86,081
Additions	313	119,644
Refund*	(117,000)	–
Revenue recognised (Note 4)	(4,100)	(34,081)
At the end of the reporting period	50,857	171,644

Contract liabilities represent advance payments received from the customers for goods that have not been transferred to the customers. The contract liabilities fluctuated during the year ended 31 December 2025 due to refunds of advance payments (2024: increase in consideration received in advance from customers).

- * The refund during the year represented compensation to customers under the mobility technology solutions segment due to a postponement in the delivery of orders. The related compensation, amounting to approximately HK\$11,700,000, was recognised under "administrative and other operating expenses".

The contract liabilities of approximately HK\$50,857,000 (2024: HK\$171,644,000) at 31 December 2025, represented the aggregate amount of the transaction prices allocated to the performance obligations that are unsatisfied at the end of each reporting period. The Group expected the transaction prices of approximately HK\$50,857,000 (2024: HK\$171,644,000) at 31 December 2025, allocated to the unsatisfied performance obligations will be recognised as revenue in one year or less when the obligations are performed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. INTEREST-BEARING BANK BORROWINGS

	2025			2024		
	Contractual interest rate %	Maturity	HK\$'000	Contractual interest rate %	Maturity	HK\$'000
Current						
Bank loans — unsecured	0.4% to 5.65%	Year 2026	3,825	0.4% to 5.65%	Year 2025	1,927
Bank loans — secured	PRIME*-2.1%	Year 2026	880	PRIME*-2.1%	Year 2025	877
Total — current			4,705			2,804
Non-current						
Bank loans — unsecured	N/A	N/A	–	0.4% to 5.65%	Year 2026	3,656
Bank loans — secured	PRIME*-2.1%	Year 2036	9,096	PRIME*-2.1%	Year 2036	9,915
Total — non-current			9,096			13,571
Total			13,801			16,375

Analysed into:

	2025 HK\$'000	2024 HK\$'000
Bank loans repayable:		
Within one year	4,705	2,804
In the second year	889	4,539
In the third to fifth years, inclusive	2,726	2,663
Over five years	5,481	6,369
	13,801	16,375

* Japan prime lending rate ("PRIME")

Notes:

- Certain of the Group's interest-bearing bank borrowings are secured by the pledge of certain freehold land and buildings situated in Japan with an aggregate net carrying amount of approximately HK\$30,046,000 (2024: HK\$30,674,000) at 31 December 2025 (Note 14).
- At 31 December 2025, the Group's interest-bearing bank borrowings of approximately HK\$13,801,000 (2024: HK\$16,375,000) are denominated in JPY.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

30. CONVERTIBLE BONDS

On 18 December 2024, Ning Shing (Holdings) Company Limited subscribed for the convertible bonds of the Company in the principal amount of HK\$300,000,000. The convertible bonds carried interest at a rate of 5% per annum, which was payable half-yearly in arrears, had a maturity date on 17 December 2026 and were convertible at the option of the bondholders, in whole or in part, into ordinary shares of the Company at the initial conversion price of HK\$1.54 per share (subject to the adjustment) at any time after the first anniversary from the issue date until 30 days prior to the maturity date.

Any convertible bonds not converted will be redeemed at maturity at 100% of the outstanding principal amount.

During the year ended 31 December 2025 and 2024, the change in fair value of the convertible bonds that were attributable to changes in the credit risk of the convertible bonds were minimal.

The following is an analysis of the difference between the carrying amount and the amount the Company would be contractually required to pay at maturity to the holders of the convertible bonds designated as financial liabilities at FVTPL:

	2025 HK\$'000	2024 HK\$'000
Contractual payments at maturity	300,000	300,000
Carrying amounts at the end of the reporting period	297,029	298,304

31. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to the same tax authority.

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	2025 HK\$'000	2024 HK\$'000
Net deferred tax assets recognised in the consolidated statement of financial position	529	3,728
Net deferred tax liabilities recognised in the consolidated statement of financial position	(27,487)	(27,533)
Net deferred tax liabilities	(26,958)	(23,805)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

31. DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities are as follows:

	Property, plant and equipment HK\$'000	Other intangible assets HK\$'000	Impairment of financial assets HK\$'000	Others HK\$'000	Total HK\$'000
Gross deferred tax (liabilities) assets at 1 January 2024	(1,446)	(31,802)	1,311	(1,459)	(33,396)
Credited to the profit or loss (Note 11)	55	7,305	1,921	–	9,281
Exchange realignments	153	158	–	(1)	310
Gross deferred tax (liabilities) assets at 31 December 2024 and 1 January 2025	(1,238)	(24,339)	3,232	(1,460)	(23,805)
Credited (Charged) to the profit or loss (Note 11)	57	–	(3,200)	–	(3,143)
Exchange realignments	(10)	–	–	–	(10)
Gross deferred tax (liabilities) assets at 31 December 2025	(1,191)	(24,339)	32	(1,460)	(26,958)

At 31 December 2025, the Group had tax losses arising in Hong Kong of HK\$469,923,000 (2024: HK\$240,173,000), Japan of HK\$335,849,000 (2024: HK\$325,168,000) and the Chinese Mainland of the PRC of HK\$194,698,000 (2024: HK\$190,880,000) that can be carried forward indefinitely for Hong Kong, maximum of nine years from the year in which the tax loss was incurred for Japan and maximum of five years from the year in which the tax loss was incurred for the Chinese Mainland of the PRC for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these tax losses as they have arisen in subsidiaries that have been loss-making for some time and/or it is currently not considered probable that taxable profits will be available against which the tax losses can be utilised.

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

At 31 December 2025, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in the Chinese Mainland of the PRC. In the opinion of the directors of the Company, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. No temporary differences associated with investments in subsidiaries in the Chinese Mainland of the PRC is subject to be recognised as deferred tax at 31 December 2025. The aggregate amount of temporary differences associated with investments in subsidiaries in the Chinese Mainland of the PRC for which deferred tax liabilities have not been recognised was approximately HK\$1,996,000 in aggregate at 31 December 2024.

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

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For the year ended 31 December 2025

32. ISSUED CAPITAL

	2025 HK\$'000	2024 HK\$'000
Authorised: 200,000,000,000 ordinary shares of HK\$0.01 each	2,000,000	2,000,000
Issued and fully paid: 1,022,438,090 ordinary shares of HK\$0.01 each	10,224	10,224

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

	Number of ordinary shares '000	Issued capital HK\$'000
Issued and fully paid:		
At 1 January 2024	480,655	4,807
Issue of new shares (Notes (a) and (b))	541,783	5,417
At 31 December 2024, 1 January 2025 and 31 December 2025	1,022,438	10,224

Notes:

- (a) On 24 January 2024, 96,130,985 ordinary shares of the Company of HK\$0.01 each were allotted and issued at a subscription price of HK\$0.51 per share to a subscriber for a total cash consideration, before expenses, of approximately HK\$49,027,000.
- (b) On 13 May 2024, 445,652,177 ordinary shares of the Company of HK\$0.01 each were allotted and issued at a subscription price of HK\$0.46 per share to certain subscribers for a total cash consideration, before expenses, of approximately HK\$205,000,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

33. SHARE OPTION SCHEMES

2013 Share Option Scheme

A share option scheme (the "2013 Share Option Scheme") was adopted by the Company for the purpose of providing incentives and rewards to eligible participants (including, inter alia, employees, directors, advisors and consultants) who contribute to the success of the Group's operations. The 2013 Share Option Scheme became effective on 1 March 2013 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

2023 Share Option Scheme

The Company has adopted a share option scheme on 30 June 2023 (the "2023 Share Option Scheme", together with the 2013 Share Option Scheme, collectively referred to as "Share Option Schemes") for the purpose of giving the eligible participants an opportunity to have a personal stake in the Company and motivating them to optimise their future contributions to the Group and/or to reward them for their past contributions. Eligible participants under the 2023 Share Option Scheme include (i) employee participants, being any director or employee of the Company or any of its subsidiaries, including persons who are granted share options as an inducement to enter into employment contracts with the Company or any of its subsidiaries; and (ii) related entity participants, being a director or employee of a holding company, a subsidiary of the holding company or an associated company of the Company.

Certain details of the Share Option Schemes are as follows:

- (a) The maximum number of shares issuable upon exercise of the share options which may be granted under the share option schemes and any other share option scheme of the Group to each eligible participant within any 12-month period shall not exceed 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting;
- (b) The exercise period of the share options granted is determinable by the directors of the Company, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the grant of the share options or other expiry date(s) stipulated in the Share Option Schemes, whichever is the earlier;
- (c) The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 by the grantee; and
- (d) The exercise price of the share options is determinable by the directors of the Company, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer, which must be a trading day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares. The share options vest 12 months after the date of grant.
- (e) There is no performance target attached to the share options granted under the Share Option Schemes.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meeting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

33. SHARE OPTION SCHEMES *(continued)*

The following share options were outstanding under the Share Option Schemes during the reporting period:

	2025		2024	
	Weighted average exercise price HK\$ per share	Number of options	Weighted average exercise price HK\$ per share	Number of options
At the beginning of the reporting period	2.3	112,024,400	15.4	23,999,400
Granted	–	–	0.6	106,000,000
Forfeited	8.9	(250,000)	10.0	(17,975,000)
At the end of the reporting period	2.2	111,774,400	2.3	112,024,400

The exercise prices and exercise periods of the share options outstanding at the end of the reporting period are as follows:

At 31 December 2025

Number of options	Exercise price* HK\$ per share	Exercise period
480	13.00	19 July 2017 to 18 July 2026
480	13.00	19 July 2018 to 18 July 2026
24,480	13.00	19 July 2019 to 18 July 2026
24,480	13.00	19 July 2020 to 18 July 2026
24,480	13.00	19 July 2021 to 18 July 2026
2,500,000	35.64	13 March 2018 to 12 March 2028
50,000	9.50	30 May 2019 to 29 May 2029
6,200,000	15.60	4 January 2021 to 3 January 2031
200,000	8.90	4 January 2022 to 3 January 2032
44,750,000	0.55	27 February 2025 to 26 February 2034
58,000,000	0.68	6 June 2025 to 5 June 2034
111,774,400		

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33. SHARE OPTION SCHEMES *(continued)*

At 31 December 2024

Number of options	Exercise price* HK\$ per share	Exercise period
480	13.00	19 July 2017 to 18 July 2026
480	13.00	19 July 2018 to 18 July 2026
24,480	13.00	19 July 2019 to 18 July 2026
24,480	13.00	19 July 2020 to 18 July 2026
24,480	13.00	19 July 2021 to 18 July 2026
2,500,000	35.64	13 March 2018 to 12 March 2028
50,000	9.50	30 May 2019 to 29 May 2029
6,200,000	15.60	4 January 2021 to 3 January 2031
450,000	8.90	4 January 2022 to 3 January 2032
44,750,000	0.55	27 February 2025 to 26 February 2034**
58,000,000	0.68	6 June 2025 to 5 June 2034**
<u>112,024,400</u>		

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

** Share options to be vested.

The total exercisable number of share options and weighted average exercise price are approximately 111,774,400 share options (2024: approximately 9,274,400 share options) and approximately HK\$2.2 per share (2024: approximately HK\$20.6 per share), respectively, at 31 December 2025.

The fair value and exercise price at the grant date and the number of share options were adjusted for the share consolidation with effect from 14 December 2023.

During the year ended 31 December 2024, the fair value of the share options granted was HK\$34,340,000 (HK\$0.32 each). No share option was granted for the year ended 31 December 2025. The Group recognised a share option expense of approximately HK\$16,635,000 (2024: approximately HK\$16,781,000) during the year ended 31 December 2025.

The fair value of equity-settled share options granted during the prior period was estimated at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Expected volatility (%)	73.36%–74.20%
Risk-free interest rate (%)	3.59%–3.78%
Expected life of options (years)	10 years
Weighted average share price (HK\$ per share)	HK\$0.6

The expected life of the options is based on the historical exercise patterns and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

33. SHARE OPTION SCHEMES *(continued)*

No other feature of the share options granted was incorporated into the measurement of fair value.

No share option was exercised during the years ended 31 December 2025 and 2024.

At the end of the reporting period, the Company had 111,774,400 (2024: 112,024,400) share options outstanding under the Share Option Schemes. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 111,774,400 (2024: 112,024,400) additional ordinary shares of the Company and additional share capital of HK\$1,118,000 (2024: HK\$1,120,000) and share premium of HK\$252,156,000 (2024: HK\$254,379,000).

At the date of approval of these financial statements, the Company had 111,774,400 share options outstanding under the Share Option Schemes, which represented approximately 11% of the Company's shares in issue as at that date.

34. RESERVE

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

(a) Share premium

The share premium account of the Group includes: (i) the premium arising from new share issues; and (ii) expenses arising from issuance of shares.

(b) Contributed surplus

Under the Companies Act 1981 of Bermuda, the contributed surplus account of the Company is subject to compliance with the bye-laws of the Company and the laws of Bermuda, is distributable to the shareholders under certain circumstances.

(c) Reserve funds

The reserve funds represent the statutory reserve funds of the Group's subsidiaries incorporated in the Chinese Mainland of the PRC. Appropriations to such reserve funds are made out of profit after tax of the statutory financial statements of these Group's subsidiaries which are restricted as to use, and the amount should not be less than 10% of the profit after tax unless the aggregate amount exceeded 50% of the registered capital of the relevant subsidiaries. The reserve funds can be used to make up prior years' losses of the relevant subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

35. NON-CONTROLLING INTERESTS

The following table shows the information of the Group's material non-controlling interests ("NCI"). The summarised financial information represents amounts before inter-company eliminations.

At 31 December 2025	Sino Partner and its subsidiaries HK\$'000	GLM HK\$'000	Total HK\$'000
Non-current assets	241,877	30,581	272,458
Current assets	84,706	20,601	105,307
Non-current liabilities	(26,296)	(9,096)	(35,392)
Current liabilities	(457,581)	(288,464)	(746,045)
Net assets	(157,294)	(246,378)	(403,672)
NCI %	13.94%	11.44%	
Carrying amounts of NCI	(23,356)	(35,171)	(58,527)*
For the year ended 31 December 2025	HK\$'000	HK\$'000	HK\$'000
Revenue and income	857	4,482	5,339
Cost of sales and expenses	(249,426)	(18,883)	(268,309)
Loss for the year	(248,569)	(14,401)	(262,970)
Total other comprehensive income (loss) for the year	30,310	(590)	29,720
Total comprehensive loss for the year	(218,259)	(14,991)	(233,250)
NCI %	13.94%	11.44%	
Loss for the year attributable to NCI	(34,651)	(1,647)	(36,298)
Total other comprehensive income (loss) for the year attributable to NCI	4,226	(68)	4,158
Total comprehensive loss for the year attributable to NCI	(30,425)	(1,715)	(32,140)**
Net cash flows from (used in):			
Operating activities	8,713	20,168	28,881
Investing activities	(9,096)	(363)	(9,459)
Financing activities	–	(5,403)	(5,403)
Net (decrease) increase in cash and cash equivalents	(383)	14,402	14,019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

35. NON-CONTROLLING INTERESTS (continued)

At 31 December 2024	Sino Partner and its subsidiaries HK\$'000	GLM HK\$'000	Total HK\$'000
Non-current assets	202,305	31,595	233,900
Current assets	274,213	7,227	281,440
Non-current liabilities	(26,296)	(13,571)	(39,867)
Current liabilities	(389,257)	(256,640)	(645,897)
Net assets	60,965	(231,389)	(170,424)
NCI %	13.94%	11.44%	
Carrying amounts of NCI	7,070	(33,457)	(26,387)*
For the year ended 31 December 2024	HK\$'000	HK\$'000	HK\$'000
Revenue and income	40,847	1,288	42,135
Cost of sales and expenses	(92,280)	(32,595)	(124,875)
Loss for the year	(51,433)	(31,307)	(82,740)
Total other comprehensive (loss) income for the year	(21,357)	17,566	(3,791)
Total comprehensive loss for the year	(72,790)	(13,741)	(86,531)
NCI %	13.94%	11.44%	
Loss for the year attributable to NCI	(7,169)	(3,582)	(10,751)
Total other comprehensive (loss) income for the year attributable to NCI	(2,977)	2,010	(967)
Total comprehensive loss for the year attributable to NCI	(10,146)	(1,572)	(11,718)**
Net cash flows from (used in):			
Operating activities	4,757	(11,215)	(6,458)
Investing activities	(3,150)	(589)	(3,739)
Financing activities	(157)	(4,933)	(5,090)
Net increase (decrease) in cash and cash equivalents	1,450	(16,737)	(15,287)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

35. NON-CONTROLLING INTERESTS *(continued)*

- * At 31 December 2025, the Group had NCI with carrying amount of approximately HK\$65,032,000 (total deficit) (2024: HK\$32,892,000, total deficit) of which approximately HK\$58,527,000 (total deficit) and approximately HK\$26,387,000 (total deficit) represented the carrying amounts of material and non-material NCI, respectively.
- ** During the year ended 31 December 2025, the Group had total comprehensive loss for the year attributable to NCI of approximately HK\$32,140,000 (2024: HK\$11,136,000) of which approximately HK\$32,140,000 (2024: HK\$11,718,000) and nil (2024: total comprehensive income of HK\$582,000) represented the amounts of material and non-material NCI, respectively.

During the year ended 31 December 2025, no dividend (2024: Nil) was paid to the NCI.

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the year ended 31 December 2024, the Group had non-cash modification to right-of-use assets and lease liabilities of approximately HK\$8,315,000 and HK\$8,315,000, respectively, in respect of a lease modification for a leased property.
- (ii) During the year ended 31 December 2024, the repayment of convertible bonds amounting to HK\$39,000,000 had been offset with the consideration for 84,782,609 shares allotment to the same counterparty on 13 May 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank borrowings HK\$'000	Lease liabilities HK\$'000	Convertible bonds HK\$'000
At 1 January 2024	37,765	2,820	121,182
Changes from financing cash flows	(19,034)	(3,162)	222,000
Interest paid classified as financing cash flows	(2,026)	(273)	(3,444)
Non-cash changes:			
Remeasurement on lease modification	–	8,315	–
Termination of leases	–	(126)	–
Interest expenses	2,026	273	1,639
Net fair value gains	–	–	(4,073)
Offset with the consideration for the subscription of shares of the Company	–	–	(39,000)
Foreign exchange movement	(2,356)	–	–
At 31 December 2024 and 1 January 2025	16,375	7,847	298,304
Changes from financing cash flows	(2,796)	(3,277)	–
Interest paid classified as financing cash flows	(918)	(340)	(15,000)
Non-cash changes:			
Interest expenses	918	340	15,000
Net fair value gains	–	–	(1,275)
Foreign exchange movement	222	–	–
At 31 December 2025	13,801	4,570	297,029

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2025 HK\$'000	2024 HK\$'000
Within operating activities	2,067	2,065
Within financing activities	3,617	3,435
	5,684	5,500

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

37. COMMITMENT

The Group had the following commitment provided to a joint venture at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Capital contribution	184,021	190,343

38. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions, arrangements and balances detailed elsewhere in these consolidated financial statements, the Group had the following transaction with a related party:

- (i) During the year ended 31 December 2025, the Group has entered into two loan agreements with EV Power (classified as an associate of the Group) through Raise Success, its wholly owned subsidiary. Pursuant to which Raise Success has agreed to grant the principal amount of HK\$30,000,000 with the interest of 8% per annum, out of which HK\$10,000,000 together with the interest accrued thereon would be due and repayable on 13 January 2026 and HK\$20,000,000 together with the interest accrued thereon would be due and repayable on 21 February 2026 (the "Previous Loans").

On 12 January 2026, Raise Success entered into another loan agreement with EV Power, pursuant to which Raise Success has agreed to grant a loan in the principal amount of HK\$42,000,000 which included the Previous Loans with the interest of 8% per annum and repayable in May 2026.

The interest expenses incurred by EV Power was HK\$686,000 for the year ended 31 December 2025.

(b) Compensation of key management personnel of the Group

The directors of the Company comprise the key management personnel of the Group. Details of the compensation of the directors of the Company are included in Note 9.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS BY CATEGORY

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

At 31 December 2025

Financial assets

	Financial assets at FVTPL		Total HK\$'000
	Mandatorily designated HK\$'000	Financial assets at amortised cost HK\$'000	
Loans receivable	–	114,891	114,891
Accounts receivable	–	526	526
Financial assets included in deposits and other receivables	–	135,913	135,913
Financial assets at FVTPL	392,736	–	392,736
Cash and cash equivalents	–	538,828	538,828
	392,736	790,158	1,182,894

Financial liabilities

	Financial liabilities at FVTPL		Total HK\$'000
	Financial liabilities at FVTPL HK\$'000	Financial liabilities at amortised cost HK\$'000	
Accounts payable	–	7,835	7,835
Financial liabilities included in other payables and accruals	–	248,476	248,476
Interest-bearing bank borrowings	–	13,801	13,801
Convertible bonds	297,029	–	297,029
	297,029	270,112	567,141
Lease liabilities	–	4,570	4,570

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS BY CATEGORY *(continued)*

At 31 December 2024

Financial assets

	Financial assets at FVTPL	Financial assets at amortised cost	Total
	Mandatorily designated HK\$'000	amortised cost HK\$'000	Total HK\$'000
Loans receivable	–	159,157	159,157
Accounts receivable	–	8,596	8,596
Financial assets included in deposits and other receivables	–	226,211	226,211
Financial assets at FVTPL	1,070,156	–	1,070,156
Cash and cash equivalents	–	464,844	464,844
	1,070,156	858,808	1,928,964

Financial liabilities

	Financial liabilities at FVTPL	Financial liabilities at amortised cost	Total
	HK\$'000	HK\$'000	Total HK\$'000
Accounts payable	–	83,244	83,244
Financial liabilities included in other payables and accruals	–	256,825	256,825
Interest-bearing bank borrowings	–	16,375	16,375
Convertible bonds	298,304	–	298,304
	298,304	356,444	654,748
Lease liabilities	–	7,847	7,847

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank borrowings, convertible bonds, and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities, which mainly arise directly from its operations or its investing activities.

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

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings with floating interest rates. The Group's policy is to obtain the most favourable interest rates available for its borrowings.

For JPY floating-rate bank borrowings, a 1% increase/decrease in interest rates at 31 December 2025, with all other variables held constant, would have increased/decreased the Group's loss before tax for the year ended 31 December 2025 by HK\$138,000 (2024: HK\$164,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the beginning of the reporting period and had been applied to the exposure to interest rate risk for interest-bearing bank borrowings in existence at the end of the reporting period. The stated changes represent management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period. The analysis is performed on the same basis for the year ended 31 December 2024.

In the opinion of the management of the Group, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at 31 December 2025 and 2024 does not reflect the exposure during the years ended 31 December 2025 and 2024.

In addition, the Group's financial instruments measured at amortised cost are considered not to materially expose to fair value interest rate risk at 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

Foreign currency risk

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Group currently does not have a foreign currency policy to hedge its currency exposure arising from the net assets of the Group's foreign operations.

The Group also has transactional currency exposures mainly arising from sales or purchases by operating units in currencies other than the units' functional currencies. The currency giving rise to this risk is primarily EUR. The Group mitigates this risk by conducting the sales and purchases transactions in the same currency, whenever possible.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the EUR exchange rates, with all other variables held constant, of the Group's loss before tax (arising from EUR denominated financial instruments).

	Increase/ (decrease) in EUR rate %	Decrease/ (increase) in loss before tax HK\$'000
31 December 2025		
If the Hong Kong dollar weakens against the EUR	5	6
If the Hong Kong dollar strengthens against the EUR	(5)	(6)
<hr/>		
	Increase/ (decrease) in EUR rate %	Decrease/ (increase) in loss before tax HK\$'000
<hr/>		
31 December 2024		
If the Hong Kong dollar weakens against the EUR	5	153
If the Hong Kong dollar strengthens against the EUR	(5)	(153)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to Group's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The stated changes in foreign currency represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual end of the reporting period. The analysis is performed on the same basis for the year ended 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

Foreign currency risk *(continued)*

In the opinion of the management of the Group, the sensitivity analysis is unrepresentative of the inherent foreign currency risk because the exposure at 31 December 2025 and 2024 does not reflect the exposure during the years ended 31 December 2025 and 2024.

Credit risk

The Group mainly transacts on credit with creditworthy customers. Receivable balances are monitored on an on-going basis. In respect of loans receivable, individual credit evaluations are performed on borrowers. These evaluations take into account information specific to the borrowers such as the result of the borrowers' credit assessment performed by independent credit management service agents, their financial condition and the Group's past experience with the borrowers. Certain of these loans receivable is secured by certain assets of the respective borrowers or personal guarantees. The Group assesses the quality of collaterals by assessing the financial condition of the guarantors, the validity and value of the collaterals, if applicable.

Maximum exposure and period-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and period-end staging classification at the end of the reporting period. The amounts presented are gross carrying amounts for financial assets.

At 31 December 2025

	12-month ECLs		Lifetime ECLs		Total HK\$'000
	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	Simplified approach HK\$'000	
Loans receivable					
— Normal**	84,930	—	—	—	84,930
— Doubtful**	—	—	178,978	—	178,978
Accounts receivable*	—	—	—	4,450	4,450
Financial assets included in deposits and other receivables					
— Normal**	170,913	—	—	—	170,913
— Doubtful**	—	—	407,626	—	407,626
Cash and cash equivalents					
— Not yet past due	538,828	—	—	—	538,828
Total	794,671	—	586,604	4,450	1,385,725

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

Credit risk *(continued)*

Maximum exposure and period-end staging *(continued)*

At 31 December 2024

	12-month	Lifetime ECLs			Total
	ECLs	ECLs			
	Stage 1	Stage 2	Stage 3	Simplified	
	HK\$'000	HK\$'000	HK\$'000	approach	HK\$'000
				HK\$'000	
Loans receivable					
— Normal**	136,527	—	—	—	136,527
— Doubtful**	—	22,587	78,000	—	100,587
Accounts receivable*	—	—	—	10,117	10,117
Financial assets included in deposits and other receivables					
— Normal**	236,146	—	—	—	236,146
— Doubtful**	—	400,258	7,368	—	407,626
Cash and cash equivalents					
— Not yet past due	464,844	—	—	—	464,844
Total	837,517	422,845	85,368	10,117	1,355,847

* For accounts receivable to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in Note 25.

** The credit quality of loans receivable and the financial assets included in deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the respective financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

At 31 December 2025, the Group had certain concentrations of credit risk in relation to accounts receivable as approximately 70% (2024: 39%) and approximately 98% (2024: 74%) of the Group's accounts receivable were due from its largest trade debtor and five largest trade debtors, respectively.

At 31 December 2025, the Group had certain concentrations of credit risk in relation to loans receivable as approximately 31% (2024: 33%) and approximately 99% (2024: 97%) of the Group's loans receivable were due from its largest borrower and five largest borrowers, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

Equity price risk

Equity price risk is the risk that the fair values of investment securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual listed equity investments and unlisted investments included in financial assets at FVTPL (Note 21) at 31 December 2025 and 2024. The Group's listed equity investments are listed on the Stock Exchange and are valued at quoted market prices at the end of the reporting period.

The following table demonstrates the sensitivity to a 10% change in the fair values of the investment securities, with all other variables held constant, of the Group's loss before tax, based on their carrying amounts at the end of the reporting period.

	Carrying amount HK\$'000	Change in loss before tax HK\$'000
At 31 December 2025		
Listed equity investments in Hong Kong	26,748	2,675
Investment in wealth management products in the Chinese Mainland of the PRC	11,475	1,148
Unlisted investments	394,609	39,461
	Carrying amount HK\$'000	Change in loss before tax HK\$'000
At 31 December 2024		
Listed equity investments in Hong Kong	31,315	3,132
Unlisted investments	1,059,484	105,948

The sensitivity analysis has been determined assuming that the reasonably possible changes in the fair values of the listed equity investments, investment in wealth management products and unlisted investments included in financial assets at FVTPL had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. The stated changes represent the management's assessment of reasonably possible changes in the fair values of the listed equity investments, investment in wealth management products and unlisted investments included in financial assets at FVTPL over the next 12 months after the reporting period. The analysis is performed on the same basis for the year ended 31 December 2024.

In the opinion of the management of the Group, the sensitivity analysis is unrepresentative of the equity price risk because the exposure at 31 December 2025 and 2024 does not reflect the exposure for the years ended 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

Liquidity risk

The Group's objective is to ensure there are adequate funds to meet its contractual payments for financial liabilities in the short and longer terms. In the management of liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by the Group's management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Cash flows of the Group are closely monitored by the Group's senior management on an ongoing basis.

The maturity profile of the Group's financial liabilities at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	On demand or less than 1 year HK\$'000	1 to 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
At 31 December 2025				
Accounts payable	7,835	–	–	7,835
Financial liabilities included in other payables and accruals	248,476	–	–	248,476
Interest-bearing bank borrowings	4,819	3,938	5,662	14,419
Convertible bonds	314,959	–	–	314,959
Lease liabilities	3,617	1,125	–	4,742
Total	579,706	5,063	5,662	590,431
At 31 December 2024				
Accounts payable	83,244	–	–	83,244
Financial liabilities included in other payables and accruals	256,825	–	–	256,825
Interest-bearing bank borrowings	2,923	7,581	6,610	17,114
Convertible bonds	15,575	314,384	–	329,959
Lease liabilities	3,617	4,742	–	8,359
Total	362,184	326,707	6,610	695,501

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. FAIR VALUE MEASUREMENT AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) Fair value of current portion of financial instruments

Management has assessed that the fair values of cash and cash equivalents, accounts receivable, the current portion of loans receivable, the current portion of financial assets included in deposits and other receivables, accounts payable, financial liabilities included in other payables and accruals, and the current portion of interest-bearing bank borrowings reasonably approximate to their carrying amounts largely due to the short term maturities of these instruments or the effect of discounting is not material.

(ii) Fair value of non-current portion of financial instruments

The fair values of the non-current portions of loans receivable, financial assets included in deposits and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings at the end of the reporting period were assessed to be insignificant. In the opinion of the directors of the Company, the fair values of these financial instruments reasonably approximate to their carrying amounts.

(iii) Fair value of listed equity investments

The fair value of listed equity investments is based on quoted market prices.

(iv) Fair value of wealth management products

The fair value of wealth management products is based on statements available from a licensed bank.

(v) Fair value of the preferred shares

The fair values of the preferred shares included in unlisted investments have been determined by equity value allocation method with option pricing model or scenario analysis. The underlying equity values have been determined based on market-based approach, such as certain earnings multiples, or income approach, such as discounted cash flows.

(vi) Fair value of convertible bonds

The fair value of the convertible bond has been determined using the Hull's binomial tree model, which incorporates the interest rate curves and the price evolution of the Company's shares over the validity period of the convertible bond.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. FAIR VALUE MEASUREMENT AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value measurement *(continued)*

Below is a summary of significant unobservable inputs to the valuation of financial instruments which are measured at fair values and categorised as level 3 fair value measurements, together with the corresponding quantitative sensitivity analysis:

Financial instruments	Valuation techniques	Significant unobservable inputs	Percentage/ratio/year	Sensitivity of fair value to the input
Unlisted equity investments — Preferred shares of EV Power and Divergent	Equity value allocation method	Risk-free rate	approximately 3.65% (2024: 4.25% to 4.41%)	1 percentage point increase in risk-free rate would result in increase in fair value by approximately HK\$313,000 (2024: HK\$2,015,000)
		Volatility	approximately 56.92% (2024: 52.89% to 95.87%)	10% increase in volatility would result in decrease in fair value by approximately HK\$8,141,000 (2024: HK\$8,333,000)
		Time to liquidity	1 year (2024: 1 year to 3 years)	1 year increase in time to liquidity would result in decrease in fair value by approximately HK\$40,000 (2024: HK\$34,000)
Wealth management products	The redemption value (which is approximate to the fair value) as stated in the statements available from a licensed bank	N/A	N/A	N/A
Convertible bonds	Hull's binomial tree model	Risk-free rate	approximately 2.21% (2024: 3.39%)	1 percentage point increase in risk-free rate would result in decrease in fair value by approximately HK\$2,294,000 (2024: HK\$4,385,000)
		Bond yield	approximately 9.69% (2024: 9.49%)	1 percentage point increase in bond yield would result in decrease in fair value by approximately HK\$2,353,000 (2024: HK\$4,414,000)
		Volatility	approximately 70.0% (2024: 90.0%)	10% increase in volatility would result in increase in fair value by approximately HK\$4,504,000 (2024: HK\$4,593,000)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. FAIR VALUE MEASUREMENT AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy

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

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

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

(a) Assets measured at fair value

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
At 31 December 2025				
Financial assets at FVTPL (exclude share of loss of an associate) (Note 21)				
— Listed equity investments	26,748	—	—	26,748
— Unlisted equity investments on preferred shares	—	—	394,609	394,609
— Wealth management products	—	—	11,475	11,475
	26,748	—	406,084	432,832

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. FAIR VALUE MEASUREMENT AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy *(continued)*

(a) Assets measured at fair value *(continued)*

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
At 31 December 2024				
Financial assets at FVTPL (exclude share of loss of an associate) (Note 21)				
— Listed equity investments	31,315	–	–	31,315
— Unlisted equity investments on preferred shares	–	–	1,059,484	1,059,484
	31,315	–	1,059,484	1,090,799

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. FAIR VALUE MEASUREMENT AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy *(continued)*

(a) Assets measured at fair value *(continued)*

The movements of the financial assets at FVTPL are analysed as follows:

	Unlisted equity investments on preferred shares HK\$'000	Listed equity investments HK\$'000	Wealth management products HK\$'000	Total HK\$'000
At 1 January 2024	1,492,588	42,406	–	1,534,994
Net changes in fair value recognised in profit or loss	(316,104)	(11,091)	–	(327,195)
Disposals	(117,000)	–	–	(117,000)
At 31 December 2024 and 1 January 2025	1,059,484	31,315	–	1,090,799
Net changes in fair value recognised in profit or loss	2,659	(4,567)	322	(1,586)
Additions	–	–	11,144	11,144
Disposals	(667,534)	–	–	(667,534)
Exchange alignment	–	–	9	9
At 31 December 2025	394,609	26,748	11,475	432,832
Changes in unrealised fair value (losses) gains for the period included in profit or loss held at:				
At 31 December 2024	(313,494)	(11,091)	–	(324,585)
At 31 December 2025	(6,240)	(4,567)	322	(10,485)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. FAIR VALUE MEASUREMENT AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy *(continued)*

(b) Liabilities measured at fair value

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
At 31 December 2025				
Convertible bonds (Note 30)	–	–	297,029	297,029

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
At 31 December 2024				
Convertible bonds (Note 30)	–	–	298,304	298,304

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. FAIR VALUE MEASUREMENT AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy *(continued)*

(b) Liabilities measured at fair value *(continued)*

The movements of the convertible bonds are analysed as follows:

	Convertible bonds HK\$'000
At 1 January 2024	121,182
Net fair value gains recognised in profit or loss	(4,073)
Interest expenses	1,639
Additions	300,000
Settlement through repayments	(81,444)
Settlement through offsetting with the consideration of the subscription of the shares of the Company	(39,000)
At 31 December 2024 and 1 January 2025	298,304
Net fair value gains recognised in profit or loss	(1,275)
Interest expenses	15,000
Settlement through repayments	(15,000)
At 31 December 2025	297,029
Changes in unrealised fair value gains for the period included in profit or loss for convertible bonds held at:	
At 31 December 2024	2,272
At 31 December 2025	1,275

42. CAPITAL MANAGEMENT

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

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

The Group monitors capital using a gearing ratio, which is calculated by dividing total debts, which comprise interest-bearing bank borrowings (excluded convertible bonds), by total equity. At 31 December 2025, the Group's gearing ratio was approximately 1.0% (2024: 0.8%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

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

	Note	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		70	1,154
Right-of-use assets		4,611	7,418
Other intangible asset		40,000	–
Investments in subsidiaries		141,350	158,697
Deposits		2,378	2,378
Financial assets at FVTPL		26,748	31,315
Deferred tax assets		45	45
Total non-current assets		215,202	201,007
Current assets			
Prepayments, deposits and other receivables		122,960	157,064
Financial assets at FVTPL		–	116,328
Due from subsidiaries		978,153	1,126,313
Cash and cash equivalents		473,173	358,480
Total current assets		1,574,286	1,758,185
Current liabilities			
Due to a subsidiary		189,318	234,981
Other payables and accruals		5,901	34,252
Lease liabilities		3,457	3,277
Convertible bonds		297,029	298,304
Total current liabilities		495,705	570,814
Net current assets		1,078,581	1,187,371
Total assets less current liabilities		1,293,783	1,388,378
Non-current liabilities			
Lease liabilities		1,113	4,570
Total non-current liabilities		1,113	4,570
NET ASSETS		1,292,670	1,383,808
Capital and reserves			
Share capital		10,224	10,224
Reserves	43(a)	1,282,446	1,373,584
TOTAL EQUITY		1,292,670	1,383,808

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

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

	Share premium HK\$'000 Note (i)	Contributed surplus HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2024	–	7,573,141	169,665	(4,629,425)	3,113,381
Loss and total comprehensive loss for the year	–	–	–	(2,002,404)	(2,002,404)
Issue of shares (Note 32)	248,610	–	–	–	248,610
Share issue expenses	(2,784)	–	–	–	(2,784)
Equity-settled share option arrangements	–	–	16,781	–	16,781
Transfer of share option reserve upon the forfeiture of share options	–	–	(77,675)	77,675	–
At 31 December 2024 and 1 January 2025	245,826	7,573,141	108,771	(6,554,154)	1,373,584
Loss and total comprehensive loss for the year	–	–	–	(107,773)	(107,773)
Equity-settled share option arrangements	–	–	16,635	–	16,635
Transfer of share option reserve upon the forfeiture of share options	–	–	(1,208)	1,208	–
At 31 December 2025	245,826	7,573,141	124,198	(6,660,719)	1,282,446

Note:

- (i) The application of share premium is governed by Section 40 of the Companies Act 1981 of Bermuda (as amended). The share premium account may be applied in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

The share premium account of the Company includes: (i) the premium arising from new share issues; and (ii) expenses arising from issuance of shares.

44. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the directors of the Company on 31 March 2026.

PARTICULARS OF PROPERTIES HELD BY THE GROUP

31 December 2025

INVESTMENT PROPERTIES

Properties	Attributable interest of the Group	Ownership	Tenure	Existing use
Shop No. 277–279, Block D of 3, Zone B, Phase 1 of Huaqiang City Garden, Fuyong Jiedao, Bao'an District, Shenzhen City, Guangdong Province, the PRC	100%	Leasehold	Long term lease	Leased