INNOVAX HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock code : 2680

ANNUAL REPORT
2025/26

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chung Chi Man
Mr. Poon Siu Kuen, Calvin

Independent Non-executive Directors

Ms. Chan Ka Lai, Vanessa
Dr. Wu Kwun Hing
Mr. Kwong Hon Nan, Eric

AUDIT COMMITTEE

Ms. Chan Ka Lai, Vanessa *(Chairlady)*
Dr. Wu Kwun Hing
Mr. Kwong Hon Nan, Eric

REMUNERATION COMMITTEE

Mr. Kwong Hon Nan, Eric *(Chairman)*
Dr. Wu Kwun Hing
Ms. Chan Ka Lai, Vanessa

NOMINATION COMMITTEE

Dr. Wu Kwun Hing *(Chairman)*
Ms. Chan Ka Lai, Vanessa
Mr. Kwong Hon Nan, Eric

REGISTERED OFFICE

Cricket Square Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1201-1202 & 1212, 12/F,
West Tower, Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
(ceased with effect from 12 March 2025)
Shops 1712-1716
17/F, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Union Registrars Limited
(with effect from 12 March 2025)
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

COMPANY SECRETARY

Ms. Chau Lok Yi

LEGAL ADVISERS

JINGTIAN & GONGCHENG LLP
Suites 3203-3207
32/F., Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

AUDITOR

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Chong Hing Bank Limited
Hang Seng Bank Limited
The Hong Kong and Shanghai Banking Corporation Limited

WEBSITE

www.innovax.hk

This Annual Report has been issued in the English language with a separate Chinese language translation. If there is any conflict in the Annual Report between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Director(s)") of Innovax Holdings Limited (the "Company"), I hereby present the annual report and audited consolidated financial statements of the Company and its subsidiaries (together the "Group") for the year ended 28 February 2026 (the "Year").

MARKET REVIEW

During the Year, the global economy sustained a modest recovery, though it remained vulnerable to persistent challenges. Major economies posted stronger-than-expected GDP growth in the second quarter of 2025, yet manufacturing activity continued to lag and future output expectations were subdued. The US introduced new tariffs and adjusted trade policies, disrupting global supply chains and adding to geopolitical uncertainty. Central banks around the world maintained accommodative monetary stances, with some regions contemplating further rate cuts. Inflationary pressures eased across most economies but stayed elevated relative to historical norms. The industrial adoption of artificial intelligence expanded, though not all firms met revenue expectations, tempering investor enthusiasm.

China's economy remained stable during the Year, although its growth rate slightly trailed the performance during the year ended 28 February 2025. In response to ongoing domestic and external pressures, the Chinese government intensified its policy support through tax reductions, increased infrastructure investment, and initiatives to stimulate consumption. Industrial production remained consistent and the property sector continued to weigh on domestic demand, while exports experienced fluctuations due to US trade measures.

Hong Kong's economy maintained moderate growth, supported by improvements in external trade. However, the city faced headwinds from China's economic deceleration and global uncertainties. The retail sector struggled with evolving consumer behavior and rising cross-border spending, while the residential property market remained in a correction phase, marked by declining transaction volumes and prices.

In the US, the stock market posted strong gains throughout the Period, buoyed by better-than-expected corporate earnings and growing expectations of monetary easing and interest rate cut. The technology sector including AI and semiconductor industries continued to attract significant capital inflows, reinforcing investor confidence. The Dow Jones index, the S&P 500 index and the Nasdaq Composite increased by approximately 11.7%, approximately 15.5% and approximately 20.3% respectively, closing at 48,978, 6,878, 22,667 respectively.

During the Year, the Shanghai Stock Exchange Composite Index, the Shenzhen Stock Exchange Composite Index and the ChiNext Index increased by approximately 25.3%, approximately 36.7% and approximately 52.5% respectively, closing at 4,160, 14,496 and 3,311 respectively, and the Hang Seng Index increased by approximately 16.1%, closing at 26,630 and the average daily trading turnover of the Hong Kong stock market increased to approximately HK$246.8 billion by approximately 161.6%, as compared to the year ended 28 February 2025. Regarding Hong Kong IPO market, in 2025, the Hong Kong IPO market reclaimed the top position globally in terms of capital raised. The total amount of funds raised from newly listed companies on the main board (the "Main Board") and GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") increased by approximately 225% to approximately HK$285.8 billion, and the number of newly listed companies on the Main Board and GEM increased by approximately 68% to 119, as compared to 2024. This surge was driven by a combination of mega-sized "A+H" listings, technological sector growth, and strategic market reforms, including the implementation of the Accelerated Timeframe for eligible A-share listed companies and the FINI platform streamlined the approval and settlement process.

COMPANY OVERVIEW

The Group is an integrated financial and securities services provider licensed to conduct type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") and money lending business under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

The Group provides a wide range of financial and securities services to its clients. Its services cover corporate finance advisory services including (i) IPO sponsorship services; (ii) financial and independent financial advisory services; and (iii) compliance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services, research services, asset management services and money lending services.

During the Year, the Group's total revenue was approximately HK$22.7 million, representing an decrease of approximately 86.3%, as compared to the year ended 28 February 2025. Notwithstanding that the revenue derived from the Group's corporate finance advisory business, securities dealing and brokerage business and asset management business increased by approximately 16.1%, 85.3% and 661.8% respectively, as compared to the year ended 28 February 2025, the decrease in the Group's total revenue was mainly attributable to (i) that due to investors becoming more selective and demanding higher yields and stronger credit profiles to compensate for rising risks, the Group did not participate in the underwriting for issue of bonds during the Year, resulting in the significant decrease in the income generated from the placing and underwriting business, and (ii) the decrease in the interest income generated from the securities financing business given the Group's continuous prudent approach and strategy to reduce its risk exposure under the highly volatile market conditions during the Year.

During the Year, the Group recorded a profit and total comprehensive income of approximately HK$11.7 million, as compared with a loss and total comprehensive expense of approximately HK$35.3 million for the year ended 28 February 2025. The turnaround from loss to profit as at year ended 28 February 2026 was mainly attributable to the net realised gain on financial assets at fair value through profit or loss of approximately HK$29.1 million and the net unrealised loss on financial assets at fair value through profit or loss of approximately HK$1.8 million, as compared with the net unrealised loss on financial assets at fair value through profit or loss of approximately HK$16.3 million and the net realised loss on financial assets at fair value through profit or loss of approximately HK$9.8 million for the year ended 28 February 2025.

The Group remains cautiously optimistic about a gradual stabilisation and improvement in the financial market. The anticipated easing of monetary policy by the US Federal Reserve, driven by declining inflationary pressures, may provide some relief to global markets. Artificial intelligence and high-tech industries are expected to drive new waves of economic expansion, with companies increasingly integrating AI-driven innovations into their business models. In China, proactive fiscal and monetary policies are expected to continue supporting domestic economic recovery, but challenges remain, including a fragile property sector and muted consumer sentiment. Meanwhile, the global economy faces growth challenges amid heightened uncertainties including escalating trade tensions, financial market fluctuations, persisting geopolitical risks especially with the prolonged Russia-Ukraine conflict and escalating tensions in the Middle East, and heightened policy uncertainty, could further hinder short- and long-term economic prospects and contribute to ongoing market volatility.

Against this backdrop, the Group recognises that the business environment in the coming financial year will remain complex and challenging. The Group will closely monitor regulatory updates, trade developments and technological advancements to mitigate risks and seize opportunities. The Group will continue to adopt a prudent and disciplined approach to manage market and operational risks by continuing to enhance its risk management and credit control capabilities, and will stay vigilant and aware of impacts from adverse market condition and operational environment by following disciplined cost control strategy.

As a comprehensive financial and securities services platform, the Group will focus on strengthening its core business by expanding product range, enhancing service offerings, and growing customer base. At the same time, the Group will actively explore strategic opportunities for business diversification to drive long-term development.

The supportive stance of the Hong Kong and Chinese governments towards the financial sector of Hong Kong, including ongoing enhancements to the listing regime, development of offshore RMB business and reinforcement of Hong Kong's role in the Greater Bay Area, remains encouraging. The Group believes that Hong Kong will continue to play a pivotal role as an international financial centre and a gateway to the Chinese market. The Group will continue to align with national strategies and leverage its overseas network and talent pool to pursue cross-border business expansion and foster strategic partnerships.

ACKNOWLEDGEMENT

On behalf of the Board, I wish to extend my sincere appreciation to the senior management and staff of the Group for their dedication and resilience, and to the Directors for their guidance and support.

I would also like to express heartfelt gratitude to our valued clients for their continued trust, and to our shareholders for their unwavering confidence in the Group. We are equally thankful to our business partners, including banking institutions, for their steadfast support throughout the Year.

Together, we will strive to drive sustainable growth and create greater value for all stakeholders.

Chung Chi Man
Chairman
Hong Kong, 29 May 2026

BUSINESS OVERVIEW

The Group is an integrated financial and securities services provider licensed to conduct type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") and money lending business under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

The Group provides a wide range of financial and securities services to its clients. Its services cover corporate finance advisory services including (i) IPO sponsorship services; (ii) financial and independent financial advisory services; and (iii) compliance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services, research services, asset management services and money lending services.

During the Year, the Group's total revenue was approximately HK$22.7 million, representing an decrease of approximately 86.3%, as compared to the year ended 28 February 2025. Notwithstanding that the revenue derived from the Group's corporate finance advisory business, securities dealing and brokerage business and asset management business increased by approximately 16.1%, 85.3% and 661.8% respectively, as compared to the year ended 28 February 2025, the decrease in the Group's total revenue was mainly attributable to (i) that due to investors becoming more selective and demanding higher yields and stronger credit profiles to compensate for rising risks, the Group did not participate in the underwriting for issue of bonds during the Year, resulting in the significant decrease in the income generated from the placing and underwriting business, and (ii) the decrease in the interest income generated from the securities financing business given the Group's continuous prudent approach and strategy to reduce its risk exposure under the highly volatile market conditions during the Year.

During the Year, the Group recorded a profit and total comprehensive income of approximately HK$11.7 million, as compared with a loss and total comprehensive expense of approximately HK$35.3 million for the year ended 28 February 2025. The turnaround from loss to profit as at 28 February 2026 was mainly attributable to the net realised gain on financial assets at fair value through profit or loss of approximately HK$29.1 million and the net unrealised loss on financial assets at fair value through profit or loss of approximately HK$1.8 million, as compared with the net unrealised loss on financial assets at fair value through profit or loss of approximately HK$16.3 million and the net realised loss on financial assets at fair value through profit or loss of approximately HK$9.8 million for the year ended 28 February 2025.

Corporate Finance Advisory Services

During the Year, the Group was engaged in a total of 45 corporate finance advisory projects (2025: 45 projects), including 7 IPO sponsorship projects (2025: 7 projects), 29 financial and independent financial advisory projects (2025: 29 projects) and 9 compliance advisory projects (2025: 9 projects). Income generated from the corporate finance advisory business amounted to approximately HK$9.9 million, representing an increase of approximately 16.1% from approximately HK$8.5 million for the year ended 28 February 2025.

The Group has been actively maintaining frequent contacts with existing clients to identify business opportunities with them. Leveraging on the resources and network of the Group's senior management, the Group has been proactively approaching new clients from different geographical locations and with demand for different corporate finance services so as to broaden its project reserves.

IPO sponsorship services

Leveraging on its competitiveness and solid experience, provision of IPO sponsorship services remains as the Group's core business. During the Year, the Group was engaged in 7 IPO sponsorship projects (2025: 7 projects) and income generated from provision of IPO sponsorship services was approximately HK$3.5 million (2025: approximately HK$2.0 million).

During the Year, the Group did not complete any IPO sponsorship project.

Financial and independent financial advisory services

The Group's financial advisory services mainly include (i) acting as financial adviser to Hong Kong listed companies and their major shareholders on notifiable transactions under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the Rules Governing the Listing of Securities on GEM (the "GEM Listing Rules"); and (ii) acting as financial adviser to major shareholders of listed companies in Hong Kong and investors seeking to control or invest in listed companies in Hong Kong on matters falling within the ambit of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Independent financial advisory services include acting as independent financial adviser to independent board committee and/or independent shareholders of listed companies in Hong Kong on transactions under the Listing Rules, the GEM Listing Rules and the Takeovers Code.

During the Year, the Group was engaged in 21 financial advisory projects (2025: 23 projects) and 8 independent financial advisory projects (2025: 6 projects) and income generated from provision of financial and independent financial advisory services was approximately HK$4.8 million (2025: approximately HK$4.5 million).

Compliance advisory services

The Group acts as compliance adviser to newly listed and existing listed companies on the Main Board or GEM and advises them on post-listing compliance matters.

During the Year, the Group was engaged in 9 compliance advisory projects (2025: 9 projects) and income generated from provision of compliance advisory services was approximately HK$1.6 million (2025: approximately HK$2.0 million).

Placing and Underwriting Services

The Group provides placing and underwriting services by acting as (i) placing or sub-placing agent or underwriter or sub-underwriter or distributor for issue of new shares by listed companies or placing of existing shares of listed companies; (ii) overall coordinator or bookrunner or lead manager or underwriter or sub-underwriter or distributor for IPOs of listing applicants; and (iii) bookrunner or underwriter or sub-underwriter for issue of bonds by listed or unlisted corporations, in return for placing and/or underwriting commission income.

During the Year, the Group participated and/or completed 6 placing and underwriting projects (2025: 33 projects), including 2 transactions as sub-placing agent or distributor for issue of new shares by listed companies, 1 transaction as placing agent for placing of existing shares of a listed company, 2 transaction as placing agent for issue of new shares of a listed company and 1 transaction as joint bookrunner and joint lead manager for an IPO of a listing applicant. Due to investors becoming more selective and demanding higher yields and stronger credit profiles to compensate for rising risks, during the Year, the Group did not participate in the underwriting for issue of bonds, while during last year, the Group participated in 25 transactions as bookrunner and underwriter for issue of bonds by unlisted corporations, resulting in the significant decrease in the income generated from the placing and underwriting business was approximately HK$1.8 million (2025: approximately HK$151.5 million). On the other hand, the cost related to the underwriting for issue of bonds which included in other operating expenses decreased significantly in line.

The Group will leverage its expertise and extensive industry network to secure more equity placing and underwriting projects and will continue to further expand its product and service coverage. With the continuous improvement in the IPO market sentiment and liquidity of the stock market, the Group is optimistic with the future growth of its equity placing and underwriting business.

Securities Dealing and Brokerage Services

The Group provides securities dealing and brokerage services to its clients for trading in securities listed on the Main Board or GEM or the US stock markets in return for brokerage commission income.

As at 28 February 2026, the Group had 1,296 securities accounts maintained in Innovax Securities Limited (2025: 1,003) and the commission income generated from the securities dealing and brokerage business was approximately HK$5.3 million during the Year (2025: approximately HK$2.9 million).

The Group continuously evaluates and expands its range of services of its securities dealing and brokerage business to meet the evolving needs of clients and capitalise on the market trends. To this end, the Group plans to further enhance its existing services offerings and expand its service coverage, including discretionary account management services, wealth management services and trading and brokerage services for securities listed in the US or other overseas stock markets.

Securities Financing Services

The Group provides securities financing services by providing (i) margin financing to its clients for purchasing securities on the secondary market; and (ii) IPO financing to its clients for subscribing shares offered under public tranche of IPOs.

As at 28 February 2026, the total outstanding balance of margin loans amounted to approximately HK$19.3 million (2025: approximately HK$13.4 million) and the interest income generated from the securities financing business was approximately HK$2.0 million during the Year (2025: approximately HK$2.6 million). The Group will maintain the prudent approach and strategy to reduce its risk exposure under the highly volatile market condition.

The Group continuously evaluates and expands its range of services of its securities dealing and brokerage business to meet the evolving needs of clients and capitalise on the market trends. To this end, the Group plans to further enhance its existing service offerings and expand its service coverage, including discretionary account management services, wealth management services and trading and brokerage services for securities listed in the US or other overseas stock markets.

Asset Management Services

The Group provides fund management services to professional investors as well as discretionary account management services to its clients.

As at 28 February 2026, the aggregated asset under management and investment funds was approximately HK$216.3 million (as at 28 February 2025: approximately HK$69.2 million). With the increase of the asset under management as compared to the last year, the income generated from the asset management business during the Year increased to approximately HK$3.7 million (2025: approximately HK$0.5 million), representing an increase of approximately 661.8%.

The Group aims to provide clients with more comprehensive and sophisticated range of investment solutions through expanding its discretionary account management services and setting up more specialised investment funds including multi-strategies investment funds and private equity funds, via the Group's existing open-ended fund companies structure in Hong Kong, which is registered with the Securities and Futures Commission ("SFC"), or Cayman Island fund structure or limited partnership fund structure, to cater for the evolving needs of clients and capitalise on market opportunities.

Money Lending Services

The Group provides money lending services through Innovax Credit Limited. The business has been classified as discontinued operation following it decided to dispose after year ended.

During the Year, the Group had provided personal loan services and corporate loan services. Clients are generally solicited through (i) proactively approaching by the Group's management and (ii) referral from existing clients. The source of funds of the money lending business is mainly from the Groups' internal resources.

Details of the Group's money lending business for the two years ended 28 February 2026 are as follows:

	2026	2025
Personal loans		
Number of personal loans (per person)	**11**	10
Outstanding principal amount of personal loans (HK$'000)	**28,488**	27,354
Range of interest rates (per annum)	**3%–10%**	3%–15%
Corporate loans		
Number of corporate loans (per corporate)	**2**	1
Outstanding principal amount of corporate loans (HK$'000)	**4,077**	2,443
Interest rate (per annum)	**5%–10%**	5%

The Group will only advance new loans to those borrowers who have good financial credit rating and all overdue balances are reviewed regularly by the Group's senior management.

During the Year, the interest income from the money lending business was approximately HK$2.4 million (2025: approximately HK$1.7 million) and accounted for approximately 9.6% (2025: approximately 1.0%) of the Group's revenue. The loan receivables as at 28 February 2026 was approximately HK$32.6 million (2025: approximately HK$29.8 million). During the Year, the Group's money lending business did not record any doubtful or bad debt.

As at 28 February 2026, the amount of loan receivables due from the largest borrower and the five largest borrowers were approximately HK$8.8 million (approximately 27.0% of the total loan receivables) (2025: approximately HK$8.8 million (approximately 29.5% of the total loan receivables)) and approximately HK$22.9 million (approximately 70.2% of the total loan receivables) (2025: approximately HK$22.8 million (approximately 76.6% of the total loan receivables)) respectively.

On 25 Sep 2025, the Group's management approved the sales of 100% issued shared for the companies of Innovax Credit Limited and Innovax Management Limited to Maine Sky Limited which is a BVI company and held as 100% by Mr. Chung Chi Man, an executive director of the Company. The money lending business thereafter classified as "Discontinued operations".

Future Contracts Dealing and Brokerage Services

Since June 2019 and up to 14 August 2025, the Group had been licensed to conduct type 2 (dealing in future contracts) regulated activity. During the aforesaid period, the Group did not conduct any business in relation to dealing in future contacts and therefore, no revenue was generated from the future contracts dealing and brokerage business. The Group plans to apply to the SFC for the license to conduct the type 2 (dealing in future contracts) regulated activity when it deems the time appropriate to commence the future contracts dealing and brokerage business.

FINANCIAL REVIEW

Revenue

During the Year, the Group's total revenue was approximately HK$22.7 million, representing an decrease of approximately 86.3%, as compared to the year ended 28 February 2025. Notwithstanding that the revenue derived from the Group's corporate finance advisory business, securities dealing and brokerage business and asset management business increased by approximately 16.1%, 85.3% and 661.8% respectively, as compared to the year ended 28 February 2025, the decrease was mainly attributable to (i) the significant decrease in the income generated from the placing and underwriting business, as the investors became selective and showed a preference for higher-yields investments and issuers with stronger credit profiles, to compensate for rising risks associated with their investment, resulting in a reduction in demand and interest from the Group's clients in bond products, the Group did not participate in bond underwriting activities during the Year and (ii) the decrease in the interest income generated from the securities financing business given the Group's continuous prudent approach and strategy to reduce its risk exposure under the highly volatile market conditions during the Year.

Other Operating Expenses

During the Year, the Group's other operating expenses decreased by approximately 89.0% to approximately HK$17.5 million (2025: approximately HK$158.4 million). Such decrease was mainly attributable to the sub-underwriting expenses recognised in relation to the participation in the underwriting for issue of bonds during the Corresponding Period of approximately HK$148.7 million while no such participation and relevant expenses recognised during the Year.

Staff Costs

During the Year, staff costs increased by approximately 9.8% to approximately HK$24.3 million (2025: approximately HK$22.2 million). The increase was mainly due to an increase of professional staffs and provision in long service payment during the Year.

Profit attributable to the owners of the Company

During the Year, the Group recorded a profit and total comprehensive income of approximately HK$11.7 million, as compared with a loss and total comprehensive expense of approximately HK$35.3 million for the year ended 28 February 2025. The turnaround from loss to profit as at 28 February 2026 was mainly attributable to the net realised gain on financial assets at fair value through profit or loss of approximately HK$29.1 million and the net unrealised loss on financial assets at fair value through profit or loss of approximately HK$1.8 million, as compared with the net unrealised loss on financial assets at fair value through profit or loss of approximately HK$16.3 million and the net realised loss on financial assets at fair value through profit or loss of approximately HK$9.8 million for the year ended 28 February 2025.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's working capital and other capital requirements were principally satisfied by cash generated from the Group's operations and capital.

As at 28 February 2026, the Group's net current assets amounted to approximately HK$197.4 million (2025: approximately HK$184.6 million), and its liquidity as represented by current ratio (current assets/current liabilities) was approximately 2.91 times (2025: approximately 2.11 times). As at 28 February 2026, cash and bank balances amounted to approximately HK$108.7 million (2025: approximately HK$97.2 million).

Gearing ratio is calculated based on debts including payables incurred not in the ordinary course of business divided by the total equity as at the end of the financial year. As at 28 February 2026 and 28 February 2025, the Group's debts including payables incurred not in the ordinary course of business were nil, representing a gearing ratio of nil.

As at 28 February 2026 and the date of this Annual Report, the total issued shares of the Company were 60,000,000 (2025: 60,000,000).

The Group monitors its capital structure from time to time according to the market condition and capital requirements of the Group.

SHARE CONSOLIDATION

On 26 September 2024, the Company proposed to implement the share consolidation (the "Share Consolidation") on the basis that every ten (10) then existing shares in the share capital of the Company be consolidated into one (1) consolidated share. The Share Consolidation was approved by the shareholders of the Company at the extraordinary general meeting of the Company on 23 October 2024, and came into effect on 25 October 2024. The existing board lot of 2,000 shares remains unchanged upon the Share Consolidation becoming effective.

For more details of the Share Consolidation, please refer to the announcements of the Company dated 26 September 2024 and 23 October 2024, and the circular of the Company dated 8 October 2024.

PLEDGE OF ASSETS

As at 28 February 2026, the Group did not have any pledged assets (2025: Nil).

FOREIGN CURRENCY EXPOSURE

The majority of the Group's revenue is denominated in Hong Kong dollars and the Group's accounts are prepared in Hong Kong dollars. Consequently, the Group's exposure to the risk of foreign exchange rate fluctuations is not material. The Group currently does not have any foreign currency hedging policy, it will closely monitor the impact of foreign exchange rate fluctuations on the performance of the Group to see if any hedging policy is necessary.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 28 February 2026, the Group did not have any significant capital commitment and contingent liability (2025: Nil).

LOAN COMMITMENT

As at 28 February 2026, the Group did not have any loan commitment (2025: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 28 February 2026, the Group employed 38 staff (including the executive Directors) (2025: 38). The employees' remuneration was determined based on factors such as qualification, duty, contributions and years of experience of the employees. The Group may offer a discretionary bonus to an employee based on the performance of the Group and that of the employee, which is to reward the efforts made by the employees in the preceding year and encourage them to continue to contribute to the development of the Group. The Company has adopted a share option scheme as incentive to eligible participants including Directors, details of which are set out in the paragraph headed "Share Option Scheme" of this Annual Report.

Moreover, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

During the Year, staff costs increased by approximately 9.8% to approximately HK$24.3 million (2025: approximately HK$22.2 million). The increase was mainly due to an increase of professional staffs and provision in long service payment during the Year.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 25 September 2025, Crystal Prospect Limited ("CPL"), a wholly-owned subsidiary of the Company, and Maine Sky Limited ("MSL"), which is wholly-owned by the Mr. Chung Chi Man, entered into the a disposal agreement (the "Disposal Agreement"). Pursuant to the agreement, MSL has conditionally agreed to acquire and CPL has conditionally agreed to sell, or procure the sale of, the entire issued share capital of Innovax Credit Limited ("Innovax Credit") and Innovax Management Limited ("Innovax Management") for a total consideration of approximately HK$58.2 million (subject to adjustment) (the "Disposal"). The completion of the Disposal took place on 31 March 2026. Immediately following the completion of the Disposal, MSL is interested in the entire issued share capital of Innovax Credit and Innovax Management. The Company no longer has any interest in Innovax Credit and Innovax Management and they cease to be accounted as subsidiaries of Company. For details, please refer to the announcements dated 10 October 2025, 31 October 2025, 28 November 2025, 28 December 2025 and 31 March 2026 jointly issued by the Company and the Offeror and the composite offer and response document dated 8 April 2026 jointly issued by the Company and the Offeror.

Save as disclosed in this Annual Report, during the Year, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

As at 28 February 2026, the Group did not hold any other significant investment with a value of 5% or more of the Group's total assets.

RISK MANAGEMENT

The risk management process includes risk identification, risk evaluation, risk management measures and risk control and review.

The management is entrusted with duties to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority. It endeavours to evaluate and compare the level of risk against predetermined acceptable level of risk. For risk control and monitoring, it involves making decisions regarding which risks are acceptable and how to address those that are not. The management will develop contingency plans for possible loss scenarios. Accidents and other situations involving loss or near-loss will be investigated and properly documented as part of the effort to manage risks.

FINAL DIVIDEND

The Board has resolved not to declare any final dividend for the Year (2025: Nil).

EVENT AFTER THE REPORTING PERIOD

On 25 September 2025, Mr. Chung Chi Man (the "Vendor") and Mr. Wang Tingfa (the "Offeror") entered into a sale and purchase agreement (the "Sale and Purchase Agreement"), pursuant to which the Vendor has conditionally agreed to sell, and the Offeror has conditionally agreed to purchase, 110 shares (the "Sale Shares") in Billion Shine International Investment Limited ("Billion Shine"), representing the entire issued share capital of Billion Shine as at the date of the Sale and Purchase Agreement, for a total consideration of HK$270,000,000. Completion of the Sale and Purchase Agreement took place on 31 March 2026, and immediately upon which the Offeror (through Billion Shine) and parties acting in concert with him is interested in a total of 45,000,000 Shares, representing 75% of the total issued share capital of the Company. Accordingly, the Offeror became the controlling shareholder of the Company.

On 25 September 2025, CPL, a wholly-owned subsidiary of the Company and MSL, which is wholly-owned by the Vendor, entered into the Disposal Agreement. Pursuant to the Disposal Agreement, MSL has conditionally agreed to acquire and CPL has conditionally agreed to sell, or procure the sale of, the entire issued share capital of Innovax Credit and Innovax Management for a total consideration of HK$58.2 million (subject to adjustment). Completion of the Disposal Agreement took place on 31 March 2026. Immediately following the Disposal Completion, MSL is interested in the entire issued share capital of Innovax Credit and Innovax Management. The Company no longer has any interest in Innovax Credit and Innovax Management and they cease to be accounted as subsidiaries of Company.

For details of the Sale and Purchase Agreement and the Disposal Agreement, please refer to the announcements dated 10 October 2025, 31 October 2025, 28 November 2025, 28 December 2025, 28 January 2026, 27 February 2026, 25 March 2026 and 31 March 2026 jointly issued by the Company and the Offeror and the composite offer and response document dated 8 April 2026 jointly issued by the Company and the Offeror.

Save as disclosed above, as at the date of this Annual Report, there was no significant event after the reporting period.

NO MATERIAL ADVERSE CHANGE

The Directors confirmed that there was no material adverse change in the Group's financial and trading position or prospects since 28 February 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed above, the Group did not have any plans for material investments and capital assets as at 28 February 2026.

OUTLOOK AND PROSPECT

The Group maintains a cautiously constructive stance on the global financial markets, acknowledging both emerging opportunities and persistent risks. While the anticipated easing of monetary policy by the US Federal Reserve has been slower than expected due to lingering inflationary pressures, recent signals suggest a more balanced approach as the US Federal Reserve weighs economic fragility against inflation risks. This has contributed to a mixed but stabilising sentiment across global markets.

Globally, economic growth is constrained by a complex web of geopolitical tensions, including the ongoing Russia-Ukraine conflict and renewed instability in the Middle East. Trade disruptions and policy unpredictability – particularly in the wake of evolving US trade strategies – continue to weigh on investor sentiment and cross-border capital flows.

Artificial intelligence and high-tech sectors continue to be pivotal drivers of economic transformation. The integration of generative AI, automation, and machine learning into core business operations is accelerating, creating new avenues for productivity and innovation across industries. However, elevated valuations and regulatory scrutiny in certain tech segments warrant selective positioning.

In China, fiscal stimulus and targeted monetary support remain central to the government's strategy for economic recovery. While infrastructure investment and manufacturing resilience offer some uplift, the property sector remains under pressure, and consumer confidence has yet to fully rebound. The outlook is tempered by structural challenges and the need for deeper reforms.

Hong Kong's economy demonstrated robust growth in 2025, with real GDP growing by 3.5% for the full year, supported by solid goods exports, improved service exports, and enhanced investment. However, private consumption remains subdued, reflecting cautious consumer sentiment amid global uncertainties.

The Hong Kong stock market has benefited from improved investor confidence, driven by expectations of continued support from Mainland China and a gradual recovery in global trade. Technology and financial sectors have led gains, although volatility persists due to external risks and policy shifts. Market participants remain watchful of geopolitical developments and US-China trade dynamics, which continue to influence capital flows and sentiment.

Under this environment, diversification and risk management remain paramount. The Group continues to closely monitor macroeconomic developments, regulatory updates, trade developments and technological advancements, seeking resilient investment opportunities while maintaining a prudent and disciplined approach to manage market and operational risks by continuing to enhance its risk management and credit control capabilities, and will stay vigilant and aware of impacts from adverse market condition and operational environment by following disciplined cost control strategy.

As a comprehensive financial and securities services platform, the Group will focus on strengthening its core business by expanding product range, enhancing service offerings, and growing customer base. At the same time, the Group will actively explore strategic opportunities for business diversification to drive long-term development.

The supportive stance of the Hong Kong and Chinese governments towards the financial sector of Hong Kong, including ongoing enhancements to the listing regime, development of offshore RMB business and reinforcement of Hong Kong's role in the Greater Bay Area, remains encouraging. The Group believes that Hong Kong will continue to play a pivotal role as an international financial centre and a gateway to the Chinese market. The Group will continue to align with national strategies and leverage its overseas network and talent pool to pursue cross-border business expansion and foster strategic partnerships.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. CHUNG Chi Man (鍾志文), aged 53, is the founder of the Group, the chairman of the Board and executive Director. He is a responsible officer of Innovax Capital Limited for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities. Mr. Chung is primarily responsible for overall strategic planning and development of the Group as well as overseeing the general management of the Group. Mr. Chung is a director of Billion Shine International Investment Limited (“BSI”), a substantial Shareholder of the Company within the meaning of Part XV of the SFO.

Mr. Chung has over 28 years of experience in financial services, accounting and management as well as investment consultancy. He started his career in an international bank and served as various senior managerial and financial advisory positions in various companies.

Mr. Chung obtained a bachelor degree in business administration from the Chinese University of Hong Kong in December 1995. He was awarded Sir Edward Youde Memorial Scholarship in 1992 and is a fellow member of the Association of Chartered Certified Accountant since July 2001.

Mr. POON Siu Kuen, Calvin (潘兆權), aged 55, is the chief executive officer and executive Director. Mr. Poon is primarily responsible for overall management of the Group and supervision and management of the Group’s corporate finance advisory business. He is a responsible officer of Innovax Capital Limited for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities and is a sponsor principal of Innovax Capital Limited.

Mr. Poon has over 26 years of experience in corporate finance. Prior to joining the Group in February 2015, Mr. Poon worked as an accountant at KPMG Hong Kong from December 1996 to February 2000. From July 2001 to December 2005, he was employed by Kingsway Capital Limited, a financial services company, as an associate director, where he handled various IPO projects, M&A transactions and fund raising exercises. He then joined China Everbright Capital Limited, a financial services company from December 2005 to February 2015 with his last position being the executive director of the corporate finance department.

Mr. Poon obtained a bachelor degree in civil engineering and a master degree in practising accounting from Monash University in Australia in October 1995 and November 2000, respectively. He has been an associate member of CPA Australia since September 1997, and advanced to full CPA status in April 2000.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. WU Kwun Hing (胡觀興), aged 59, was appointed as an independent non-executive Director on 24 August 2018. He is mainly responsible for supervising and providing independent advice to the Board. He joined the Group as an independent non-executive director of Innovax Capital Limited on 16 March 2015.

Dr. Wu has over 34 years of experience in engineering consultancy, including extensive international experience in major infrastructure projects. Dr. Wu is currently operating his company SimEng Technologies Ltd., established in December 2017, specialised on computer simulation. Dr. Wu was the technical director of Atkins China Limited from September 2020 to December 2023. From May 2018 to July 2020, Dr. Wu was the chief tunnel ventilation and station air-conditioning engineer of Oriental Consultants Global Co. Ltd. From September 1992 to November 2017, Dr. Wu worked at WSP (Asia) Limited (formerly known as Parsons Brinckerhoff (Asia) Limited), an engineering professional services firm, with his last position being a technical director.

Dr. Wu obtained a bachelor degree in mechanical engineering from the Hong Kong Polytechnic University in 1992 and a PhD in mechanical engineering from the Hong Kong University of Science and Technology in 2008. Dr. Wu is a fellow member of the Hong Kong Institution of Engineers since November 2022.

Mr. KWONG Hon Nan, Eric (江漢南), aged 51, was appointed as an independent non-executive Director on 1 November 2024. He is mainly responsible for supervising and providing independent advice to the Board.

Mr. Kwong has over 28 years of experience in actuarial science, financial management and risk management. From July 1997 to June 2000, He served as an actuarial analyst at Towers Perrin. From June 2000 to January 2004, He served as a consulting actuary and senior actuary at Ernst & Young. From February 2004 to August 2011, he served in various positions at American International Assurance Company Limited, with his last position being the vice president in group product management. From August 2011 to June 2013, He served as the head of management accounting at ING Asia Pacific Limited. From October 2013 to March 2014, he was the head of risk management and asset and liability management of the global individual business at Cigna International Corporation Limited. From February 2015 to November 2020, he served in various positions at Tahoe Life Insurance Company Limited, including chief actuarial officer, chief financial officer and senior advisor of CEO office.

Mr. Kwong obtained a bachelor degree of science in actuarial science from the University of Hong Kong in December 1997. He obtained the Chartered Financial Analyst (CFA) designation in September 2002. He is a fellow member of the Actuarial Society of Hong Kong (FASHK) and the Society of Actuaries (FSA) of the US.

Ms. CHAN Ka Lai, Vanessa (陳嘉麗), aged 52, was appointed as an independent non-executive Director on 24 August 2018. She is mainly responsible for supervising and providing independent advice to the Board.

Ms. Chan has over 30 years of experience in financial accounting, auditing and financial management. From July 1995 to August 2005, Ms. Chan worked in KPMG where her last position was senior manager, responsible for auditing and due diligence projects for businesses in Hong Kong and the PRC. From August 2005 to February 2008, Ms. Chan worked in The Kowloon Motor Bus Co. (1933) Ltd., a subsidiary of Transport International Holdings Limited (listed on the Main Board of the Stock Exchange with stock code: 62.HK), as accounting manager responsible for accounting and financial management activities. From November 2009 to December 2018, Ms. Chan worked in China Agri-Industries Holdings Limited (previously listed on the Main Board of the Stock Exchange), as financial controller responsible for overall accounting, financial management and human resources activities. Since January 2019, Ms. Chan has been working in WA C&E Limited, a private company incorporated in Hong Kong, as a director to provide business advisory and company secretarial services in Hong Kong. Ms. Chan has also been serving as an independent non-executive director of Tycoon Group Holdings Limited (listed on the Main Board of the Stock Exchange with stock code: 3390.HK) since August 2018 and LEPU ScienTech Medical Technology (Shanghai) Co., Ltd. (listed on the Main Board of the Stock Exchange with stock code: 2291.HK) since 2 September 2021. Ms. Chan has been serving as an independent non-executive director of Hollwin Urban Operation Service Group Co., Ltd. (listed on the Main Board of the Stock Exchange with stock code: 2529.HK) since May 2023, China Renaissance Holdings Limited (listed on the Main Board of the Stock Exchange with stock code: 1911.HK) since June 2025 and an independent director of Hunan Junxin Environmental Protection Co., Limited (listed on Shenzhen Stock Exchange with stock code: 301109.SZ) since August 2025.

Ms. Chan obtained a Bachelor of Arts in Accountancy from the Hong Kong Polytechnic University in October 1995. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Ms. Chan is also a member of the Hong Kong Chartered Governance Institute and the Hong Kong Institute of Directors, and a management board member and honorary treasurer of Hong Kong Guide Dogs Association Limited and Hong Kong Guide Dogs Academy Limited.

SENIOR MANAGEMENT

Mr. LI Lap Sun (李立新), aged 59, was appointed as the chief investment officer and executive director of Innovax Asset Management Limited in March 2017. He is mainly responsible for supervising and managing the Group's asset management business.

Mr. Li has over 32 years of experience in finance, investment and asset management. He began his career at Merrill Lynch (Asia Pacific) Limited, where he held various roles from March 1994 to August 2004, with his last position as a director. He subsequently joined Goldman Sachs (Asia) L.L.C., serving as an executive director in the equities division from October 2004 to March 2007.

Throughout his tenure at both institutions, Mr. Li played an integral role across a broad range of capital markets activities, including equity research, risk management, capital markets execution, pre-IPO roadshows, book-building and secondary market strategies.

In June 2007, Mr. Li took on the role of responsible officer and fund manager at Spitzer Asset Management Limited ("Spitzer Asset"), a licensed corporation which carried out type 9 (asset management) regulated activity. He continued in this capacity until March 2017 and also served as a director from February to March 2017. At Spitzer Asset, he was responsible for managing a hedge fund with a focus on portfolio construction, asset allocation, risk oversight and capital raising.

Mr. Li obtained a bachelor degree of arts in economics from the University of California, Los Angeles in the US in June 1989 and a master degree of business administration from the University of Southern California in the US in May 1992.

Ms. CHAU Lok Yuen, Amy (周樂宛), aged 49, is the head of securities and the head of equity capital markets and is principally responsible for supervising and managing the Group's placing and underwriting business, securities dealing and brokerage business and research. She joined the Group in June 2017 and a director of Innovax Securities Limited in September 2020.

Ms. Chau has over 18 years of experience in finance and capital markets. From December 2007 to September 2010, Ms. Chau worked as a senior associate of equity capital markets in Sun Hung Kai Financial, a licensed corporation which carried out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities. From January 2011 to September 2016, Ms. Chau worked in equity capital markets of China Everbright Securities International Limited ("CESIL"), a financial and securities services group in Hong Kong and a subsidiary of Everbright Securities Company Limited, a company listed on the Main Board (Stock Code: 6178), with her last position as a director of equity capital markets.

Ms. Chau obtained a bachelor degree of accountancy from the City University of Hong Kong in June 1999 and a master degree of business administration from the University of Manchester in June 2013.

Ms. CHAU Lok Yi (周樂怡), aged 46, is the chief financial officer and company secretary of the Company and is mainly responsible for overall management of the financial and company secretarial matters of the Group. She was appointed as chief financial officer of the Company on May 2017 and appointed as the company secretary of the Company on May 2018.

Ms. Chau has over 22 years of experience in accounting. Prior to joining the Group, Ms. Chau worked at the finance and operations department of Oriental Patron Securities Limited, a company providing equity research, underwriting and securities brokerage services, from August 2003 to February 2005. Since February 2005, she worked at Morison Heng CPA Limited as a senior audit manager.

Ms. Chau obtained a bachelor degree of arts in accountancy from the Hong Kong Polytechnic University in November 2003. She obtained a master degree of business administration from the University of Iowa in December 2016. She is a member of the Hong Kong Institute of Certified Public Accountants since July 2007 and is registered as a practicing certified public accountant since January 2010.

Mr. LAM King Fung (林景烽), aged 44, is the Chief Operating Officer and Head of Compliance of the Group. He has been serving as the Chief Operating Officer of Innovax Holdings Limited since its listing on the Stock Exchange in 2018, overseeing operations, risk management, compliance, and legal matters, with a particular focus on corporate finance, asset management, securities dealing, and financing businesses.

Mr. Lam has over 20 years of experience in regulatory compliance. Prior to joining the Group, he worked at China Everbright Securities International Limited from October 2010 to April 2017, with his last position as Senior Vice President of the Legal, Compliance and Company Secretarial Department.

Mr. Lam obtained a Bachelor of Business (Risk Management) from Monash University, Australia in April 2005 and a Master of Corporate Governance from The Hong Kong Polytechnic University in October 2013. He has been a member of the Hong Kong Chartered Governance Institute since 2015 and a member of the Hong Kong Institute of Chartered Secretaries since December 2017.

COMPANY SECRETARY

Ms. CHAU Lok Yi (周樂怡), aged 46, was appointed as the company secretary of the Company on 4 May 2018. For details of her education and experience, please refer to the paragraph headed "SENIOR MANAGEMENT" in this section.

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

The basis for determining the Directors' emoluments (including bonus payments) remained unchanged during the Year.

Save as disclosed above, during the Year, there were no changes to the Directors' information that are required to be disclosed pursuant to 13.51B(1) of the Listing Rules.

The Board is pleased to present this "Report of the Directors" together with the consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Group is an integrated financial and securities services provider licensed to conduct type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO and money lending business under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

The Group provides a wide range of financial and securities services to its clients. Its services cover corporate finance advisory services including (i) IPO sponsorship services; (ii) financial and independent financial advisory services; and (iii) compliance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services, research services, asset management services and money lending services.

On 25 Sep 2025, the Group's management approved the sales of 100% issued shared for the companies of Innovax Credit and Innovax Management to MSL which is a BVI company and held as 100% by Mr. Chung Chi Man, an executive director of the Innovax Holdings Limited. The money lending business thereafter classified as "Discontinued operations".

An analysis of the principal activities of the Group during the Year is set out in the section headed "Management Discussion and Analysis" of this Annual Report and Note 41 to the consolidated financial statements.

Further discussion and analysis of the business activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("Hong Kong Companies Ordinance"), including a discussion of the principal risks and uncertainties faced by the Group, indication of likely future developments of the Group's businesses and other relevant information, are set out in the section headed "Chairman's Statement" on pages 4 to 6 and the section headed "Management Discussion and Analysis" on pages 7 to 15 of this Annual Report. Such discussion forms part of this "Report of the Directors".

The environmental policies and performance, compliance with relevant laws and regulations and relationships with employees, customers, suppliers and others that have a significant impact on the Group and on which the Group's success depends are set out in the section headed "Environmental, Social and Governance Report" on pages 45 to 59 of this Annual Report.

FINANCIAL SUMMARY

A summary of the audited consolidated results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on page 126 of this Annual Report. This summary does not form part of the audited consolidated financial statements.

SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the Year and details of the shares issued during the Year are set out in Note 32 to the consolidated financial statements.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 41 to the consolidated financial statements.

KEY RELATIONSHIP WITH STAKEHOLDERS

The Group is committed to operate in a sustainable manner while balancing the interests of its various stakeholders including customers and employees. Through regular stakeholder engagement via different channels, the stakeholders are encouraged to give their opinions regarding the environmental, social and governance policies of the Group.

Further details are set out in the section headed "Management Discussion and Analysis" on pages 7 to 15 and the section headed "Environmental, Social and Governance Report" on pages 45 to 59 of this Annual Report.

KEY RELATIONSHIP WITH EMPLOYEES AND CUSTOMERS

The Group understands the importance of maintaining a good relationship with its employees and customers to meet its immediate and long-term business goals and development. During the Year, there were no material and significant disputes between the Group and its employees and customers.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to contributing to the sustainability of the environment and is committed to becoming an environmental-friendly corporation. Details of our environmental, social and governance policies and performance during the Year are set out in the section headed "Environmental, Social and Governance Report" on pages 45 to 59 of this Annual Report.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board and the Group's management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Year, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of associations ("Articles") of the Company or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

PROPERTY AND EQUIPMENT

Details of movements in the property and equipment of the Company and the Group during the Year are set out in Note 19 to the consolidated financial statements. There were no investment properties held by the Group during the Year.

DEBENTURE ISSUED

The Group did not issue any debenture during the Year and up to the date of this Annual Report.

EQUITY-LINKED AGREEMENTS

Save for disclosed in the paragraph headed "Share Option Scheme" under this section, no equity-linked agreements were entered into by the Group, or existed during the Year.

DIVIDEND

The Directors do not recommend payment of any dividend for the Year (2025: Nil).

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Group during the Year are set out in the section headed "Consolidated Statement of Changes in Equity" in the consolidated financial statements on page 68 of this Annual Report.

Details of the movements in the reserves of the Company during the Year are set out in Note 42 to the consolidated financial statements.

BANK LOANS AND OTHER BORROWINGS

As at 28 February 2026, the Group had no bank loans (2025: Nil) and amounts due to directors (2025: Nil).

MAJOR CUSTOMERS

During the Year, sales to the five largest customers and the largest customer of the Group accounted for approximately 26.1% and approximately 6.5% respectively of the total sales. None of the Directors or any of their associates or any shareholders, which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital, had any beneficial interest in the Group's five largest customers.

Due to the Group's business nature, the Group does not have major suppliers.

EMPLOYEE AND REMUNERATION POLICIES

As at 28 February 2026, the Group employed 38 staff (including the executive Directors) (2025: 38). The employees' remuneration was determined based on factors such as qualification, duty, contributions and years of experience of the employees. The Group may offer a discretionary bonus to an employee based on the performance of the Group and that of the employee, which is to reward the efforts made by the employees in the preceding year and encourage them to continue to contribute to the development of the Group. The Company has adopted a share option scheme as incentive to eligible participants including Directors, details of which will set out in the paragraph headed "Share Option Scheme" of this Annual Report.

Moreover, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

Compensation of key executives of the Group is reviewed by the Company's remuneration committee based on the Group's performance and the executives' respective contributions to the Group.

During the Year, staff costs increased by approximately 9.81% to approximately HK$24.3 million (2025: approximately HK$22.2 million). The increase was mainly due to an increase of professional staffs and provision in long service payment during the Year.

The Directors' remuneration incurred for the Year was approximately HK$3.0 million (2025: approximately HK$3.0 million).

MANAGEMENT CONTRACTS

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

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTION

Related party transactions entered into by the Group for the Year are disclosed in Note 18 and Note 36 to the consolidated financial statements. These transactions were conducted in accordance with terms as agreed between the Group and the respective related parties. The Directors confirm that those related party transactions were conducted on normal commercial terms and on arm's length basis.

During the Year, the Group had provided money lending services to Mr. Chung Chi Man, the chairman of the Board and executive Director, and Mr. Poon Siu Kuen, Calvin, the chief executive officer and executive Director. The loans provided to Mr. Chung Chi Man and Mr. Poon Siu Kuen, Calvin as disclosed in Note 36 to the consolidated financial statements is a connected transaction which is fully exempted from the reporting, annual review, announcement and independent shareholders' approval requirements pursuant to Rule 14A.76(1)(c) of the Listing Rules.

On 25 September 2025, Crystal Prospect Limited ("CPL"), a wholly-owned subsidiary of the Company and Maine Sky Limited ("MSL"), which is wholly-owned by Mr. Chung Chi Man, entered into a disposal agreement (the "Disposal Agreement"). Pursuant to the Disposal Agreement, MSL has conditionally agreed to acquire and CPL has conditionally agreed to sell, or procure the sale of, the entire issued share capital of Innovax Credit Limited ("Innovax Credit") and Innovax Management Limited ("Innovax Management") for a total consideration of HK$58.2 million (subject to adjustment). Completion of the Disposal Agreement took place on 31 March 2026. As Mr. Chung Chi Man was an executive Director and controlling shareholder of the Company at the time of transaction, he and MSL are connected persons of the Company as defined in Chapter 14A of the Listing Rules, and the transaction constituted a connected transaction. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in this Annual Report.

The investment management agreement entered into between Innovax Asset Management and Innovax Alpha SPC (the "Investment Management Agreement") constituted a connected transaction or continuing connected transaction of the Company under the Listing Rules which are required to be disclosed in this Annual Report in accordance with Chapter 14A of the Listing Rules. The management fee income as disclosed in Note 36 to the consolidated financial statements is a continuing connected transaction which is fully exempted from the reporting, annual review, announcement and independent shareholders' approval requirements pursuant to Rule 14A.76(1)(c) of the Listing Rules. Save as the connected transaction and continuing connected transactions disclosed above, the Directors consider that all other related party transactions disclosed in Note 18 and Note 36 to the consolidated financial statements did not fall under the definition of "connected transactions" or "continuing connected transactions" (as the case may be) under Chapter 14A of the Listing Rules which are required to comply with any of the reporting, annual review, announcement, or independent shareholders' approval requirements under the Listing Rules. The Company confirmed it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules (if applicable) throughout the Year.

DIRECTORS

The Directors who held office during the Year and up to the date of this Annual Report are:

Executive Directors

Mr. Chung Chi Man *(Chairman)*
Mr. Poon Siu Kuen, Calvin *(Chief Executive Officer)*

Independent Non-executive Directors

Dr. Wu Kwun Hing
Ms. Chan Ka Lai, Vanessa
Mr. Kwong Hon Nan, Eric

Biographical details of the Directors and senior management of the Group are set out in the section headed "Biographies of Directors and Senior Management" on pages 16 to 20 of this Annual Report.

In accordance with Article 83(3) of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the members after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Meanwhile, in accordance with Article 84(1) of the Articles, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

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

PERMITTED INDEMNITY

Pursuant to the Articles and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and officers. In accordance with the provisions of Section 470 of the Hong Kong Companies Ordinance, the aforesaid approved indemnity clause for the benefit of the Directors was effective during the Year and at the time when this report prepared by the Directors was adopted in accordance with Section 391(1) (a) of the Hong Kong Companies Ordinance.

DIRECTORS' SERVICE CONTRACT

During the Year and up to the date of this Annual Report, none of the Directors has a service contract with the Company and/or any of its subsidiaries, which is not terminable by the employing company within one year without payment of compensation, other than statutory compensation.

RETIREMENT BENEFITS PLANS

The Group has participated in a MPF Scheme which is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the Group as the employer and the employees of the Group are each required to make contributions to the MPF Scheme at rates specified in the rules of the scheme. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions. Except for voluntary contribution, no forfeited contribution under the MPF Scheme is available to reduce the contribution payable in future years.

The retirement benefits scheme contributions arising from the MPF Scheme charged to the profit or loss represent contributions paid or payable to the funds by the Group at rates specified in the rules of the scheme.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in the related party transactions disclosed in Note 18 and Note 36 to the consolidated financial statements, neither the Company nor any of its subsidiaries had entered into any contract of significance with the Company's Controlling Shareholders (as defined in the section below) or their subsidiaries, or any contract of significance for the provision of services to the Company or any of its subsidiaries by the Controlling Shareholders or their subsidiaries, during the Year.

DEED OF NON-COMPETITION

The controlling shareholders as defined in the Listing Rules and, in the context of the Company, means Mr. Chung Chi Man and Billion Shine International Investment Limited (collectively the "Controlling Shareholders"), have entered into the deed of non-competition dated 24 August 2018 (the "Deed of Non-competition") in favour of the Company, details of which were set out in the prospectus of the Company dated 31 August 2018. Pursuant to the Deed of Non-competition, the Controlling Shareholders have undertaken to the Company (for itself and as trustee for each of its subsidiaries from time to time) that with effect from 14 September 2018, being the date of listing (the "Listing") of the Company's shares on the Stock Exchange, they would not and would procure that none of their close associates (except for any members of the Group) shall, except through their interests in the Company, whether as principal or agent and whether undertaken directly or indirectly, either on their own account or in conjunction with or on behalf of any person, corporate, partnership, joint venture or other contractual arrangement and whether for profit or otherwise, among other things, carry on, participate, acquire or hold any right or interest or otherwise be interested, involved or engaged in or connected with, directly or indirectly, any business which is, directly or indirectly, in any respect in competition with or similar to or is likely to be in competition with the core business of the Group currently excluded or possibly in the future to be engaged by the Group in Hong Kong or such other countries as the Group may conduct or carry on business from time to time.

The Controlling Shareholders have confirmed to the Company that during the Year, they and their respective close associates (as defined under the Listing Rules) have complied with the undertakings contained in the Deed of Non-competition.

For the Year and up to the date of this Annual Report, none of the Directors, the Controlling Shareholders or their respective close associates (as defined under the Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group or had any other conflicts of interest with the Group.

DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

None of the Directors or his/her connected entities has or had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries or fellow subsidiaries was a party throughout the Year and up to the date of this Annual Report.

DIRECTORS' INTEREST IN A COMPETING BUSINESS

As of 28 February 2026, none of the Directors was interested in any business apart from the Group's business which competes or is likely to compete with the Group's business, either directly or indirectly or would otherwise require disclosure under Rule 8.10 of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Throughout the Year and up to the date of this Annual Report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" below, at no time during the Year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, or the Company's subsidiary or holding company or a subsidiary of the Company's holding company a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

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

As at 28 February 2026, the following Directors and chief executive of the Company had or were deemed to have interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed issuers (the "Model Code") contained in Appendix C3 to the Listing Rules:

Interest in shares of the Company

Name of Director	Capacity/Nature of interest	Number and class of securities *(Note 1)*	Approximate percentage of interest in the Company *(Note 3)*
Executive Director			
Mr. Chung Chi Man	Interest in controlled corporation *(Note 2)*	45,000,000 shares (L)	75%

Notes:

(1) The letter "L" denotes a person's long position in the shares.

(2) Mr. Chung Chi Man and BSI are the Controlling Shareholders. Mr. Chung Chi Man owns the entire issued share capital of BSI. By virtue of the SFO, Mr. Chung Chi Man is deemed to be interested in such shares held by BSI. On 25 September 2025, Mr. Chung Chi Man as vendor and Mr. Wang Tingfa as purchaser entered into a sale and purchase agreement, pursuant to which, among others, Mr. Chung agreed to sell and Mr. Wang agreed to acquire the entire issued share capital of Billion Shine International Investment Limited. The transaction pursuant to the sale and purchase agreement was completed on 31 March 2026.

(3) The calculation is based on the total number of 60,000,000 shares in issue as at 28 February 2026.

Interest in shares of associated corporation of the Company

Name of Director	Name of associated corporation	Capacity/nature of interest	Number and class of securities *(Note 1)*	Approximate percentage of shareholding in associated Corporation *(%)*
Mr. Chung Chi Man	BSI	Beneficial owner	110 shares (L)	100%

Note:

(1) The letter "L" denotes a person's long position in the shares.

Save as disclosed above, as at 28 February 2026, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

INTEREST DISCLOSEABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDER

So far as is known to the Directors, as at 28 February 2026 and the date of this Annual Report, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of interests required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity/nature of interest	Number and class of securities *(Note 1)*	Approximate percentage of shareholding (%) *(Note 3)*
BSI	Beneficial owner *(Note 4)*	45,000,000 shares (L)	75%
Ms. Lee Yin Har	Interest of spouse *(Note 2)*	45,000,000 shares (L)	75%
Wang Tingfa	Interest in controlled corporation *(Note 4)*	45,000,000 shares (L)	75%

Notes:

(1) The letter "L" denotes a person's long position in the shares.

(2) Ms. Lee Yin Har is the spouse of Mr. Chung Chi Man. She is deemed, or taken to be, interested in all shares in which Mr. Chung Chi Man is interested in for the purpose of the SFO.

(3) The calculation is based on the total number of 60,000,000 shares in issue as at 28 February 2026.

(4) On 25 September 2025, Mr. Chung Chi Man as vendor and Mr. Wang Tingfa as purchaser entered into a sale and purchase agreement, pursuant to which, among others, Mr. Chung agreed to sell and Mr. Wang agreed to acquire the entire issued share capital of Billion Shine International Investment Limited. The transaction pursuant to the sale and purchase agreement was completed on 31 March 2026.

Save as disclosed above, as at 28 February 2026, none of the substantial or significant shareholders or other persons, other than the Directors and chief executive of the Company whose interests are set out in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had any interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

The Company has adopted a share option scheme pursuant to Chapter 17 of the Listing Rules on 18 August 2023 (the "Share Option Scheme"). The purpose of the Share Option Scheme is to reward the eligible participants ("Eligible Participants") who have contributed or will contribute to the Group, to motive the Eligible Participants to optimise their performance efficiency for the benefit of the Group and to attract and maintain on-going business relationship with the Eligible Participants. Eligible Participants include (a) any Director, chief executive or employee of the Group and (b) person(s) who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long- term growth of the Group ("Service Providers"). The eligibility of each Eligible Participant shall be determined by the Board from time to time on the basis of the contribution or potential contribution of the Eligible Participant to the development and growth of the Group. The Share Option Scheme shall be valid and effective for a period of ten years commencing from 18 August 2023, after which no further share option shall be granted. Therefore, as at the date of this Annual Report, the remaining life of the Share Option Scheme was approximately seven years.

Under the Share Option Scheme, the Board shall be entitled to determine the grant of share options and the number of share options to be granted to the relevant grantees taking into account such factors as the Board may consider appropriate. The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and other share option scheme(s) of the Company (if any) and the awards to be granted under share award scheme(s) of the Company (if any), was 6,000,000 shares, being 10% of the total number of the Company's issued shares (excluding treasury shares) as at the date of this Annual Report. The Company may seek the approval of its shareholders in general meeting to refresh the aforesaid scheme mandate limit pursuant to the Share Option Scheme and the Listing Rules.

No option shall be granted to any Eligible Participant if, at the relevant time of grant, the number of shares issued and to be issued in respect of all grants made under any share scheme(s) of the Company (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding any options or awards lapsed in accordance with any share schemes of the Company) to the relevant Eligible Participant in the 12-month period up to and including the date of such grant would exceed 1% of the total number of shares in issue at such time. Any grant or further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting of the Company.

The total number of shares which may be issued in respect of all options to be granted to the Service Provider(s) under the Share Option Scheme and all options and awards to be granted under any other share option scheme(s) and share award scheme(s) of the Company shall not exceed 1% of the total number of shares in issue as at 18 August 2023 ("Service Provider Sublimit") or the relevant date of approval of the refreshment of the Service Provider Sublimit.

The exercise price of share options is determined by the Board and shall be at least the highest of (i) the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer of the share options, which must be a business day; (ii) the average of the closing prices of the Company's shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of offer of the share options; and (iii) the nominal value of a share. Offers for grant of options shall be valid for acceptance within 30 days after the date of offer, when the grantee shall pay HK$1.00 to the Company as consideration for the grant.

Vesting period for the options granted under the Share Option Scheme shall not be less than twelve (12) months. The period within which an option may be exercisable will be determined and notified by the Board to each grantee provided that such period of time shall not exceed ten years commencing on the date upon which such option is deemed to be granted and accepted.

No options have been granted, cancelled, exercised or lapsed under the Share Option Scheme from 18 August 2023, being the date of adoption of the Share Option Scheme. As at the beginning and the end of the Year and the date of this Annual Report, the number of share options available for grant under the scheme mandate is 6,000,000 (representing 10% of the issued shares as at the beginning and the end of the Year and the date of this Annual Report) and the Service Provider Sublimit is 600,000 (representing 1% of the issued shares as at the beginning and the end of the Year and the date of this Annual Report). Rule 17.07(3) of the Listing Rules was not applicable to the Share Option Scheme for the Year as the Company did not grant any Share Options that involve issue of new Shares during the Year.

Apart from the Share Option Scheme, at no time during the Year and up to the date of this Annual Report the Company or any associated corporation was a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

Save as disclosed above, the Company did not have any outstanding share options, warrants, derivatives or securities which are convertible or exchangeable into shares as at 28 February 2026.

MATERIAL LITIGATION

The Group was not involved in any material litigation or arbitration during the Year. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Year and up to the date of this Annual Report.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at 18 June 2026, being the latest practicable date for ascertaining the contents set out in this Annual Report prior to its printing, the Company has maintained the prescribed percentage of public float under the Listing Rules.

CHARITABLE DONATIONS

During the Year, the Group did not make any charitable and other donations (2025: Nil).

TAX RELIEF

The Company is not aware of any relief on taxation to its shareholders by reasons of their holdings of the shares of the Company. If the shareholders are unsure about the taxation implication of purchasing, holding, disposing of, dealing in, or exercise of any rights in relation to the shares of the Company, they are advised to consult their professional advisers.

EVENT AFTER THE REPORTING PERIOD

The event after the end of the Year is disclosed in the section headed "Management Discussion and Analysis" on page 13 of this Annual Report.

AUDITOR

The consolidated financial statements for the Year have been audited by BDO Limited. BDO Limited shall retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM. The Board has taken the recommendation of the Audit Committee that a resolution for the reappointment of BDO Limited as the Group's independent auditor will be proposed at the forthcoming AGM. There were no changes in auditors of the Company during the past three years.

On behalf of the Board

Chung Chi Man
Chairman
29 May 2026

The Board and the senior management of the Group are committed to the maintenance of good corporate governance practices and procedures. The Group believes that good corporate governance provides a framework that is essential for effective management, healthy corporate culture, successful business growth and enhancing shareholders' value. The corporate governance principles of the Group emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders of the Company.

CORPORATE GOVERNANCE PRACTICES

During the Year and up to the date of this Annual Report, the Company has applied the principles and code provisions of the Corporate Governance Code ("CG Code") contained in Appendix C1 to the Listing Rules (the "Code Provisions") as the basis of the Company's corporate governance practices.

The Board is of the view that the Company has complied with the Code Provisions set out in the CG Code during the Year and up to the date of this Annual Report.

BOARD OF DIRECTORS

The Board currently consists of five Directors, comprising two executive Directors namely Mr. Chung Chi Man and Mr. Poon Siu Kuen, Calvin and three independent non-executive Directors, namely Dr. Wu Kwun Hing, Mr. Kwong Hon Nan, Eric and Ms. Chan Ka Lai, Vanessa. Mr. Chung Chi Man is currently the chairman of the Board.

The biographical details of the Directors are set out in the section headed "Biographies of Directors and Senior Management" on pages 16 to 20 of this Annual Report. None of the members of the Board is related to one another.

The Company has entered into a service contract with each of the executive Directors and a letter of appointment with each of the independent non-executive Directors.

Mr. Kwong Hon Nan, Eric has obtained legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the Listing Rules that are applicable to him as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 16 October 2024.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND SENIOR MANAGEMENT

The powers and duties of the Board include convening general meetings and reporting the Board's work at the shareholders' meetings, determining the Group's business and investment plans, preparing the annual financial budgets and reports, formulating proposals for profit distributions and for the increase or reduction of the Company's registered capital as well as exercising other powers, functions and duties as conferred by the Articles.

The Group's senior management is responsible for the day-to-day management of the Group's businesses and overseeing the Group's general administration, daily operation, business development, finance, marketing and legal and compliance.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Chung Chi Man is currently the chairman of the Board (the "Chairman") and Mr. Poon Siu Kuen, Calvin is the chief executive officer of the Company (the "Chief Executive Officer"). The Chairman is responsible for the effective functioning and leadership of the Board. The Chief Executive Officer focuses on the Group's business development and the daily management and operations generally. Their respective responsibilities are clearly defined and set out in writing.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

According to code provision B.2.3 of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules, if an independent non-executive Director serves more than nine years, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders. During the Year, an independent non-executive Director, Dr. Wu Kwun Hing has served more than nine years on the Board and has been re-elected at the AGM on 8 August 2025.

The Board is of the view that Dr. Wu meets the independence guidelines set out in Rule 3.13 of the Listing Rules and maintains his independent in accordance with the terms of the guidelines despite that he has served the Board for more than nine years. During his tenure as independent non-executive Director, he has made positive contributions to the Company's strategy, policies and performance with his independent advice, comments, judgment from the perspective of his background coupled with his general understanding of business of the Group. Dr. Wu has not engaged in any executive management of the Group. After careful consideration, the Board is of that view that Dr. Wu continued to demonstrate strong independence in judgment and his position outside the Company will not affect him in maintaining his current role in, and his functions and responsibilities for, the Company.

The Company has received from each of its independent non-executive Directors written annual confirmation of their independence pursuant to the Listing Rules and the Company considers that each of them is independent in accordance with the Listing Rules and unrelated in every aspect including financial, business or family.

TERM OF APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

All independent non-executive Directors are appointed for a term of three years. Each of such appointments is subject to the rotation and retirement provisions in the Articles.

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The procedure and process of appointment, re-election and removal of Directors are laid down in the Articles which provide that at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of members after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the required standard for securities transactions by the Directors.

The Company has made specific enquiries of all Directors and all Directors have confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors' securities transactions during the Year.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

Each newly appointed Director has received formal, comprehensive and tailored induction on the first occasion of his/ her appointment to ensure appropriate understanding of the business and operations of the Group and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant regulatory requirements. Such induction shall be supplemented by meetings with the senior management of the Group.

During the Year, the Directors complied with the Code Provision C.1.4 of the CG Code on participation in continuous professional training as follows:

	Mode of participation	
	a	**b**
Executive Directors		
Mr. Chung Chi Man	✓	✓
Mr. Poon Siu Kuen, Calvin	✓	✓
Independent non-executive Directors		
Dr. Wu Kwun Hing	✓	✓
Ms. Chan Ka Lai, Vanessa	✓	✓
Mr. Kwong Hon Nan, Eric	✓	✓

a: Directors received regular briefings and updates from the Group's senior management and company secretary on the Group's business, operations and corporate governance matters.

b: Directors read technical bulletins, periodicals and other publications on subjects relevant to the Group and/or on their responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

BOARD MEETINGS

Code provision C.5.1 of the CG Code stipulates that board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communications.

During the Year, the Board convened 7 board meetings. In addition, the Chairman held 1 meeting with the independent non-executive Directors without the presence of other Directors.

During the Year, the Company held 2 general meetings on 8 August 2025 and 5 December 2025.

Details of the attendance of the Directors for the board meetings and the general meetings during the Year are as follows:

	Attendance/Number of	
	Board meetings entitled to attend	General meetings entitled to attend
Executive Directors		
Mr. Chung Chi Man	7/7	2/2
Mr. Poon Siu Kuen, Calvin	7/7	2/2
Independent non-executive Directors		
Dr. Wu Kwun Hing	5/5	2/2
Ms. Chan Ka Lai, Vanessa	5/5	2/2
Mr. Kwong Hon Nan, Eric	5/5	2/2

BOARD COMMITTEES

The Board has established the audit committee, the remuneration committee and the nomination committee and delegated various responsibilities to these committees, which assist the Board in discharging its duties and overseeing particular aspects of the Group's activities.

Audit Committee

The Company established the audit committee (the "Audit Committee") on 24 August 2018 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code. The Audit Committee comprises three members, namely, Ms. Chan Ka Lai, Vanessa, Dr. Wu Kwun Hing and Mr. Kwong Hon Nan, Eric, all being independent non-executive Directors. The Audit Committee is chaired by Ms. Chan Ka Lai, Vanessa, who possesses the appropriate professional qualifications.

The primary duties of the Audit Committee include but not limiting to (i) assisting the Board by providing an independent view of the effectiveness of the financial reporting, risk management and internal control systems of the Group; (ii) making recommendations to the Board on the appointment and removal of the external auditor; (iii) reviewing the effectiveness of the audit process; (iv) developing and reviewing the accounting principles and practices adopted by the Group; and (v) performing other duties and responsibilities as assigned by the Board.

During the Year, 2 Audit Committee meetings were held. The attendance of each member is set out below:

	Attendance/Number of Audit Committee meetings entitled to attend
Ms. Chan Ka Lai, Vanessa *(Committee Chairlady)*	2/2
Dr. Wu Kwun Hing	2/2
Mr. Kwong Hon Nan, Eric	2/2

The work performed by the Audit Committee during the Year included the following:

– reviewing and discussing the annual results of the Group for the year ended 28 February 2025.

– reviewing and discussing the interim results of the Group for the six months ended 31 August 2025.

– reviewing the financial reporting, risk management and internal control systems of the Group.

– reviewing the accounting principles and practices adopted by the Group.

– reviewing the effectiveness of the internal audit of the Group.

– reviewing the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting functions.

– considering and discussing the reappointment of BDO Limited, as the auditor of the Group and recommending to the Board for approval by shareholders.

– discussing with the auditor about the audit plan.

The Audit Committee had reviewed this Annual Report and confirmed that it complies with the applicable standard, the Listing Rules and other applicable legal requirements and that adequate disclosures have been made. There is no disagreement between the members of the Audit Committee regarding the selection and appointment of the external auditor.

Remuneration Committee

The Company established the remuneration committee (the "Remuneration Committee") on 24 August 2018 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1.2 of the CG Code. The Remuneration Committee comprises three members, namely Mr. Kwong Hon Nan, Eric, Dr. Wu Kwun Hing and Ms. Chan Ka Lai, Vanessa, all being independent non-executive Directors. The Remuneration Committee is chaired by Mr. Kwong Hon Nan, Eric.

The primary duties of the Remuneration Committee include but not limiting to (i) making recommendations to the Board on the policy and structure for the remuneration of the Directors and senior management of the Group and on the establishment of a formal and transparent procedure for developing remuneration policies; (ii) making recommendations to the Board on the remuneration packages of the Directors and senior management of the Group; (iii) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (iv) considering and approving the grant of share options to Eligible Participants pursuant to the Share Option Scheme.

The Remuneration Committee shall meet at least once a year, or more frequently if circumstances require, to review and make recommendations to the Board on the remuneration policy and structure of the Group, and the remuneration packages of the Directors and senior management of the Group and other related matters.

During the Year, 1 Remuneration Committee meeting was held. The attendance of each member is set out below:

	Attendance/Number of Remuneration Committee meetings entitled to attend
Mr. Kwong Hon Nan, Eric *(Committee Chairman)*	1/1
Dr. Wu Kwun Hing	1/1
Ms. Chan Ka Lai, Vanessa	1/1

The remuneration policy for the Directors and senior management of the Group was based on their experience, level of responsibility and general market conditions. Any discretionary bonus and other merit payments are linked to the profit performance of the Group and the individual performance of the Directors and senior management of the Group. The remuneration policy is subject to review by and the recommendations of the Remuneration Committee.

The Remuneration Committee has adopted the recommendation model described in E.1.2(c)(ii) of the CG Code. The work performed by the Remuneration Committee during the Year included the following:

- reviewing and determining the policy for the remuneration of the Directors and senior management of the Group.
- assessing performance of the executive Directors.
- reviewing and recommending the remuneration packages of the Directors and senior management of the Group.
- reviewing and approving the terms of the executive Directors' service contracts.

No Director nor any of his/her associates was involved in deciding his/her own remuneration.

Nomination Committee

The Company established the nomination committee (the "Nomination Committee") on 24 August 2018 with written terms of reference in compliance with paragraph B.3.1 of the CG Code. The Nomination Committee comprises three members, namely Dr. Wu Kwun Hing, Mr. Kwong Hon Nan, Eric and Ms. Chan Ka Lai, Vanessa, all being independent non-executive Directors. The Nomination Committee is chaired by Dr. Wu Kwun Hing.

The primary duties of the Nomination Committee include but not limiting to (i) reviewing the structure, size and diversity (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board; (ii) making recommendations on any proposed changes to the Board to complement the corporate strategy of the Group; (iii) assessing the independence of the independent non-executive Directors; and (iv) making recommendations to the Board on the appointment of the members of the Board.

The Nomination Committee shall meet at least once a year, or more frequently if circumstances require, to review the Board composition, to develop and formulate relevant procedures for the nomination and appointment of Directors and to develop and evaluate the corporate governance practices of the Group.

During the Year, 1 Nomination Committee meeting was held. The attendance of each member is set out below:

	Attendance/Number of Nomination Committee meetings entitled to attend
Dr. Wu Kwun Hing *(Committee Chairman)*	1/1
Ms. Chan Ka Lai, Vanessa	1/1
Mr. Kwong Hon Nan, Eric	1/1

The work performed by the Nomination Committee during the Year included the following:

- reviewing the structure, size, diversity and composition of the Board and the nomination policy of the Company according to the development of the Group, the requirements under the Listing Rules and the market situation.

- assessing the independence of the independent non-executive Directors.

- making recommendations to the Board on the appointment or re-appointment of Directors and succession plan for the Directors, in particular the Chairman and the Chief Executive Officer.

NOMINATION POLICY

The Board adopted the nomination policy (the "Nomination Policy") on 28 May 2019 which sets out the nomination criteria and procedures for the Company to select candidate(s) for possible inclusion in the Board. The Nomination Policy could assist the Company to achieve board diversity in the Company and enhance the effectiveness of the Board and its corporate governance standard.

When assessing the suitability of a candidate, factors such as the qualifications, skills, integrity and experience will be taken into consideration as a whole. In the case of independent non-executive Directors, they must further satisfy the independence criteria set out within Rule 3.13 of the Listing Rules. Since the selection of candidates should ensure that diversity remains a central feature of the Board, a range of diverse perspectives, including but not limited to gender, age, cultural and educational background, or professional experience would be considered.

The process to identify potential candidates for the Board would be as follows:

(1) identifying potential candidates, including recommendations from the Board members, professional search firms and shareholders of the Company;

(2) evaluating the candidates based on the approved selection criteria through methods such as reviewing the resume and conducting background checks;

(3) reviewing the profiles of the shortlisted candidates and interviewing them; and

(4) making recommendations to the Board on the selected candidates.

The Nomination Policy also includes succession plan for Directors to assess whether vacancies on the Board would be created or expected due to Directors' resignation, retirement, death and other circumstances and to identify candidates in advance if necessary. The Nomination Policy will be reviewed on a regular basis.

BOARD DIVERSITY

The Board adopted the board diversity policy on 28 May 2019.

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 other qualities. The Company also takes into consideration its own business model and specific needs from time to time in determining the optimal composition of the Board.

The Board is committed to promoting diversity, including gender diversity, at the Board level and has adopted a measurable objective of maintaining at least one female Director on the Board. Ms. CHAN Ka Lai, Vanessa was appointed as an independent non-executive Director on 24 August 2018, the Company has therefore achieved this objective. The Company will continue to take opportunities to enhance gender diversity when identifying and selecting candidates for directorships and recruiting employees at all levels, including middle and senior management. The Company seeks to maintain a pipeline of suitably qualified female talent to support Board succession planning and the sustainable development of gender diversity at the Board level. The Nomination Committee will review the board diversity of the Company, as appropriate, to ensure its continued effectiveness at least once a year.

The Board currently consists of a diverse mix of Board members with different appropriate skills, knowledge, experience and gender to promote and achieve better performance of the Group. The Board also recognizes the importance of diversity at the workforce level. The Group is committed to increasing the proportion of female workers as far as possible in the future and taking into account gender diversity in the recruitment process. As at 28 February 2026, approximately 34.2% of the Group's workforce (including senior management) were female.

REMUNERATION POLICY

The Directors and senior management of the Group receive compensation in the form of salaries, director fees, benefits-in-kind, discretionary bonuses related to the performance of the Group, and share options which may be granted under the Share Option Scheme. The Group also reimburses them for expenses which are necessarily and reasonably incurred for providing services or executing their functions in relation to the Group's business and operations. The Group regularly reviews and determines the remuneration and compensation package of the Directors and senior management of the Group, by reference to, among other things, salaries and bonus paid by comparable companies, duties and responsibilities and performance of the Group.

REMUNERATION OF SENIOR MANAGEMENT

Pursuant to code provision E.1.5 of the CG Code, the annual remuneration (including share-based compensation) of members of the senior management of the Group, including the executive Directors, by band for the Year is set out below:

Annual Remuneration	Number of individuals
HK$0 to HK$1,000,000	4
HK$1,000,001 to HK$2,000,000	2
HK$2,000,001 to HK$3,000,000	–
HK$3,000,001 to HK$4,000,000	–
HK$4,000,001 to HK$5,000,000	–

CORPORATE GOVERNANCE FUNCTION

The Board assumes the responsibility for overseeing the overall management and strategic planning of the Group through directing and supervising the Group's affairs. The Company ensures the introduction of independent advice to the Board through various channels: the Directors (including independent non-executive Directors) will be provided in a timely manner with appropriate information in the form and quality to enable them to make an informed decision and perform their duties and responsibilities. The Directors may make further enquiries for more information and have separate and independent access to the senior management and operational staff of the Group. There are also procedures in place to enable the Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the Group's expense to assist them in performing their duties. The Board is responsible for performing the corporate governance duties as set out in code provision A.2.1 of the CG Code. During the Year, the Board has (i) reviewed the Company's practices on corporate governance during the Year, (ii) reviewed and monitored the training and continuous professional development of the Directors and senior management for the Year, (iii) reviewed and monitored the Company's practices on compliance with legal and regulatory requirements for the Year, (iv) reviewed and monitored the Company's corporate governance code and the code of conduct applicable to the Directors for the Year; and (v) reviewed the Company's corporate governance policies, including the board diversity policy, mechanisms to ensure independent views of the Board and shareholders communication policy and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

RISK MANAGEMENT AND INTERNAL CONTROLS

Responsibility of the Board

The Board is committed to the maintenance of good corporate governance, practices and procedures, and to implement effective risk management and internal control systems of the Group. The Board acknowledges its responsibility for the risk management and internal control and reviewing the effectiveness of the systems on an annual basis. However, such systems are designed to manage rather than eliminate risk of failure to achieve business objective, and can only provide reasonable but not absolute assurance against material misstatement or loss.

The risk management process includes risk identification, risk evaluation, risk management measures and risk control and review.

The management is entrusted with duties to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority. It endeavours to evaluate and compare the level of risk against predetermined acceptable level of risk. For risk control and monitoring, it involves making decisions regarding which risks are acceptable and how to address those that are not. The management will develop contingency plans for possible loss scenarios. Accidents and other situations involving loss or near-loss will be investigated and properly documented as part of the effort to manage risks.

The Board as a whole is responsible for identifying and considering the disclosure requirements and guidelines regarding inside information. Meanwhile, the compliance department of the Group is responsible for maintaining the watch list and the restricted list and monitoring clients' trading and staff dealing. The Group's public side staff who are exposed to inside information must maintain the confidentiality of such information and may use it only for the business purpose for which it is communicated.

The process to identify, evaluate and manage risks are carried out on a regular and on-going basis. These processes are summarised as follows:

Risk identification

- Identify risks that may potentially affect the Group's business and operations.

Risk assessment

- Assess the impact and consequence of the identified risks on the business and the likelihood of their occurrence.

Response to findings of risk assessment

- Prioritise the risks by comparing the results of the risk assessment; and
- Determine the risk management strategies and internal control processes to prevent, avoid or mitigate the risks.

Risk monitoring and reporting

- Perform ongoing and regular monitoring of the risks and ensure that appropriate internal control processes are in place;
- Enhance risk management strategies and internal control processes in case of any significant change of situation; and
- Report the results and effectiveness of the risk management and internal control systems to the Board and the Audit Committee regularly.

In relation to the handling and dissemination of inside information, the Group has implemented an information disclosure policy to ensure potential inside information is being captured and confidentiality of such information is being maintained until consistent and timely disclosure is made in accordance with the Listing Rules. The policy is summarised as follows:

- Designated reporting channels from different operations informing any potential inside information to designated departments;
- Designated persons and departments to determine further escalation and disclosure as required; and
- Designated persons authorised to act as spokespersons and respond to external enquiries.

The Group has staff performing internal audit functions including monitoring, assessing and periodic review of the design, implementation and effectiveness of the risk management and internal control systems and procedures.

During the Year, the Company has conducted an annual review on the effectiveness and efficiency of the Group's risk management and internal control systems, and both the Board and the Audit Committee were satisfied with and confirmed that the Group's risk management and internal control systems were effective and adequate.

COMPANY SECRETARY

The company secretary of the Company (the "Company Secretary"), Ms. Chau Lok Yi, is a full-time employee of the Group. During the Year, the Company Secretary undertook no less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules. Her biography is set out in the section headed "Biographies of Directors and Senior Management" on page 22 of this Annual Report.

AUDITOR REMUNERATION

BDO Limited was engaged as the auditor of the Group and provided the following services to the Group for the Year.

	2026 **HK$'000**	2025 HK$'000
Audit services	**863**	798
Non-audit services *(Note)*	**160**	–
Total	**1,023**	798

Note: Non-audit services include issuing a letter on the profit forecast and a statement on indebtedness for the disclosable and connected transaction involving the disposal of the equity interests in Innovax Credit and Innovax Management.

ACKNOWLEDGEMENT OF RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors have acknowledged their responsibilities for preparing the consolidated financial statements of the Group. In preparing the consolidated financial statements for the Year, the Directors have:

– based on a going concern basis;

– selected suitable accounting policies and applied them consistently; and

– made judgements and estimates that were prudent, fair and reasonable.

The report of the auditor of the Group about its reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report from pages 62 to 65 of this Annual Report.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information which enables shareholders and investors to make the best investment decision.

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman as well as chairpersons of the Audit Committee, the Remuneration Committee and the Nomination Committee or, in their absence, other members of the respective committees and, where applicable, the independent Board, are available to answer questions at the shareholders' meetings.

During the Year, an annual general meeting of the Company was held on 8 August 2025 at which all the Directors attended to communicate with the shareholders of the Company. All corporate communication and regulatory announcements were timely published on the website of the Stock Exchange and the Company. The Board considers that the shareholder communication policy is effective during the Year.

SHAREHOLDERS' RIGHTS

Right to Convene Extraordinary General Meeting

Pursuant to Article 58 of the Articles, the Board may whenever it thinks fit call extraordinary general meetings. Any one or more shareholders holding at the date of 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 to the Board or the Company Secretary, to require an extraordinary general meeting 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. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so 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 to the requisitionist(s) by the Company.

Right to Put Forward Proposals at General Meetings

A shareholder shall make a written requisition to the Board or the Company Secretary at the Company's principal place of business in Hong Kong at Unit A–C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at the general meeting regarding any specified transaction/business and its supporting documents.

Right to Put Forward Enquiries to the Board

Shareholders may send written enquiries to the Company for the attention of the Company Secretary at the Company's principal place of business in Hong Kong at Unit A–C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong.

Dividend Policy

The Company has adopted a policy on payment of dividends on 28 May 2019. Whether dividends will be paid and the amount of dividends to be paid will depend on, among other things, the Group's profitability, financial condition, business development, future prospects, future cash flow and such other factors as the Directors may consider relevant at the time of declaration of any dividends subject to the discretion of the Directors.

Changes in Constitutional Documents

Pursuant to Rule 13.90 of the Listing Rules, the Company has published its Articles on the website of the Company and the Stock Exchange. During the Year, there was no change in the constitutional documents of the Company.

ABOUT THIS REPORT

The Company is pleased to present the 2025/26 environmental, social and governance report ("ESG Report"). This ESG Report reflects the sustainability strategy of the Group, including the environmental, social and governance ("ESG") initiatives and performances. The Company also wants to take this opportunity to communicate these achievements with its stakeholders.

Reporting standard and Principles

This ESG Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide"), which is the Appendix C2 to the Listing Rules. The Group has adhered to the four reporting principles of "Materiality", "Quantitative", "Balance" and "Consistency" set out in the ESG Reporting Guide.

Principle	Meaning and Our Practice
Materiality	Materiality means issues covered in the ESG Report are important to investors and other stakeholders. The Group has identified the key ESG issues through regular engagements with its stakeholders and the assessment by its management.
Quantitative	Key performance indicators ("KPIs") are reported in a measurable manner where appropriate. Historical KPIs results are provided for comparison. Targets are set to reduce impacts to the environment.
Balance	Both achievements and challenges are covered in this ESG Report to reflect an unbiased and objective picture on the Group's performances.
Consistency	The reporting scope and approach remain consistent with previous years for meaningful comparison.

Reporting Period and Scope

The information disclosed in this ESG Report covers the financial year from 1 March 2025 to 28 February 2026 (the "Reporting Period" or the "Year"). Figures for the corresponding period from 1 March 2024 to 28 February 2025 (the "Year 2024/25") are also presented for comparison. Unless otherwise specified, this ESG Report covers the operation of the corporate finance advisory business of the Group. The Group will continuously improve its sustainable development strategy and expand the scope of disclosure progressively in line with its business development.

Confirmation and Approval

The Group has established internal controls and a formal review process to ensure that the information presented in this ESG Report is as accurate and reliable as possible. The Board has the overall responsibility for the establishment and disclosure of relevant measures and KPIs. This ESG Report was reviewed and approved by the Board on 29 May 2026.

POLICY AND STRATEGY

Founded in 2014, the Group has a business objective to establish an integrated platform for providing financial and securities services to its clients. As the momentous stage of the Group, the Listing provided an arena for the Group not just to have a sufficient and healthy capital base but also opportunities to realise a more efficient and sustainable fund-raising platform.

To make a sustainable difference, campaigns and trainings have been launched to promote its values within the Group. The Group has categorised the ESG activities into the following four focus areas:

1. Sustainable Business

- The Group operates in a sustainable manner meanwhile balancing the interests of various stakeholders including customers and employees. Through regular stakeholder engagement, the stakeholders are encouraged to give their opinions regarding the ESG policies of the Group.

2. Community and Development

- Through enactment of its Community Investment Policy Statement, the Group fosters positive relationships in the community. The Group works closely with external organisations and encourages employee participation in voluntary works.

3. Inclusion and Diversity

- An inclusive culture and workplace diversity are promoted in the Group by providing training to and informing employees about topics related to equal opportunity, discrimination and harassment.

- The Group provides equal opportunities in employment, training and career development regardless of gender, age, nationality, race, skin colour, religion, body size, illness, mental or physical disability, family roles, family composition, sexual orientation, political beliefs or social status.

4. Climate and Environmental

- The Group is committed to contributing to the sustainability of the environment and to becoming an environmental-friendly corporation. The Group focuses on reduction of energy and natural resources consumption, waste reduction and utilisation of environmentally friendly products and services.

- Through its internal channels and engagement of volunteer service, the Group raises the environmental awareness of its staff. The Group further encourages its suppliers, business partners and customers to improve their environmental performance.

The Group is committed and will continue to contributing towards the UN Sustainable Development Goals (“UNSDG”) in order to achieve a sustainable business environment and to become an environmental-friendly corporation.

KEY ACHIEVEMENTS

The Group has identified the major accomplishments during the Year which are aligned to the following UNSDG:

1. Good Health and Well-being **(The 3rd UNSDG)**

- To safeguard the health of its staff, the Group had adopted the "Work from Home" practice when needed since late January 2020, in response to the coronavirus pandemic.
- All relevant laws and regulations are complied, no cases of work-related injuries or fatalities were recorded during the Reporting Period.

2. Quality Education **(The 4th UNSDG)**

- Through its annual appraisal procedure and training programmes (such as training on anti-money laundering and risk management) provided to its employees, the Group supports their performance improvement and nurtures their career growth.

3. Gender Equality **(The 5th UNSDG)**

- The Group emphasises diversity and is committed to providing a workplace free from discrimination and harassment for employees and adopts consistent selection criteria and neutral wording in job advertisements.

4. Sustainable Cities and Communities **(The 11th UNSDG)**

- To promote sustainability not just to its employees but also other stakeholders including but not limited to its suppliers, business partners and customers, the Group encourages the use of online facsimile (internet fax) system.
- The Group avoids using disposables and strictly follows the practice of recycling by setting up recycling bins with regular collection by trusted service providers.

5. Responsible Consumption and Production **(The 12th UNSDG)**

- The Group implements various measures to increase energy efficiency and reduce emissions, such as adopting lighting zoning system and maintaining optimal air-conditioning temperature. Simplifying workflow to reduce business trips also reduces potential carbon emission.
- The Group has formulated the Supply Chain Management, Product Responsibility and Anti-Corruption Policy Statement (collectively known as "Operation Policy Statement") which outlines the Group's commitment to providing services information to customers in an accurate and timely manner and safeguarding data security.

6. Climate Action **(The 13th UNSDG)**

- The Group adopts the practice of recycling in daily business and operation and promotes the importance of change of habit and sustainable business internally and externally.
- The Group plans to support different afforestation projects, which include the project in the Amazon forest, by acquiring its carbon credits through the Intercontinental Carbon Assets Development Group Limited ("ICCAD").

7. Life on Land **(The 15th UNSDG)**

- Besides targeting to use less energy and natural resources, the Group plans to offset the greenhouse gas ("GHG") generated from it by purchasing carbon credits. The Group is also planning on planting trees, in Hong Kong or in mainland China, as a long-term means, to continually reduce the emission impact to the environment.

8. Peace, Justice and Strong Institutions **(The 16th UNSDG)**

- All services offered by the Group comply with applicable local laws and regulations, including but not limited to the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) and internal requirements for professional conduct.

- 100% of the Group's staff completed the training on anti-money laundering during the Year.

ESG GOVERNANCE AND RISK MANAGEMENT

(Related to the 16th UNSDG)

The Board and senior management of the Group are committed to the maintenance of good corporate governance practices and procedures. The Group believes that good corporate governance provides a framework that is essential for effective management, healthy corporate culture, successful business growth and enhancing shareholders' value.

The corporate governance principles of the Group emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders of the Company. The Board has the overall responsibility in overseeing the Group's ESG strategy and performance on matters about environmental protection, employment, operational responsibility and community investment.

The Group acknowledges that risk management is an integral part of good corporate governance. The Board continuously monitors the effectiveness of risk management and internal control systems of the Group to identify, evaluate and respond to various risks, including ESG risks. The Board also takes appropriate measures to avoid or mitigate risks that may adversely affect the Group's business.

To enable the Company to achieve the ESG-related targets set for each reporting period, the Group monitors the usage of electricity, purchase of paper and the amount of non-hazardous waste generated on a quarterly basis.

The Audit Committee regularly reviews the Group's risk management and internal control systems, and receives reports from the senior management of the Group to confirm that the internal control mechanism is effective. The Group regularly reviews industry-relevant risks in order to update the internal control and risk management process in a timely manner.

As part of its corporate responsibility, the Group continues to explore ways to engage its stakeholders and further strengthen its sustainability governance.

STAKEHOLDERS' ENGAGEMENT

Understanding and responding to the needs and expectation of stakeholders from different sectors helps the Group in formulating and adjusting its sustainability strategies.

The Group's stakeholders are those who have a considerable influence on the Group's business, and whom the Group's business has a significant impact on. The Group identifies clients, shareholders, employees, business partners, regulatory authorities and the community as its key stakeholders.

The Group engages its key stakeholders via multiple channels to gather their feedback. Meetings and other communicative means are held across daily operations for both internal and external stakeholder groups. Every feedback from stakeholders guides the Group to identify material ESG issues, as well as to address risks and seize development opportunities.

Throughout the stakeholders' engagement, the Group identifies that quality of services, customer data protection and privacy, anti-corruption, and employee training and development are material ESG issues. The Group's policies regarding these issues are disclosed in the respective sections of this ESG Report.

Your Feedback

The Group always hopes to promote communication between the Group and its stakeholders. The Group sincerely invites you to provide your valuable opinion. Your input can help the Group further enhance its sustainability management. If you have any questions or suggestions regarding the Group's sustainability policies or the content of this ESG Report, please send your comments through compliance@innovax.hk. Your feedback will be highly appreciated.

PROTECTING THE ENVIRONMENT

(Related to the 9th, 11th, 12th, 13th, & 15th UNSDG)

The Group runs its business within its office premises and the Group does not create a significant impact on the environment. Despite that, the Group strives to protect the environment and reduce the impact on the environment by its business operation. The Group has formulated its Environmental Protection Policy Statement to guide its direction in minimising the negative impacts of its operation on the environment regarding air emissions, water and waste management and use of energy and other resources.

During the Reporting Period, to the best knowledge of the Directors, the Group was not aware of any cases of non-compliance in relation to environmental laws and regulations, including but not limited to the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) and Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong).

Energy Consumption and Air Emissions

In line with its commitments stated in the Environmental Protection Policy Statement, the Group has implemented a number of measures to increase energy efficiency and reduce GHG emissions:

- Switching off the lights in public areas during lunch and non-working hours;
- Adopting lighting zoning system;
- Keeping good maintenance of electrical appliances and replacing malfunctioning equipment;
- Setting the air-conditioning temperature at an optimal temperature; and
- Simplifying workflow to reduce business trips.

Due to the characteristics of the industry, the Group does not produce any direct GHG emission. The main energy consumption of the operation is electricity. The total electricity consumption and the total GHG emissions generated during the Year slightly decreased by approximately 1.61% and approximately 10.6% as compared to the Year 2024/25. The Group will continue to manage GHG emissions and expects that emission level during the next reporting period will be similar to the level during the Year.

Environmental KPIs	**Year 2025/26**	Year 2024/25	**Unit**
Total energy consumption	**7.204**	7.322	MWh
Energy intensity per office floor area	**0.073**	0.074	MWh/m^2
Energy intensity per employee	**0.655**	0.610	MWh/person
Total GHG emissions	**4.322**	4.833	tonnes CO_2-e
GHG intensity per office floor area	**0.044**	0.049	tonnes CO_2-e/m^2
GHG intensity per employee	**0.393**	0.403	tonnes CO_2-e/person

Notes:

(a) Energy and GHG intensity per office floor area for the Year have been adjusted to reflect the actual situation.

(b) The Group did not produce significant GHG emissions in both Year 2024/25 and the Year.

(c) According to Hong Kong Electric, the amount of carbon emissions per kilowatt hour of electricity was 0.6 kg carbon dioxide equivalent ("CO_2-e") for the year 2024.

Water and Waste Management

The Group is well aware that reasonable use of resources is essential to sustainable development. The Environmental Protection Policy Statement also sets out the Group's commitment to optimising the use of water and raw materials. The Group has adopted a series of measures to effectively manage the use of resources and handle wastes:

- Encouraging employees to conserve water;
- Using paper from sustainable sources or made of recycled materials;
- Adopting electronic communications and filing to reduce the use of paper;
- Recommending use of duplex printing or photocopying;
- Adopting online facsimile (internet fax) system;
- Avoiding using disposables; and
- Setting up recycling bins and waste recyclers to collect wastes regularly.

The Group does not consume a significant amount of water or generate a large amount of sewage. The water the Group uses comes from the Water Supplies Department of Hong Kong and the Group does not have any issue in sourcing water. Since the property manager of the Group's office premises cannot provide the water consumption data for individual tenant, the Group has no water usage data that could be disclosed. Wastewater produced is directly discharged to the sewerage network. No packaging material is used for the Group's finished products.

The Group does not generate hazardous waste in its daily operation and the non-hazardous waste mainly consists of paper and other general refuse. The total non-hazardous waste generated and the non-hazardous waste generated per employee during the Year decreased by approximately 43.4% as compared to the Year 2024/25. The decrease in the generation of non-hazardous waste during the Year was the result of the employees' effort in reducing generation of non-hazardous waste. The Group will continue to manage generation of non-hazardous waste and expects that amount of non-hazardous waste to be generated during the next reporting period will be similar to the level during the Year.

The amount of non-hazardous waste generated during the Year 2024/25 and the Year is summarized in the following table.

Environmental Key Performance Indicators	**Year 2025/26**	Year 2024/25	**Unit**
Total non-hazardous waste generated	**0.172**	0.304	tonnes
Non-hazardous waste intensity per office floor area	**0.002**	0.003	tonnes/m^2
Non-hazardous waste intensity per employee	**0.016**	0.025	tonnes/person

Note:

Non-hazardous waste intensity per office floor area for the Year has been adjusted to reflect the actual situation.

Environment and Natural Resources

The Group understands the need to protect the planet for present and future generations and is making ongoing efforts to use fewer natural resources. The Group operates its business with environmental concerns in mind and encourages good environmental practices.

The Group is working to reduce its consumption of energy and natural resources, to reduce waste, and to use environmental friendly products and services whenever possible. To identify the environmental improvement opportunities, the Group will improve the data collection system in order to review the effectiveness of the emissions and waste reduction measures, as well as the energy and water efficiency initiatives. The Group prioritises the usage of digital communication tools such as emails over printed letters, and also educates its staff through internal channels to raise environmental awareness and cultivate green values among its staff.

Additional Measures to Mitigate Emission Impact to the Environment

The Group recognises that real-world impacts and activities from individuals are crucial to achieve sustainability. Instead of only focusing on prevention measures to reduce carbon footprint, the Group would also like to inspire other companies and to contribute proactively in the restoration of the nature.

(a) Afforestation Internationally

Besides targeting to use less energy and natural resources, the Group has been in an active dialogue with ICCAD regarding acquisition of carbon credits as a short-term means to offset some (or even all) of the GHG emissions generated from the business. The Group could therefore provide its indirect support to the afforestation project "Project of Cerrado and Amazonia REDD Brasil" in Amazon forest. The total forest carbon stock of the mentioned project is estimated up to 70,000,000 tonnes CO2-e, covering a total project area exceeding 600,000 hectares.

(b) Carbon Neutralisation

Through the potential afforestation project with ICCAD, the Group would then be able to step forward to not just achieving carbon neutralisation but also creating other positive impacts including offsetting of an estimate of 100,000 tonnes CO2-e, compared to the Group's GHG emissions of approximately 4,322 tonnes CO2-e during the Year.

(c) Afforestation Locally

In additional to supporting the forest restoration, the Group is also contemplating to create a positive impact on the environment by planting trees, either in Hong Kong or in mainland China, as a long-term means, to continually reduce the emission impact to the environment.

Note:

A carbon credit is a tradable permit or certificate that provides the credit holder the right to emit one ton of carbon dioxide or an equivalent of another GHG – it essentially allows producers to compensate for their GHG emissions.

Climate Change

As Hong Kong's climate is sub-tropical, the significant climate-related issues the Group has identified and faced are typhoons and heavy rainstorms. As stated in the Group's Staff Handbook, when Typhoon Signal No. 8 or Black Rainstorm Warning is hoisted on or before the normal office hour, staff is not required to come to work and the office is usually closed until the signal or warning is lowered. The issues inevitably affect the productivity of the Group. Having said that, for urgent works, the staff can adopt "Work from Home" practice to mitigate the impact on the operation of the Group.

PEOPLE

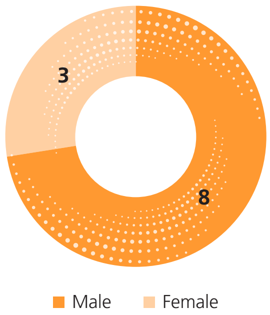
(Related to the 3rd, 4th, 5th & 10th UNSDG)

Employees are the foundation for a business's success and future development. As a caring and responsible corporation, the Group is devoted to providing a decent working environment for its employees. Policies relating to employment management, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare are set out in the Staff Handbook and the Employment and Labour Practices Policy Statement. During the Reporting Period, to the best knowledge of the Directors, the Group was not aware of any cases of non-compliance in relation to the labour laws and regulations, including but not limited to, the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

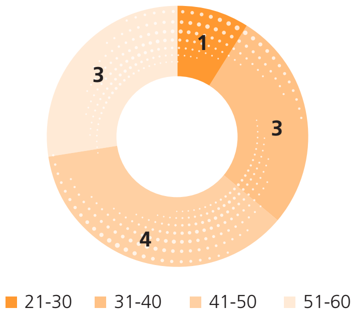
The Group provides different channels to facilitate open communications among all employees. The Group informs employees of important corporate announcements and up-to-date policies through email. As of 28 February 2026, the corporate finance advisory business of the Group had 11 full-time staff, who are all based in Hong Kong. The following graphs show their distribution by gender, age and employment category.

Staff dismissal records with reasons are provided by the respective department heads and documented by the human resources department together with the approval records. Employee turnover statistics in the Reporting Period are shown in the graphs below.

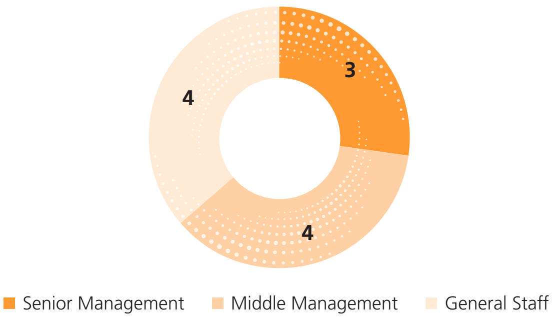
Employee by Gender



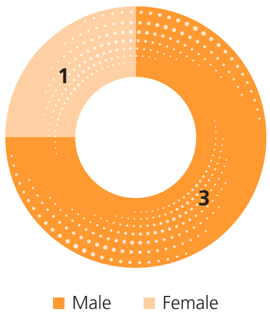
Employee by Age



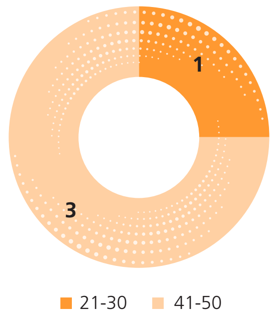
Employee by Category



Employee Turnover by Gender



Employee Turnover by Age



Equal Opportunity

The Group emphasises diversity and is committed to providing a workplace free from discrimination and harassment for employees from different backgrounds. To create a diverse talent pool and ensure the recruitment process is free from any forms of discrimination, the Group adopts consistent selection criteria and neutral wording in job advertisements. The same principle is also applied in career development and training, regardless of employees' gender, age, nationality, ethnicity, religion, disability or sexual orientation. The Group provides employees with information related to equal opportunity, discrimination and harassment. An employee who believes that he/she is subject to any kind of harassment could report to the designated person of the Group.

Remuneration and Benefits

The Group ensures its remuneration is attractive and decent. The basic monthly salary takes into account of the job responsibilities, skills required for the position and the qualifications and experience of the employee. The Group may offer a discretionary bonus to an employee based on the performance of the Group and that of the employee. This is to reward efforts made by the employees in the preceding year and encourage them to continue to contribute to the development of the Group.

The Group's management reviews the remuneration annually based on the employees' performance, the Group's financial results, as well as changes to the cost of living and the general economic condition. The Group has also adopted the Share Option Scheme for Eligible Participants (including Directors) in order to provide incentives and foster mutual growth of the participants and the Group.

The Group's employees are entitled to a five-day working week, public holidays, paid annual leaves, sick leaves, maternity and paternity leaves, as well as marriage and compassionate leaves. The Group also provides medical benefits which include outpatient benefits and hospitalisation coverage for most of the employees.

Health and Safety

The Group's employees work inside offices and are not exposed to significant occupational health and safety risks. The Employment and Labour Practices Policy Statement states the Group's commitments in maintaining a healthy and safe working environment. The Group's Staff Handbook provides employees with guidance on health and safety workplace and the key points are summarised as follow:

- Properly maintaining all work-related equipment and systems;
- Making sure that the use, handling, storage and transport of office supplies and equipment are neat, tidy, safe and free from hazards; and
- Regularly reviewing and updating the Health and Safety Policy and notifying all employees on its updates.

The Group complies with the relevant laws and regulations, such as the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong). To the best knowledge of the Directors, no cases of work-related injuries or fatalities were recorded during the Year and the previous two financial years.

Training and Development

The Group appreciates the values of career planning and development of its employees. It has established a procedure of annual performance appraisal. An employee's performance is reviewed against his/her objective and target based on his/her development needs. The Group considers that such review can support the employee's career growth and help the Group achieve its business goals. The Group believes that providing training programmes to its employees can improve their performance and nurture their career growth.

As a financial and securities services provider, the Group has an obligation to conduct customer due diligence and identify risks regarding money laundering and terrorist financing. During the Reporting Period, the Group provided in-house training on anti-money laundering and risk management as regular refresher training for all employees. The training ensures that all employees, no matter their work position, are aware of their obligations to develop a risk profile for every customer and report suspicious transactions as stipulated under relevant regulations and guidelines.

		Percentage of Employees Trained	Average Training Hours Per Employee
Gender	Male	100%	12.0
	Female	100%	12.0

		Percentage of Employees Trained	Average Training Hours Per Employee
Employee Category	Senior Management	100%	12.0
	Middle Management	100%	12.0
	General Staff	100%	12.0

Labour Standards

Child labour and forced labour infringe basic human rights and put a corporate's reputation at risks. The Group adheres to local labour laws and standards and is committed to prohibiting the use of child labour and forced labour.

To prevent hiring child labour by mistake, the Group has set minimum working age requirement and verified the age of applicant by scrutinising various identification documents before hiring. The Group avoids forced labour by assuring employees' right to terminate their employment. Normal working hours are stipulated in the Staff Handbook.

During the Reporting Period, to the best knowledge of the Directors, the Group was not aware of any non-compliance with relevant labour laws and regulations, including but not limited to the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong). The Group keeps track of any changes in the relevant labour laws and regulations and reviews and revises its employment practices accordingly.

OPERATING PRACTICES

(Related to the 8th & 12th UNSDG)

The Group is committed to upholding the highest standard of corporate governance and business integrity in its activities. The Group has formulated the Operation Policy Statement in order to manage social risks in its daily operation.

Supply Chain Management

The Group does not produce any physical products and therefore it does not have significant procurement. The Group's suppliers which are all located in Hong Kong mainly include professional services providers, property management and office supplies vendors.

The Group maintains strategic partnerships with and supports all of its suppliers to reduce the environmental and social impacts along its value chain. The Group considers the following aspects of potential suppliers, including but not limited to compliance with laws and regulations, past experience, environmental sustainability, products and services quality and the prevailing market price, before engaging them. The Group prefers selecting suppliers who share the same environmental, social and ethical values with it, so as to integrate its sustainability strategy into its daily operation.

Products and Services Responsibility

The Group values each client and continuously strives to improve its services to satisfy the clients' needs. The Operation Policy Statement outlines its commitment to providing services information to customers in an accurate and timely manner and safeguarding data security.

The Group has established a complaint handling process to protect the interest of its clients. All written and verbal complaints received are reported to the compliance officer of the Group, who is responsible to conduct investigations and respond to the complainant within a reasonable period. The Group also conducts independent reviews on the complaint handling procedures regularly.

To protect clients' privacy, the Group has maintained control over its information systems. The Group has provided guidance to the related personnel on handling and storage of client data. Restricted access right to folders and files is limited to the relevant team members only. The Group has also set up a firewall to prevent leakage of confidential information. For its sales and marketing, the Group commits to providing objective, accurate, honest and fair information in all marketing and communication channels, including printed materials and advertisements. Given its business nature, the Group does not have any intellectual property rights which are needed for providing services to its clients.

To the best knowledge of the Directors, the Group was not aware of any significant non-compliance with laws and regulations in relation to products and services responsibility during the Reporting Period, including but not limited to the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), the SFO and the Listing Rules. The Group's operation does not involve in health and safety issues relating to the provision of its services. To the best knowledge of the Directors, the Group was not aware of any cases of non-compliance with laws and regulations concerning health and safety, advertising, labelling and privacy during the Reporting Period.

Anti-Corruption, Anti-Money Laundering and Anti-Terrorist Financing

The Group believes that integrity is the foundation of fulfilling corporate social responsibilities. The Group recognises its responsibility to conduct businesses in an honest and ethical manner. The Group ensures that all services offered comply with applicable laws and regulations in Hong Kong, including but not limited to the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) and internal requirements for professional conduct. The Group has set up a whistleblowing policy (the "Whistleblowing Policy") to encourage its staff to report any suspected action, situation or circumstance anonymously without fear of retaliation. The Audit Committee has the overall responsibility for the Whistleblowing Policy, but has delegated the day-to-day responsibility for overseeing and implementing the whistleblowing function to the compliance department of the Group. Besides, as required by the SFC, the Group provides in-house anti-corruption trainings to all of its staff. During the Reporting Period, to the best knowledge of the Directors, the Group and its staff were not involved in any legal cases in relation to corruption.

As a financial and securities services provider, prevention and detection of money laundering is part of the Group's core social responsibilities. The Group's Policy on Prevention of Money Laundering and Terrorist Financing sets forth the responsibilities of the Group and its employees in preventing money laundering and terrorist financing. It provides clear procedures, as summarised in the following graph, to prevent and suppress such activities in the Group's operation.

AML Procedures

Identify clients and their beneficial owners

↓

Verify their identities

↓

Identify suspicious transactions

↓

Perform database screening

↓

Monitor business relationships continuously

↓

Report suspicious money laundering and terrorist financing activities

↓

Keep adequate and proper records

The Group arranges trainings on anti-money laundering and anti-terrorist financing for employees and regularly communicates with them on the importance of compliance and business conduct. During the Reporting Period, to the best knowledge of the Directors, the Group was not aware of any non-compliance cases against relevant laws and regulations, including but not limited to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong).

COMMUNITY INVESTMENT

(Related to the 1st, 11th, 13th & 15th UNSDG)

The Group is a caring enterprise and has devoted to making contributions to the community where it operates. The Group has established its Community Investment Policy Statement and is committed to fostering a positive relationship with the community.

The Group also continuously encourages its staff to participate in any kinds of voluntary works held by external organisations.

Social Impact

Financially supporting the afforestation project will help not only restoring the nature but also creating significant amount of job openings and opportunities for the local communities.

The Group has been planning to financially support an afforestation project in the Amazon forest and also targeting to create social impact and influence to the local society through tree planting and further community contributions. The Group will review and adjust its plans and focus on creating positive social impact and contributions to the community.

INDEPENDENT AUDITOR'S REPORT

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TO THE SHAREHOLDERS OF INNOVAX HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Innovax Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 64 to 125, which comprise the consolidated statement of financial position as at 28 February 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 28 February 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

During the audit of the Group, we identified the following key audit matters:

Key audit matter

Impairment assessment of accounts receivable arising from securities financing services

We identified the impairment assessment of accounts receivable arising from securities financing services as a key audit matter because of the significant judgement and estimation uncertainty involved in the determination of expected credit loss ("ECL") on the individual balances of accounts receivable arising from securities financing services at the end of reporting period.

Refer to Notes 22 and 38 to the consolidated financial statements and the accounting policies on Note 3 to the consolidated financial statements.

As at 28 February 2026, the total gross carrying amount of accounts receivable arising from securities financing services was approximately HK$19.3 million.

As at 28 February 2026, the carrying amount of ECL of approximately HK$27,000 was recognised in relation to the accounts receivable arising from securities financing services.

In assessing the ECL on the individual balances of accounts receivable arising from securities financing services, management performed the assessment based on their historical credit loss experience, adjusted for factors that are specific to the margin clients, general economic conditions and forecast of future conditions at the end of reporting period. Management also reviews the realisable value of pledged securities received from the margin clients. The methodology and assumptions used in the impairment assessment of accounts receivable arising from securities financing services is reviewed regularly by management to reduce the differences between loss estimates and actual loss experience.

How our audit addressed the key audit matter

Our procedures in relation to the impairment assessment of accounts receivable arising from securities financing services included:

- examining the underlying documentation and key assumptions and estimates used in the impairment assessment of advances to customers in margin financing by the management on a sample basis and assessing the fair value of pledged securities for all impaired balances of advances to customers in margin financing;
- challenging the management's assessment and expectation of the possible outcomes on the recoverability of the individual balances of advances to customers in margin financing, the fair value of pledged securities and the principal activities of the pledged securities by reading the public announcements and other available information to us on a sample basis; and
- evaluating, together with our internal valuation specialists, the reasonableness and appropriateness of the impairment assessment model and the critical assumptions, inputs and parameters used in the model.

OTHER INFORMATION

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

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

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

DIRECTORS' RESPONSIBILITIES 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 issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors of the Company are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

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 the terms of our 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 HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional 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.

- 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 work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, 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.

BDO Limited
Certified Public Accountants
Choi Kit Ying
Practising Certificate no. P07387

Hong Kong, 29 May 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 28 February 2026

	Notes	Year ended **28 February 2026 HK$'000**	 28 February 2025 HK$'000 (re-presented)
Revenue			
Corporate finance advisory services	5	**9,866**	8,495
Placing and underwriting services	5	**1,776**	151,467
Securities dealing and brokerage services	5	**5,310**	2,866
Asset management services	5	**3,748**	492
Interest income from securities financing services	5	**1,996**	2,611
Total revenue		**22,696**	165,931
Other income	7	**5,287**	5,406
Other gains or (losses)	8	**24,780**	(26,088)
		52,763	145,249
Other operating expenses		**(17,472)**	(158,354)
Depreciation of property and equipment	19	**(20)**	(56)
Depreciation of right-of-use assets	20	**(1,187)**	(1,241)
Impairment allowance on financial assets, net of reversal	9	**(48)**	(36)
Staff costs	10	**(24,337)**	(22,162)
Finance costs	11	**(65)**	(92)
Other expenses		**(275)**	–
Profit/(loss) before tax	12	**9,359**	(36,692)
Income tax expense	13	**–**	–
Profit/(loss) from continuing operations		**9,359**	(36,692)
Discontinued operation			
Profit from discontinued operation, net of tax	18	**2,348**	1,405
Profit/(loss) and total comprehensive income/(expense) for the Year		**11,707**	(35,287)
Earnings /(loss) per share			
Basic and diluted (HK cents)	15		
– Continuing operations		**15.60**	(71.51)
– Discontinued operation		**3.91**	2.73

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 28 February 2026

	Notes	As at 28 February 2026 HK$'000	28 February 2025 HK$'000
Non-current assets			
Property and equipment	19	**11**	24
Right-of-use assets	20	**619**	1,131
Intangible asset	21	**500**	500
Deferred tax assets	33	**357**	357
Other receivables, deposits and prepayments	25	**337**	482
Interest in associate	24	**–**	50
Total non-current assets		**1,824**	2,544
Current assets			
Accounts receivable	22	**52,753**	43,331
Loan receivables	23	**–**	29,797
Other receivables, deposits and prepayments	25	**924**	2,535
Financial assets at fair value through profit or loss	35	**10,754**	44,150
Amount due from a joint venture	26	**–**	230
Cash and bank balances	27	**108,668**	97,197
Cash and bank balances – held on behalf of customers	28	**76,900**	133,243
Disposal group classified as held-for-sale	18	**50,943**	–
Total current assets		**300,942**	350,483
Total assets		**302,766**	353,027
Current liabilities			
Accounts payable	29	**99,639**	162,916
Other payables and accruals	30	**1,755**	1,747
Contract liabilities	31	**305**	234
Liabilities to external unitholders		**1,275**	–
Lease liabilities	34	**586**	1,008
Disposal group classified as held-for-sale	18	**10**	–
Total current liabilities		**103,570**	165,905
Net current assets		**197,372**	184,578
Total assets less current liabilities		**199,196**	187,122
Non-current liabilities			
Provision for long service payment		**530**	–
Lease liabilities	34	**86**	249
Total non-current liabilities		**616**	249
Net assets		**198,580**	186,873
Equity			
Share capital	32	**6,000**	6,000
Reserves		**192,580**	180,873
Total equity		**198,580**	186,873

The consolidated financial statements on pages 64 to 125 were approved and authorised for issue by the board of directors on 29 May 2026 and signed on its behalf by:

Chung Chi Man
Director

Poon Siu Kuen, Calvin
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 28 February 2026

	Share capital HK$'000 *(note 32)*	Share premium HK$'000	Share option reserve HK$'000	Retained profits HK$'000	Total equity HK$'000
At 1 March 2024	4,000	169,663	6,707	30,119	210,489
Cancellation of share options	–	–	(6,707)	6,707	–
Issue of shares upon rights issue	2,000	9,671	–	–	11,671
Loss and total comprehensive expenses for the year	–	–	–	(35,287)	(35,287)
At 28 February 2025	6,000	179,334	–	1,539	186,873
Profit and total comprehensive income for the year	–	–	–	11,707	11,707
At 28 February 2026	6,000	179,334	–	13,246	198,580

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 28 February 2026

	Notes	Year ended 28 February 2026 HK$'000	 28 February 2025 HK$'000
Cash flows from operating activities			
Profit/(loss) before tax from continuing operations		**9,359**	(36,692)
Profits before tax from discontinued operations		**2,348**	1,405
Adjustments for:			
Interest expenses	11	**65**	92
Interest income		**(2,567)**	(4,336)
Depreciation of property and equipment	19	**20**	56
Depreciation of right-of-use assets	20	**1,187**	1,241
Dividend income	7	**(19)**	(97)
Impairment allowance on financial assets, net of reversal		**113**	278
Unrealised losses on financial assets at fair value through profit or loss	8	**1,786**	16,331
Realised (gain)/loss on financial assets at fair value through profit or loss	8	**(29,055)**	9,757
Provision for long service payments		**530**	–
Unpaid distribution to external unitholder		**275**	–
Operating cash flows before movements in working capital		**(15,958)**	(11,965)
Increase in accounts receivable		**(9,470)**	(13,516)
Increase in loan receivables		**(4,830)**	(11,180)
Decrease/(increase) in other receivables, deposits and prepayments		**1,756**	(457)
Decrease/(increase) in financial assets at fair value through profit or loss		**42,287**	(720)
Decrease/(increase) in cash and bank balances held on behalf of customers		**56,343**	(84,314)
(Decrease)/increase in accounts payable		**(63,267)**	103,464
Decrease in other payables and accruals		**(598)**	(11,280)
Increase/(decrease) in contract liabilities		**71**	(68)
Cash generated from/(used in) in operations		**6,940**	(30,036)
Interest received from loan receivables		**1,997**	619
Dividends received		**19**	97
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		**8,956**	(29,320)
INVESTING ACTIVITIES			
Purchases of property and equipment	19	**(7)**	–
Interest received		**2,567**	4,336
Process from/(investment in) an associate	24	**50**	(50)
Repayment from (advance to) a joint venture		**230**	(220)
NET CASH GENERATED FROM INVESTING ACTIVITIES		**2,840**	4,066
FINANCING ACTIVITIES			
Repayment of principal of lease liabilities	40	**(1,260)**	(1,148)
Repayment of interest portion of lease liabilities	40	**(65)**	(92)
Proceeds from issue of the share under rights issue		**–**	12,000
Payments of transaction costs		**–**	(329)
Increase in liabilities to external unitholders	40	**1,000**	–
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES		**(325)**	10,431
NET INCREASE IN CASH AND BANK BALANCES		**11,471**	(14,823)
CASH AND BANK BALANCES AT BEGINNING OF THE YEAR		**97,197**	112,020
CASH AND BANK BALANCES AT END OF THE YEAR	27	**108,668**	97,197

1. GENERAL INFORMATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law Chapter 22 of the Cayman Islands on 14 June 2016. As at 28 February 2026, the immediate holding company is Billion Shine International Investment Limited ("Billion Shine"), a limited liability company incorporated in the British Virgin Islands ("BVI"), which is wholly-owned by Chung Chi Man, the founder of the Group, chairman of the Board and executive director. The shares of the Company have been listed on the main board ("Main Board") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 14 September 2018.

The address of the Company's registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the address of its principal place of business is at Unit A–C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in provision of financial and securities services including corporate finance advisory services, placing and underwriting services, securities dealing and brokerage services, securities financing services, asset management services and money lending services.

The consolidated financial statements are presented in Hong Kong dollars ("HK$") which is also the functional currency of the Company. All values are rounded to the nearest thousand ("HK$'000") except otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES

2.1 Adoption of revised HKFRS Accounting Standards – effective 1 March 2025

The HKICPA has issued the following amendments to standards and interpretations that are first effective for the current accounting period of the Group:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to standards and interpretations have no material impact on the Group's results and financial position for the current or prior period.

2. CHANGES IN ACCOUNTING POLICIES (Continued)

2.2 New standards, interpretations and amendments that have been issued but are not yet effective

The following new or amendments to standards and interpretation have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

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

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

The Group is currently assessing the impact of these new accounting standards and amendments. Except for the new HKFRS Accounting Standard mentioned below, the Group does not expect any new or amendments to standards and interpretation issued by the HKICPA, but are yet to be effective, to have a material impact on the Group.

HKFRS 18 Presentation and Disclosure in Financial Statements HKFRS 18

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

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for investments in listed equity securities which are measured at fair value at the end of each reporting period, as set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

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

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Basis of consolidation

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

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

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

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

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

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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

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

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

Property and equipment

Property and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

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

Intangible assets

Intangible assets acquired separately

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on property and equipment, right-of-use and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets ("CGU"). In addition, corporate assets are also allocated to individual cash-generating units, on a reasonable and consistent basis.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Impairment on property and equipment, right-of-use and intangible assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument, except for regular way purchases or sales of financial assets which are recognised and derecognised on a trade date basis.

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

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that are held within a business model whose objective is to collect contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortised cost. All other financial assets are subsequently measured at fair value through profit and loss ("FVTPL").

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

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired. Interest income which are derived from the Group's ordinary course of business are presented as revenue.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under HKFRS 9 (including accounts receivable, loan and other receivables, amount due from a joint venture, cash and bank balances – held on behalf of customers and cash and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

For accounts receivable arising from corporate finance advisory services, securities dealing and brokerage services, placing and underwriting services and asset management services, the Group applies the simplified approach (as defined in HKFRS 9) in measuring ECL.

For other financial assets, the Group applies the general approach to measure ECL, that is to recognise a loss allowance based on 12-month ECL. However, when there has been a significant increase in credit risk since initial recognition, the loss allowance will be based on the lifetime ECL.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, 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 when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements, which are expected to reduce the borrower's economic incentive to make scheduled contractual payments or to otherwise have an effect on the probability of a default occurring;

- an actual or expected significant deterioration in the operating results of the debtor; or

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

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

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

(ii) Definition of default

The Group considers a financial asset in default when contractual payments are 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

(iii) Credit-impaired financial assets

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

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

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

(iv) Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL

ECL are probability-weighted estimate of credit losses. Credit losses are measured at the difference between the contractual cash flows due in accordance with the contract and the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancement that are integral to the contract terms. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Equity instruments

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

Financial liabilities

Financial liabilities including accounts and other payables are subsequently measured at amortised cost, using the effective interest method. Interest expense is recognised in profit or loss in the period in which they are incurred.

Derecognition of financial liabilities

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

Revenue from contracts with customers

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Revenue arising from financial and securities services is recognised on the following basis:

- Sponsorship, financial advisory, and other service income are recognised over time according to the entity's progress towards complete satisfaction of a performance obligation and transaction prices of the contracts. It is recognised over time when the Group has an enforceable right to payment for performance completed to date at all times throughout the duration of the contract and the performance does not create an asset with an alternative use. Payments are received by installments in accordance to the completion of milestones as specified in the mandate;

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (Continued)

- Compliance advisory service income is recognised over time according to the Group's progress towards complete satisfaction of a performance obligation and transaction prices of the contracts. It is recognised over time when the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Payments are received when the relevant services are completed in accordance with the terms of underlying agreement or deal mandate;

- Placing and underwriting commission are recognised at a point in time when the relevant services are completed in accordance with the terms of the underlying agreement or deal mandate. Payments are due upon presentation of invoice;

- Commission income from securities dealing and brokerage business is recognised on execution of purchase, sales or other transactions or services by the Group on behalf of its clients. Commission income is payable two days after the trade date; and

- Management fee and performance fee income are recognised over time as those services are provided continuously over the contract period. Invoices for these services income are issued on a regular basis based on the terms stated in the contract.

For each of above revenue recognised over time, the Group measures the progress towards complete satisfaction of a performance obligation based on input method, which is based on the Group's efforts or inputs incurred in satisfying a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation ("percentage of completion"), that best depict the Group's performance in transferring control of goods or services.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9 on the same basis as accounts receivable arising from corporate finance advisory services. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Share-based payments

Equity-settled share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

Equity-settled share-based payment transactions (Continued)

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share capital and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

Leases

Definition of a lease

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

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, 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 the aggregate stand-alone price of the non-lease components.

Right-of-use assets

The cost of right-of-use assets includes:

(i) the amount of the initial measurement of the lease;

(ii) any lease payments made at or before the commencement date, less any lease incentives received;

(iii) any initial direct costs incurred by the lessee; and

(iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Right-of-use assets (Continued)

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments and are remeasured as a result of any reassessment or lease modifications. Interest accrued on lease liabilities is included in profit or loss in the period that are incurred.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, which is the Mandatory Provident Fund Scheme ("MPF Scheme"), are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

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

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

ECL for accounts receivable and loan receivables

The ECL for accounts receivable and loan receivables are based on the Group's historical default rates taking into consideration forward-looking information that is reasonably supportable and available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The estimates would include the amount and timing of future cash flows and collateral values when determining impairment allowances. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Group considers reasonably supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis. Details of expected credit loss, the information about the ECL and the Group's accounts receivable and loan receivables are disclosed in note 38.

Income taxes

No deferred tax asset was recognised in the Group's consolidated statement of financial position in relation to the estimated unused tax losses of approximately HK$80,309,000 (2025: approximately HK$79,152,000). The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits will be available or existing taxable temporary differences will be reversed in the future. In case where the actual future taxable profits generated are more than expected, recognition of deferred tax asset in relation to estimated unused tax losses may arise, which would be recognised in the profit or loss for the period in which such a recognition takes place.

Fair values of unlisted equity investment

The fair values of financial assets at fair value that are not quoted in active markets are determined by using valuation techniques. Management judgement and estimates are required for the selection of appropriate valuation parameters, assumptions and modeling techniques. As at 28 February 2026, the carrying amount of unlisted equity investment was HK$5,355,000 (2025: HK$5,855,000). Further details are given in notes 18, 35 and 38 to the consolidated financial statements.

5. REVENUE

Performance obligations for contracts with customers

Corporate finance advisory services

The Group provides IPO sponsorship services to customers. It acts as sponsor for companies seeking to list in Hong Kong advising and guiding them and their directors throughout the listing process. The revenue is recognised over time during the IPO process.

The Group provides financial advisory service to customers. It acts as financial adviser to listed companies in Hong Kong as well as their shareholders and investors advising them on transactions involving the Listing Rules, the GEM Listing Rules or the Takeovers Code. The revenue is recognised over time during the service period.

The Group provides independent financial advisory service to customers. It acts as independent financial adviser to independent board committees and independent shareholders of listed companies in Hong Kong rendering recommendations and opinions. The revenue is recognised over time during the service period.

The Group provides compliance advisory service to customers. It acts as compliance adviser to listed companies in Hong Kong advising them on post-listing compliance matters. The revenue is recognised over time during the service period.

Placing and underwriting services

The Group provides placing and underwriting services to customers. It acts as (i) placing or sub-placing agent or underwriter or sub- underwriter or distributor for issue of new shares by listed companies or placing of existing shares of listed companies; (ii) overall coordinator or bookrunner or lead manager or underwriter or sub-underwriter or distributor for IPOs of listing applicants; and (iii) bookrunner or underwriter or sub- underwriter for issue of bonds by listed or unlisted corporations. The revenue is recognised at a point in time when the transactions relating to the capital raising activities are executed and service obligations are completed.

Securities dealing and brokerage services

The Group provides securities dealing and brokerage services to customers. Commission income from securities dealing and brokerage services is determined at a certain percentage of the transaction value of the trades executed and is recognised as revenue on the date the trades are executed. Normal settlement terms are one or two days after the trade date, unless specifically agreed with the counterparties.

Asset management services

Income generated from provision of asset management services to customers is recognised over time as the Group provides asset management services and the customers simultaneously receives and consumes the benefit provided by the Group. The management fee is charged at fixed amount or fixed percentage per annum of the net asset value of the asset under management by the Group. The Group is also entitled to a performance fee, which is evaluated on an annual basis, for certain accounts when pre-set performance target for the relevant performance period is met. The performance fee is recognised when it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. Management fee is normally due on the anniversary date while performance fee is normally due at the end of the relevant performance period.

5. REVENUE (Continued)

The following is an analysis of the Group's revenue from its major services:

	2026 HK$'000	2025 HK$'000 (re-presented)
Continuing operations		
Corporate finance advisory services		
Sponsor fee income	**3,480**	2,027
Advisory fee income – financial and independent financial advisory	**4,817**	4,461
Advisory fee income – compliance advisory	**1,569**	2,007
	9,866	8,495
Placing and underwriting services		
Placing and underwriting fee income	**1,776**	151,467
Securities dealing and brokerage services		
Commission income	**5,310**	2,866
Asset management services		
Management fee and performance fee income	**3,748**	492
Sub-total – Revenue from contracts with customers	**20,700**	163,320
Interest income from securities financing services		
Interest income – Margin clients	**1,996**	2,609
Interest income – Cash clients	**–**	2
	1,996	2,611
Total	**22,696**	165,931

5. REVENUE (Continued)

	2026 HK$'000	2025 HK$'000 (re-presented)
Continuing operations		
Timing of revenue recognition		
– At a point in time	**7,086**	154,333
– Over time	**13,614**	8,987
	20,700	163,320
Interest revenue	**1,996**	2,611
Total	**22,696**	165,931

Transaction price allocated to the remaining performance obligation for contracts with customers

The Group applied the practical expedient for not to disclose the aggregate amount of transaction price allocated to performance obligations of the corporate finance advisory services that are unsatisfied (or partially satisfied) as at the reporting date, given the performance obligations is part of a contract that has an original expected duration of less than one year.

6. SEGMENT INFORMATION

Information reported to the executive Directors, being the chief operating decision maker (the "CODM"), for the purpose of resource allocation and assessment of segment performance, focuses on revenue of each type of services provided. CODM considers the business from service perspectives whereby the performance of the services is assessed based on revenue generated in the course of the ordinary activities of a recurring nature of the business of the Group. CODM considers the business of the Group as a whole as the Group is primarily engaged in provision of financial and securities services. Therefore, the management of the Group considers that the Group only has one single operating segment.

No geographical segment information is presented as the Group's revenue is all derived in Hong Kong based on the location of services delivered and the Group's non-current assets (excluding financial and deferred tax assets) are all located in Hong Kong based on the physical location of assets or the location of operations.

Major customer

During the year ended 28 February 2026, no external customers contributed more than 10% of the total revenue of the Group.

	Continuing operations	
	2026	2025
	HK$'000	HK$'000
Customer A	**N/A***	27,932
Customer B	**N/A***	23,212

* The corresponding customer did not contribute more than 10% of the total revenue of the Group during the year ended 28 February 2026.

7. OTHER INCOME

	2026	2025
	HK$'000	HK$'000
		(re-presented)
Continuing operations		
Interest income from bank balances	**2,565**	4,330
Interest income from other receivables	**1**	4
Dividend income	**19**	97
Handling fee income	**1,306**	347
Others	**1,396**	628
	5,287	5,406

8. OTHER GAINS OR (LOSSES)

	2026 HK$'000	2025 HK$'000
Continuing operations		
Fair value losses on financial assets at fair value through profit or loss	**(2,494)**	–
Realised gain/(loss) on financial assets at fair value through profit or loss	**29,055**	(9,757)
Unrealised losses on financial assets at fair value through profit or loss	**(1,786)**	(16,331)
Gain on disposal of a subsidiary	**5**	–
	24,780	(26,088)

9. IMPAIRMENT ALLOWANCE ON FINANCIAL ASSETS, NET OF REVERSAL

	2026 HK$'000	2025 HK$'000 (re-presented)
Continuing operations		
Provision for impairment losses on accounts receivable	**(48)**	(36)
	(48)	(36)

Details of impairment assessment for the years are set out in note 38.

10. STAFF COSTS

	2026 HK$'000	2025 HK$'000
Continuing operations		
Directors' emoluments *(note 16)*	**3,011**	3,015
Other staffs		
Salaries and allowances	**20,241**	18,490
Bonuses	**–**	135
Contributions to MPF Scheme	**555**	522
Provision for long service payment	**530**	–
	24,337	22,162

11. FINANCE COSTS

	2026	2025
	HK$'000	HK$'000
Continuing operations		
Interest expenses – lease liabilities *(note 34 (ii))*	**65**	92
	65	92

12. PROFIT/(LOSS) BEFORE TAX

	2026	2025
	HK$'000	HK$'000
Continuing operations		
Profits/(loss) before tax for the year has been arrived at after charging:		
Auditor's remuneration	**863**	798

13. INCOME TAX EXPENSE

	2026	2025
	HK$'000	HK$'000
Hong Kong Profit Tax:		
– Current	**–**	–
Deferred tax expenses	**–**	–
	–	–

Hong Kong Profit Tax is calculated at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits for the Year.

13. INCOME TAX EXPENSE (Continued)

Income tax expense is reconciled to the profit/(loss) before tax per consolidated statement of profit or loss and other comprehensive income/(expense) for the Year as follows:

	2026 HK$'000	2025 HK$'000 (re-presented)
Continuing operations		
Profit/(loss) before tax	**9,359**	(36,692)
Tax at Hong Kong Profit Tax at 16.5%	**1,544**	(6,054)
Tax effect of expenses not deductible for tax purpose	**707**	2,722
Tax effect of income not taxable for tax purpose	**(1,670)**	(745)
Utilisation of tax losses previously not recognised	**(3,080)**	(58)
Tax effect of deductible temporary differences not recognised	**(13)**	(9)
Tax effect of tax losses not recognised	**2,512**	4,144
Income tax expense for the year	**–**	–

No deferred tax asset was recognised in the Group's consolidated statement of the financial position in relation to the estimated unused tax losses of approximately HK$80,309,000 at 28 February 2026 (2025: approximately HK$79,152,000) as it is not probable that taxable profit will be available against which these tax losses can be utilised. The unrecognised tax losses may be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary differences of approximately HK$806,000 relating to impairment allowance on financial assets (2025: approximately HK$806,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

14. DIVIDEND

The Board does not recommend payment of any dividend for the Year (2025: HK$Nil).

15. EARNINGS/(LOSS) PER SHARE

	2026 HK$'000	2025 HK$'000 (re-presented)
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share:		
Profits/(loss) for the year attributable to owners of the Company		
– Continuing operations	**9,359**	(36,692)
– Discontinued operation	**2,348**	1,405

	2026	2025 (re-presented)
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(losses) per share		
– Continuing operations	**60,000,000**	51,306,783
– Discontinued operation	**60,000,000**	51,306,783
Earnings/(loss) per share:		
Basic and diluted (HK cents)		
– Continuing operations	**15.60**	(71.51)
– Discontinued operation	**3.91**	2.73

The diluted earnings/(loss) per share was the same as basic earnings/(loss) per share as there were no potential share outstanding for each of the years ended 28 February 2026 and 2025.

16. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

For the year ended 28 February 2026

Name	Directors' fee HK$'000	Salaries and allowances HK$'000	Employer's contribution to MPF Scheme HK$'000	Share option expenses HK$'000	Bonuses HK$'000	Total HK$'000
Executive Directors						
Mr. Chung Chi Man	–	1,220	18	–	–	1,238
Mr. Poon Siu Kuen, Calvin	–	1,455	18	–	–	1,473
Independent Non-executive Directors						
Dr. Wu Kwan Hing	100	–	–	–	–	100
Ms. Chan Ka Lai, Vanessa	100	–	–	–	–	100
Mr. Kwong Hon Nan, Eric	100	–	–	–	–	100
	300	2,675	36	–	–	3,011

16. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

For the year ended 28 February 2025

Name	Directors' fee HK$'000	Salaries and allowances HK$'000	Employer's contribution to MPF Scheme HK$'000	Share option expenses HK$'000	Bonuses HK$'000	Total HK$'000
Executive Directors						
Mr. Chung Chi Man	–	1,200	18	–	–	1,218
Mr. Poon Siu Kuen, Calvin	–	1,440	18	–	–	1,458
Independent Non-executive Directors						
Dr. Wu Kwan Hing	113	–	–	–	–	113
Ms. Chan Ka Lai, Vanessa	113	–	–	–	–	113
Mr. Yip Siu Hong (resigned on 1 November 2024)	80	–	–	–	–	80
Mr. Kwong Hon Nan, Eric (appointed on 1 November 2024)	33	–	–	–	–	33
	339	2,640	36	–	–	3,015

None of the Directors or the chief executive officer, Mr. Poon Siu Kuen, Calvin, waived or agreed to waive any remuneration during the current year and the previous year.

The discretionary bonus is determined by reference to the duties and responsibilities within the Group and the market conditions.

The executive Directors' emoluments shown above were for their services in connection with the management of the operations and businesses of the Group.

The independent non-executive Directors' emoluments shown above were for their services as Directors.

No amounts were paid or payable to any of the Directors as an inducement to join the Group or as compensation for loss of office during the Year.

17. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the Year included 2 Directors (2025: 2 Directors), details of whose remuneration are set out in note 16 above. Details of the remuneration for the Year of the remaining three (2025: three) highest paid employees who are neither a Director nor chief executive of the Company are as follows:

	2026 HK$'000	2025 HK$'000
Salaries, allowances and benefits in kind	**3,410**	3,360
Performance related bonuses	**–**	135
Retirement benefits	**54**	54
	3,464	3,549

The number of the highest paid employees who are not the Directors and whose remuneration during the years ended 28 February 2025 and 2026 fell within the following bands are as follows:

	2026 No. of employees	2025 No. of employees
HK$nil to HK$1,000,000	**–**	–
HK$1,000,001 to HK$1,500,000	**3**	3
HK$1,500,001 to HK$2,000,000	**–**	–
HK$2,000,001 to HK$2,500,000	**–**	–
HK$2,500,001 to HK$3,000,000	**–**	–
HK$3,000,001 to HK$3,500,000	**–**	–
HK$3,500,001 to HK$4,000,000	**–**	–
HK$4,000,001 to HK$4,500,000	**–**	–
HK$4,500,001 to HK$5,000,000	**–**	–
HK$5,000,001 to HK$5,500,000	**–**	–
HK$5,500,001 to HK$6,000,000	**–**	–
HK$6,000,001 to HK$6,500,000	**–**	–
HK$6,500,001 to HK$7,000,000	**–**	–
	3	3

18. DISCOUNTINED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 25 September 2025, the Group's management approved the sales of 100% issued shares for the companies of Innovax Credit Limited ("Innovax Credit/Disposal group") and Innovax Management Limited ("Innovax Management") to Maine Sky Limited ("MSL") which is a BVI company and held as 100% by Mr. Chung Chi Man, an executive director Company. The entire assets and liabilities related to Innovax Credit was presented as assets classified as held-for-sale as at 28 February 2026, and the entire results from Innovax Credit was presented separately on the consolidated statement of profit or loss and other comprehensive income as "Discontinued operations" for the Year. 2025 comparatives have been re-presented as discontinued operation. Whilst Innovax Management will be disposed together with Innovax Credit subsequent to year end, Innovax Management does not operate independently of the Group and forms an integral part of the Group's operations. Accordingly, Innovax Management does not constitute a separate disposal group.

The results from the discontinued operations for the current and preceding periods were as follows:

	Year ended 28 Feb	
	2026	2025
	HK$'000	HK$'000
Revenue		
Interest income from money lending services	**2,427**	1,746
Other income	**1**	2
Other operating expenses	**(15)**	(101)
Impairment allowance on financial assets, net of reversal	**(65)**	(242)
Profit for the year	**2,348**	1,405

The impact of the Discontinued operations on the cash flows of the Group were as follows:

	Year ended 28 Feb	
	2026	2025
	HK$'000	HK$'000
Operating cash outflows	**(2,624)**	(10,948)
Investing cash inflows	**1**	2
Financing cash inflows	**2,375**	10,445
Total cash outflows	**(248)**	(501)

18. DISCOUNTINED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

Details of the assets in a disposal group classified as held-for-sale were as follows:

	As at 28 February 2026 HK$'000
Loan receivables	32,565
Financial assets at fair value through profit or loss*	18,378
	50,943

Details of the liabilities in a disposal group classified as held-for-sale was as follows:

	As at 28 February 2026 HK$'000
Accruals	10
	10

* Including the listed equity investments of approximately HK$13,023,000 and unlisted equity investment of approximately HK$5,355,000

19. PROPERTY AND EQUIPMENT

	Computer equipment HK$'000	Furniture and fixtures HK$'000	Leasehold improvement HK$'000	Office equipment HK$'000	Total HK$'000
Cost					
At 1 March 2024, 28 February 2025 and 1 March 2025	861	491	3,487	100	4,939
Additions	7	–	–	–	7
At 28 February 2026	868	491	3,487	100	4,946
Depreciation					
At 1 March 2024	825	490	3,452	92	4,859
Charge for the year	17	1	33	5	56
At 28 February 2025 and 1 March 2025	842	491	3,485	97	4,915
Charge for the year	17	–	–	3	20
At 28 February 2026	859	491	3,485	100	4,935
Carrying amounts					
At 28 February 2026	9	–	2	–	11
At 28 February 2025	19	–	2	3	24

The above items of property and equipment are depreciated on a straight-line basis, at the following rates per annum:

Computer equipment	25%
Furniture and fixtures	25%
Leasehold improvement	Over shorter of terms of the related lease and 25%
Office equipment	25%

20. RIGHT-OF-USE ASSETS

(i) The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	2026 **HK$'000**	2025 HK$'000
Properties leased for own use, carried at depreciated cost	**619**	1,131

(ii) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income:

	2026 **HK$'000**	2025 HK$'000
Depreciation of right-of-use assets	**1,187**	1,241

For the years ended 28 February 2026 and 2025, the Group leased various offices for its operations. During the years, lease terms are negotiated on an individual basis and none of the leases include extension or termination options. In determining the lease terms and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

21. INTANGIBLE ASSET

	Stock Exchange trading rights HK$'000
COST AND CARRYING AMOUNTS	
At 1 March 2024, 28 February 2025, 1 March 2025 and 28 February 2026	500

Intangible asset is considered by the Directors as having an indefinite useful life because the Stock Exchange trading rights are expected to contribute to net cash inflows indefinitely.

22. ACCOUNTS RECEIVABLE

	2026 HK$'000	2025 HK$'000
Accounts receivable arising from:		
– Corporate finance advisory services	**2,018**	204
– Securities dealing and brokerage services	**31,280**	29,487
– Securities financing services		
– Secured margin loan	**19,307**	13,432
– Placing and underwriting services	**21**	248
– Asset management services	**280**	65
Less: allowance for credit loss	**(153)**	(105)
	52,753	43,331

Income arising from the corporate finance advisory services and the placing and underwriting services are payable upon presentation of invoices.

Accounts receivable arising from the securities dealing and brokerage business is repayable two days after trade date.

Accounts receivable arising from the securities financing services is generally secured by listed equity securities. The management of the Group ensures that the available cash balance and listed equity securities belonging to clients in which the Group holds as custodian are sufficient to cover the amounts due to the Group. The amounts due from margin clients are repayable on demand and bear interest at commercial rates.

During the years, there has not been any significant changes in the quality of the collateral held for the accounts receivable arising from the securities financing services. The Group has taken into consideration of these collaterals in estimating loss allowance for the accounts receivable arising from the securities financing services.

In respect of the accounts receivable arising from the corporate finance advisory services, the securities dealing and brokerage services, the placing and underwriting services and the asset management services, the aging analysis based on trade date/invoice date as at 28 February 2026 and 2025 are as follows:

	2026 HK$'000	2025 HK$'000
0 – 30 days	**33,208**	29,880
31 – 60 days	**370**	79
61 – 90 days	**–**	15
Over 90 days	**21**	30
Less: impairment allowance	**(126)**	(86)
	33,473	29,918

22. ACCOUNTS RECEIVABLE (Continued)

No aging analysis in respect of the accounts receivable arising from the securities financing services is disclosed as in the opinion of the Directors, the aging analysis does not give additional value in view of the nature of the business.

23. LOAN RECEIVABLES

	2026 **HK$'000**	2025 HK$'000
Secured loan receivables	–	10,300
Unsecured loan receivables	–	20,198
Less: impairment allowance	–	(701)
	–	29,797
Analysed as		
Current	–	29,797
	–	29,797

The Group has provided money lending services in Hong Kong during the year. The customers are mainly individuals. During the Year, the Group recorded an interest income from the money lending services of approximately HK$2.4 million (2025: approximately HK$1.7 million), representing an increase of approximately 39% as compared with the year ended 28 February 2025.

As at 28 February 2026, the secured loan receivables were secured by property units and carried interest at a fixed rate 8.5% (2025: 8.5% to 9%) per annum, while the unsecured loan receivables carried interest at fixed and floating rate ranging from 3% to 10% (2025: 3% to 15%) per annum, which is under disposal group classified as held for sale in note 18.

24. INTEREST IN ASSOCIATE

	2026 **HK$'000**	2025 HK$'000
Cost of unlisted interest in an associate *(note i)*	**–**	50
Share of profits	**–**	–
	–	50

Notes:

(i) As at 28 February 2026, the cost of investment comprised an investment in an associate was nil (2025: HK$50,000).

(ii) On 14 January 2026, an associate is disposed.

Details of the associate as at 28 February 2026 and 2025 are as follow:

Name of entity	**Place of incorporation**	**Principal place of business**	**Proportion of ownership interest held by the Group**		**Principal activities**
			28 February 2026	28 February 2025	
Innovax Services Limited *(note ii)*	Hong Kong	Hong Kong	**–**	25%	Provision of advisory services

The associate is accounted for using the equity method in the consolidated financial statements.

Summarised statement of financial position:

	2026 **HK$'000**	2025 HK$'000
Non-current assets	**–**	–
Current assets	**–**	200
Non-current liabilities	**–**	–
Current liabilities	**–**	–

Summarised statement of profit or loss and other comprehensive income:

	2026 **HK$'000**	2025 HK$'000
Revenue	**–**	–
Profit and total comprehensive income for the year	**–**	–

25. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026 HK$'000	2025 HK$'000
Deposits with the Stock Exchange and a clearing house	**230**	722
Interest receivables	**218**	472
Prepayments	**175**	310
Utility deposits	**382**	457
Others	**256**	1,056
	1,261	3,017
Analysed as		
Non-current	**337**	482
Current	**924**	2,535
	1,261	3,017

26. INTEREST IN JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

	2026 HK$'000	2025 HK$'000
Cost of unlisted interest in a joint venture *(note i)*	**–**	5
Share of loss	**–**	(5)
	–	–
Amount due from a joint venture *(note ii)*	**–**	230

Notes:

(i) As at 28 February 2026, the cost of investment comprised an investment in a joint venture of was nil (2025: HK$5,000).

(ii) The amount due from a joint venture is unsecured, interest-free and repayable on demand.

(iii) On 14 January 2026, the joint venture is disposed.

26. INTEREST IN JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (Continued)

Details of the joint venture as at 28 February 2026 and 2025 are as follow:

Name of entity	Place of incorporation	Principal place of business	Proportion of ownership interest held by the Group		Principal activities
			28 February 2026	28 February 2025	
InnoCity GBA Capital Limited	Hong Kong	Hong Kong	–	50%	Investment holding

The joint venture is accounted for using the equity method in the consolidated financial statements.

27. CASH AND BANK BALANCES

As at 28 February 2026, cash and bank balances, which mainly represent demand deposits and fixed deposits with an original maturity within 3 months at banks, were approximately HK$108,668,000 (2025: approximately HK$97,197,000).

28. CASH AND BANK BALANCES – HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated trust accounts with authorised financial institutions to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as cash and bank balances – held on behalf of customers under the current assets section of the consolidated statement of financial position and recognised the corresponding accounts payable (note 29) to respective clients on the ground that it is liable for any loss or misappropriation of clients' monies. The cash and bank balances – held on behalf of customers are restricted and governed by the Hong Kong Securities and Futures (Client Money) Rules under the SFO. The Group is not allowed to use the client's monies to settle its own obligations.

29. ACCOUNTS PAYABLE

	2026 HK$'000	2025 HK$'000
Accounts payable arising from:		
– Securities dealing and brokerage services	**99,538**	162,815
– Placing and underwriting services	**101**	101
	99,639	162,916

The settlement terms of clearing house and securities trading clients from the ordinary course of business of the securities dealing and brokerage services range from one to two days after the trade date of those transactions. Accounts payable from the placing and underwriting services is repayable on demand.

No aging analysis is disclosed as, in the opinion of the Directors, such analysis does not give additional value in view of the nature of these businesses.

As at 28 February 2026, accounts payable arising from the securities dealing and brokerage services also placed in segregated bank accounts with authorised financial institutions of approximately HK$76,900,000 (2025: approximately HK$133,243,000) (note 28).

30. OTHER PAYABLES AND ACCRUALS

	2026 HK$'000	2025 HK$'000
Other accrued expenses	**1,749**	1,151
Other payables	**6**	596
	1,755	1,747

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

31. CONTRACT LIABILITIES

	2026 HK$'000	2025 HK$'000
Advisory fee	**106**	234
Management fee	**199**	–
	305	234

The first instalment of an advisory fee income is generally paid in advance prior to the beginning of each project and is initially recorded as contract liabilities in the consolidated statement of financial position. Certain management fee income is also received in advance on an annual basis and is initially recorded as contract liabilities in the consolidated statement of financial position. The portion of income received from the clients while the relevant services have not yet been provided is recorded as contract liabilities in the consolidated statement of financial position and will be reflected as a current liability if such amount represents revenue that the Group expects to recognise within one year from the reporting date or normal operating cycle.

During the Year, advisory fee of approximately HK$234,000 (2025: approximately HK$302,000) that was included in the contract liabilities balance at the beginning of the Year was recognised as revenue.

32. SHARE CAPITAL

Group	Par value	Number of shares	Nominal amount HK$'000
Ordinary shares			
Authorised:			
At 1 March 2024	HK$0.01	1,000,000,000	10,000,000
Share consolidation (note i)	–	(900,000,000)	–
At 28 February 2025, 1 March 2025 and 28 February 2026	HK$0.1	100,000,000	10,000,000
Issued and fully paid:			
At 1 March 2024	HK$0.01	400,000,000	4,000
Share consolidation (note i)	–	(360,000,000)	–
Rights issue (note ii)	HK$0.1	20,000,000	2,000
At 28 February 2025, 1 March 2025 and 28 February 2026	HK$0.1	60,000,000	6,000

32. SHARE CAPITAL (Continued)

Notes:

(i) Pursuant to an ordinary resolution passed by the shareholders of the Company at an extraordinary general meeting on 23 October 2024, every ten issued and unissued shares of HK$0.01 each in the share capital of the Company be consolidated into one share of HK$0.1 each with effect from 25 October 2024 (the "Share Consolidation"). Immediately prior to the Share Consolidation, the authorised share capital of the Company was HK$10,000,000 divided into 1,000,000,000 shares of par value of HK$0.01 each, of which 400,000,000 then existing shares of par value of HK$0.01 each were issued and fully paid or credited as fully paid. Immediately following the implementation of the Share Consolidation, the Company's authorised share capital becomes HK$10,000,000 divided into 100,000,000 shares of par value of HK$0.1 each, and its issued share capital becomes HK$4,000,000 divided into 40,000,000 shares of par value of HK$0.1 each.

(ii) On 6 December 2024, the Company completed a rights issue on the basis of one rights share for every two existing shares at the subscription price of HK$0.60 per rights share. The gross proceeds from the rights issue were approximately HK$12,000,000 and the net proceeds were approximately HK$11,671,000 after deducting the related expenses.

33. DEFERRED TAXATION

The deferred tax balances recognised by the Group and the movement therein during the years are as follows:

Group	Unrealised gain on listed equity securities HK$'000	Tax losses HK$'000	Accelerated accounting depreciation HK$'000	Total HK$'000
At 1 March 2024	917	(917)	(357)	(357)
Charge/(credit) to profit or loss for the year	(917)	917	–	–
At 28 February 2025, 1 March 2025 and 28 February 2026	–	–	(357)	(357)

34. LEASE LIABILITIES

	HK$'000
As at 1 March 2024	330
Addition	2,075
Interest expenses	92
Lease payments	(1,240)
As at 28 February 2025 and 1 March 2025	1,257
Addition	675
Interest expenses	65
Lease payments	(1,325)
Balance as at 28 February 2026	672

Future lease payments are due as follows:

	28 February 2026		
	Future lease payments HK$'000	**Interest HK$'000**	**Present value HK$'000**
Not later than one year	**597**	**(11)**	**586**
Later than one year but not later than two years	**86**	**–**	**86**
Lease liabilities as at 28 February 2026	**683**	**(11)**	**672**

	28 February 2025		
	Future lease payments HK$'000	Interest HK$'000	Present value HK$'000
Not later than one year	1,060	(52)	1,008
Later than one year but not later than two years	252	(3)	249
Lease liabilities as at 28 February 2025	1,312	(55)	1,257

34. LEASE LIABILITIES (Continued)

(i) The present value of future lease payments is analysed as follows:

	28 February 2026 HK$'000	28 February 2025 HK$'000
Current liabilities	**586**	1,008
Non-current liabilities	**86**	249
	672	1,257

(ii) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

	2026 HK$'000	2025 HK$'000
Interest on lease liabilities	**65**	92

35. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 HK$'000	2025 HK$'000
Financial assets measured at FVTPL		
– Equity securities listed in Hong Kong *(note (i))*	**3,053**	37,190
– Equity securities listed outside Hong Kong *(note (i))*	**7,701**	1,105
– Unlisted equity investment in Hong Kong *(note (ii))*	**–**	5,855
	10,754	44,150

Notes:

(i) The fair value of the listed securities is determined based on the closing market price available on the stock exchange in Hong Kong and outside Hong Kong.

(ii) As at 28 February 2025, the Group held ordinary shares in two unlisted companies incorporated in Hong Kong. The Group held 5,000,000 shares at a consideration of RMB5,000,000 (equivalent to approximately HK$5,355,000), representing approximately 9.09% of its equity interest and the Group acquired 500,000 shares in another unlisted company for a consideration of HK$500,000, representing approximately 5.89% of its equity interest during the year ended 28 February 2025.

36. RELATED PARTY TRANSACTIONS AND BALANCES

During the years, the Group entered into the following transactions with related parties:

	2026 **HK$'000**	2025 HK$'000
Management fee income		
Innovax Alpha SPC – Innovax Balanced Fund SP *(note)*	**298**	395
Interest income		
– Mr. Chung Chi Man	**150**	71
– Mr. Poon Siu Kuen, Calvin	**170**	51

Note: Mr. Li Lap Sun (key management personnel of the Group) has interests in the management shares of Innovax Alpha SPC and the participating shares of Innovax Alpha SPC – Innovax Balanced Fund SP which is managed by Innovax Asset Management Limited.

The following balance were outstanding at the end of the reporting period:

	2026 **HK$'000**	2025 HK$'000
Loan receivables		
– Mr. Chung Chi Man	**1,500**	1,513
– Mr. Poon Siu Kuen, Calvin	**1,714**	1,714

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure each group entity will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from previous years.

The capital structure of the Group consists of debt and equity attributable to owners of the Company (comprising issued share capital and reserves).

The management of the Group reviews the capital structure by considering the cost of capital and the risks associated with that class of capital. In view of this, the Group manages its overall capital structure through the payment of dividends and issuance of new shares.

Several subsidiaries of the Group (the "Regulated Subsidiaries") are registered with the SFC for the businesses in which they operate in. The Regulated Subsidiaries are subject to liquid capital requirements under the Hong Kong Securities and Futures (Financial Resources) Rules (the "SF(FR)R") adopted by the SFC. Under the SF(FR)R, the Regulated Subsidiaries must maintain their liquid capital (assets and liabilities adjusted as determined by the SF(FR)R) in excess of HK$3 million or 5% of their total adjusted liabilities, whichever is the higher. The required information is filed with the SFC on a regular basis.

38. FINANCIAL INSTRUMENTS

Categories of financial instruments

	Group	
	2026	2025
	HK$'000	HK$'000
Financial assets at amortised cost		
– Accounts receivable	**52,753**	43,331
– Loan and other receivables		
Deposits with Stock Exchange and a clearing house	**230**	722
Interest receivables	**218**	472
Loan receivables	**–**	29,797
Utility deposits	**382**	457
Others	**256**	1,056
– Amount due from a joint venture	**–**	230
– Cash and bank balances – held on behalf of customers	**76,900**	133,243
– Cash and bank balances	**108,668**	97,197
Financial asset at FVTPL	**10,754**	44,150
	250,161	350,655
Financial liabilities		
Accounts payable	**99,639**	162,916
Other payables and accruals (excluding accrued staff costs)	**1,755**	1,747
Liabilities to external unitholders	**1,275**	–
	102,669	164,663
Financial instruments		
Lease liabilities	**672**	1,257
	103,341	165,920

38. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements

Some of the Group's financial instruments are measured at fair value for financial reporting purposes.

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

Group	**Fair value as at 28 February 2026 HK$'000**	Fair value as at 28 February 2025 HK$'000	**Fair value hierarchy**	**Valuation technique**	**Significant unobservable input(s)**	**Relationship of unobservable inputs to fair value**
Financial assets at FVTPL						
Continuing operation:						
– Listed equity investments	**10,754**	38,295	Level 1	Quoted bid price in an active market	N/A	N/A
Discontinued operation:						
– Listed equity investment	**13,023** *(note 18)*	–	Level 1	Quoted price in an active market	N/A	N/A
– Unlisted equity investment *(note i)*	**5,355** *(note 18)*	5,855	Level 3	Adjusted net asset method	Net assets	The higher the net asset, the higher the valuation

Note:

(i) The valuation of unlisted equity investment was determined by adjusted net asset method. The investment is made at fair value and of arm's length basis together with several other independent investors at the same value. It is still at preliminary development or research stage, no material change occurred between the investment date and reporting date.

Valuation processes

The Group's unlisted equity investment was valued by independent professionally qualified valuer at 28 February 2025 and 2026, who hold a recognised relevant professional qualification. The Group's finance department includes a team that review the valuations for financial reporting purposes.

At each reporting date, the finance department:

- verifies all major inputs to the independent valuation report; and
- holds discussions with the independent valuers.

38. FINANCIAL INSTRUMENTS (Continued)

Analysis of financial instruments measured at fair value, at each reporting date by level in the fair value hierarchy into which the fair value measurement is categorised as follows:

Fair value hierarchy

Group	At 28 February 2026			
	Level 1 HK$'000	**Level 2 HK$'000**	**Level 3 HK$'000**	**Total HK$'000**
Financial assets				
Financial assets measured at fair value through profit or loss				
Continuing operation:				
– Listed equity investments	**10,754**	**–**	**–**	**10,754**
Discontinued operation:				
– Listed equity investments	**13,023**	**–**	**–**	**13,025**
– Unlisted equity investment	**–**	**–**	**5,355**	**5,355**
	13,023	**–**	**5,355**	**18,375**

Group	At 28 February 2025			
	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Financial assets				
Financial assets measured at fair value through profit or loss				
– Listed equity securities	38,295	–	–	38,295
– Unlisted equity investment	–	–	5,855	5,855
Total	38,295	–	5,855	44,150

There were no transfers between Levels 1 and 2 for both years.

38. FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Reconciliation of level 3 fair value measurements of financial assets is as below:

	Financial assets at fair value through profit or loss HK$'000
At 1 March 2024	5,355
Addition	500
At 28 February 2025 and 1 March 2025	5,855
Reclassification to assets held-for-sales *(note 18)*	(5,355)
Disposal	(500)
At 28 February 2026	–

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate to their fair values.

Financial risk management

The Group's risk management objectives are to achieve a proper balance between risks and yield and minimise the adverse impact of risks on the Group's operating performance. Based on these risk management objectives, the Group's risk management strategy is to identify and analyse the various risks the Group is exposed to, and to establish an appropriate tolerance for risk management practice, so as to monitor, notify and respond to the risks regularly and effectively and to control risks at an acceptable level. The principal financial risks inherent in the Group's business are market risk (includes interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management objective is to enhance shareholders' value while retaining exposure within acceptable thresholds.

Market risk

Interest rate risk

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

The Group is exposed to fair value interest rate risk in relation to fixed-rate demand and fixed deposits, loan receivables and lease liabilities.

The Group is exposed to cash flow interest rate risk in relation to certain accounts receivable arising from the securities financing service. The Group did not use financial derivatives to hedge its exposure to interest rate risk. The management regularly monitors the Group's exposure on an ongoing basis.

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Market risk (Continued)

Interest rate risk (Continued)

The Group's cash flow interest rate risk is mainly relating to the fluctuation of Hong Kong prime rate arising from the Group's interest bearing financial instruments.

The sensitivity analysis below has been determined based on the exposure to variable interest rates at the end of the reporting period. The analysis is prepared assuming the amounts outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2025: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

As at 28 February 2026, if the interest rate had been 50 (2025: 50) basis point higher/lower, the Group's profit for the Year would increase/decrease by approximately HK$506,000 (2025: loss for the year would decrease/increase by approximately HK$427,000).

Price risk

The Group is exposed to equity price risk through its investment in listed equity securities measured at FVTPL (see note 35).

The sensitivity analyses have been prepared based on the exposure to equity price risk at the reporting date. If the prices of the respective equity instruments had been 5% higher/lower, the post-tax profit for the year would increase/decrease by approximately HK$538,000 (2025: post-tax loss for the year would decrease/increase by approximately HK$1,915,000) as a result of the changes in fair value of listed equity investments at FVTPL.

Credit risk and impairment assessment

Credit risk arises when a counterparty is unable or unwilling to meet a commitment that it has entered into with the Group. The Group's credit risk is primarily attributable to its accounts receivable from customers, loans and other receivables and cash and bank balances. As at 28 February 2026 and 2025, the carrying amounts of financial assets at amortised cost represented the maximum credit exposure without taking into account of the collaterals held. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risk associated with accounts receivable arising from the securities financing services and the secured loan receivables is mitigated because they are secured by listed securities or property units.

As at 28 February 2026 and 2025, the Group recognised a loss allowance of approximately HK$27,000 and approximately HK$19,000 respectively on the accounts receivable arising from the securities financing services which were secured by collaterals.

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits. The Group evaluates the credit risk for each loan application on the basis of the repayment ability of the customer having regard to his/her financial position, employment status, past due record and collaterals pledged to the Group.

Credits are granted according to the hierarchy of approval authorities within the Group. The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of the counterparties, including regular collateral revisions.

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Credit risk and impairment assessment (Continued)

The Group adopts a prudent approach to credit risk management framework. Its credit policy is timely revised to align with the prevailing credit environment which is continuously affected by changes in business, economy, regulatory requirements, money market and social conditions.

In order to minimise the credit risk on secured margin financing, management is responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts and receivables from margin clients with shortfalls in relation to the securities financing services. In addition, the Group requests securities collateral from individual margin client and the value of such securities collateral has to be maintained at certain level in proportion to the outstanding balance due from the margin client. The Group closely monitors the volatility of the market prices of the securities collateral taking into consideration of their current market prices and historical price movements, latest information and news of the related listed companies and other relevant factors regarding the financial market that may impact the market prices of the securities collateral. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Monitoring of credit risk on accounts receivable from the corporate finance advisory services is performed by the management on an on-going basis.

As at 28 February 2026 and 2025, the Group had concentration of credit risk on accounts receivable due from 3 secured margin clients from the securities financing business as to approximately 36.1% and approximately 19.7% respectively of the total accounts receivable.

For accounts receivable arising from the corporate finance advisory services and other receivables, the Group applied expected loss rate based on that of the counterparties with similar credit ratings, with adjustment to reflect current conditions and forecasts of future economic conditions through the use of financial market analysis and individual stock analysis, as appropriate. For loan receivables, the Group has assessed the customers' creditability to repay the loans by conducting various types of assessment. The Group has established a formal loan policy with clear credit review assessment and basis for determining the interest rate and terms depending on the performance and creditability of its customers. The Group's management is monitoring the credit risk closely and on an on-going basis.

Except for accounts receivable arising from the securities financing services and the corporate finance advisory services and other receivables, as well as loan receivables, the impairment allowance determined for other financial assets carried at amortised cost was insignificant during the year.

The Group takes into consideration forward-looking information that is available without undue cost or effort in its assessment of significant increase in credit risk as well as in its measurement of ECL. The Group uses external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information includes economic data and forecasts published by governmental bodies and monetary authorities.

The Group applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome and consists of information used by the Group for strategic planning and budgeting. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, by using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. The Group has not changed in the estimation techniques or significant assumptions since the last reporting period.

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets (including accounts receivable, loan and other receivables, amount due from a joint venture, cash and bank balances and cash and bank balances – held on behalf of customers), which are subject to ECL assessment:

	Notes		Group Gross carrying amount 2026 HK$'000	Group Gross carrying amount 2025 HK$'000
Financial assets at amortised costs				
Accounts receivable arising from:	*22*			
– Corporate finance advisory services		Lifetime ECL (not credit-impaired-simplified approach)	**2,018**	204
– Securities dealing and brokerage services		Lifetime ECL (not credit-impaired-simplified approach)	**31,280**	29,487
– Securities financing services		12-month ECL	**19,307**	13,432
– Placing and underwriting services		Lifetime ECL (not credit-impaired-simplified approach)	**21**	248
– Asset management services		Lifetime ECL (not credit-impaired-simplified approach)	**280**	65
Loan and other receivables				
– Deposits, interest and other receivables *(Note 1)*	*25*	12-month ECL	**1,086**	2,707
– Loan receivables	*23*	12-month ECL	**–**	30,498
Amount due from a joint venture	*26*	Lifetime ECL (credit-impaired)	**–**	230
Cash and bank balances *(Note 1)*	*27*	12-month ECL	**108,668**	97,197
Cash and bank balances – held on behalf of customers *(Note 1)*	*28*	12-month ECL	**76,900**	133,243

Note 1: The credit risk on cash and bank balances and cash and bank balances – held on behalf of customers, deposits and interest receivables are limited because the counterparties are major institutional banks, stock exchange and clearing house with sound credit ratings assigned by international credit-rating agencies and major utility companies. They have a low risk of default and there is no significant increase in credit risk since initial recognition. Accordingly, they are subject to 12-month ECL and the amount of ECL is insignificant.

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Credit risk and impairment assessment (Continued)

The following table provides information about the exposure to credit risk for non credit-impaired accounts receivable other than the account receivable from the securities financing business based on expected loss rate as at 28 February 2026 and 2025.

Group	Expected loss rate	Gross carrying amount HK$'000	Lifetime ECL HK$'000
At 28 February 2026			
Accounts receivable			
– Corporate finance advisory service	**2.3%**	**2,018**	**46**
– Securities dealing and brokerage services	**0.2%**	**31,280**	**72**
– Placing and underwriting services	**5.3%**	**21**	**1**
– Asset management services	**2.3%**	**280**	**7**
			126
At 28 February 2025			
Accounts receivable			
– Corporate finance advisory service	2.3%	204	4
– Securities dealing and brokerage services	0.2%	29,487	68
– Placing and underwriting services	5.3%	248	13
– Asset management services	0.8%	65	1
			86

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for accounts receivable other than the account receivable from the securities financing under the simplified approach.

Group	Lifetime ECL (not credit-impaired) HK$'000
At 1 March 2024	44
Changes due to financial instruments recognised as at 1 March 2024:	
– Impairment losses recognised	47
– Impairment losses reversed	(20)
New financial assets originated or purchased	15
At 28 February 2025 and 1 March 2025	86
Changes due to financial instruments recognised as at 1 March 2025:	
– Impairment losses recognised	55
– Impairment losses reversed	(15)
At 28 February 2026	126

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Impairment allowances on loan and other receivables

The ECL for the loan receivables and loan advanced to staff and a margin client is assessed on an individual basis. The movements in the allowance of impairment for the loan and other receivables during the year are as follows:

Group	12 Month ECL HK$'000
At 1 March 2024	459
Changes due to financial instrument recognised as at 1 March 2024:	
– Impairment losses recognised	1
– Impairment losses reversed	(5)
New financial assets originated or purchased	246
At 28 February 2025 and 1 March 2025	701
Changes due to financial instrument recognised as at 1 March 2025:	
– Impairment losses recognised	65
Reclassification to assets held-for-sales	(766)
At 28 February 2026	–

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Impairment allowances on securities financing services

The movements in the impairment allowance of accounts receivable from the securities financing business were as follows:

Group	12-months ECL HK$'000
At 1 March 2024	25
Changes due to financial instruments recognised as at 1 March 2024:	
– Impairment losses recognised	—
– Impairment losses reversed	(6)
At 28 February 2025 and 1 March 2025	19
Changes due to financial instruments recognised as at 1 March 2025:	
– Impairment losses recognised	8
At 28 February 2026	27

Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by the management of the Group to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been prepared based on the undiscounted cash flows of financial liabilities with the earliest date on which the Group would be required to repay.

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

38. FINANCIAL INSTRUMENTS (Continued)

Financial risk management (Continued)

Liquidity risk (Continued)

Group	On demand or less than 1 month HK$'000	1 month to 3 months HK$'000	3 months to 1 year HK$'000	More than one year but less than two years HK$'000	Total undiscounted cash flows HK$'000	Carrying amount HK$'000
At 28 February 2026						
Non-derivative financial liabilities						
Accounts payable	99,639	–	–	–	99,639	99,639
Lease liabilities	113	254	230	86	683	672
Liabilities to external unitholder	1,275	–	–	–	1,275	1,275
Other payables and accruals*	1,755	–	–	–	1,755	1,755
	102,782	254	230	86	103,350	103,341
At 28 February 2025						
Non-derivative financial liabilities						
Accounts payable	162,916	–	–	–	162,916	162,916
Lease liabilities	116	272	672	252	1,312	1,257
Other payables and accruals*	949	798	–	–	1,747	1,747
	163,981	1,070	672	252	165,975	165,920

* excluding accrued staff costs and provision for long service payments

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Group's consolidated statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the Group's consolidated statement of financial position.

Under the agreement of continuous net settlement made between the Group and Hong Kong Securities Clearing Company Limited ("HKSCC") and brokers, the Group has a legally enforceable right to set off the money obligation receivable and payable with HKSCC and brokers on the same settlement date and the Group intends to set off on a net basis.

38. FINANCIAL INSTRUMENTS (Continued)

Offsetting financial assets and financial liabilities (Continued)

In addition, the Group has a legally enforceable right to set off the accounts receivable and payable with brokerage clients that are due to be settled on the same date and the Group intends to settle these balances on a net basis.

Except for balances which are due to be settled on the same date being offset, amounts due from/to HKSCC, brokers and brokerage clients that are not to be settled on the same date, financial collateral including cash and securities received by the Group, and deposit placed with HKSCC and brokers do not meet the criteria for offsetting in the consolidated statement of financial position since the right of set-off of the recognised amounts is only enforceable following an event of default.

Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements

Group

Type of financial assets	Gross amounts of recognised financial assets HK$'000	Gross amounts of recognised financial liabilities offset in the consolidated statement of financial position HK$'000	Net amounts of financial assets recognised in the consolidated statement of financial position HK$'000	Related amounts not set off in the consolidated statement of financial position — Financial instruments HK$'000	Related amounts not set off in the consolidated statement of financial position — Collateral received HK$'000	Net amount HK$'000
At 28 February 2026						
Accounts receivable arising from securities dealing and brokerage services and securities financing services	123,518	(73,030)	50,488	(31,208)	(19,280)	–
At 28 February 2025						
Accounts receivable arising from securities dealing and brokerage services and securities financing services	98,833	(56,001)	42,832	(29,419)	(13,413)	–

38. FINANCIAL INSTRUMENTS (Continued)

Offsetting financial assets and financial liabilities (Continued)

Financial assets subject to offsetting, enforceable master netting arrangements or similar agreements (Continued)

Group

Type of financial liabilities	Gross amounts of recognised financial liabilities HK$'000	Gross amounts of recognised financial assets offset in the consolidated statement of financial position HK$'000	Net amounts of financial liabilities recognised in the consolidated statement of financial position HK$'000	Related amounts not set off in the consolidated statement of financial position: Financial instruments HK$'000	Related amounts not set off in the consolidated statement of financial position: Collateral received HK$'000	Net amount HK$'000
At 28 February 2026						
Accounts payable arising from securities dealing and brokerage services and securities financing services	172,568	(73,030)	99,538	(31,208)	–	68,330
At 28 February 2025						
Accounts payable arising from securities dealing and brokerage services and securities financing services	218,816	(56,001)	162,815	(29,419)	–	133,396

The tables below reconcile the amounts of accounts receivable and accounts payable as presented in the consolidated statement of financial position:

	Group: 28 February 2026 HK$'000	Group: 28 February 2025 HK$'000
Accounts receivable		
Net amount of accounts receivable arising from securities dealing and brokerage services and securities financing services	**50,488**	42,832
Accounts receivable not in the scope of offsetting disclosure	**2,265**	499
Accounts receivable as disclosed in the consolidated statement of financial position	**52,753**	43,331
Accounts payable		
Net amount of accounts payable arising from securities dealing and brokerage services and securities financing services	**99,538**	162,815
Accounts payable not in the scope of offsetting disclosure	**101**	101
Accounts payable as disclosed in the consolidated statement of financial position	**99,639**	162,916

39. SHARE OPTION SCHEME

The Company has adopted a share option scheme pursuant to Chapter 17 of the Listing Rules on 18 August 2023 (the "Share Option Scheme"). The major terms of the Share Option Scheme are summarised as follows:

i. The purpose of the Share Option Scheme is to motivate eligible participants to optimise their performance efficiency for the benefit of the Group; and attract and retain or otherwise maintain on-going business relationship with eligible participants whose contributions are or will be beneficial to the long-term growth of the Group.

ii. The eligible participants of the Share Option Scheme include any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; any directors (including executive, non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries; any advisers (professional or otherwise), consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and related entities who, in the sole opinion of the Board, will contribute or have contributed to the Company or any of its subsidiaries.

iii. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares.

iv. An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date.

v. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

vi. There is no minimum period for which an option must be held before it can be exercised.

vii. The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

39. SHARE OPTION SCHEME (Continued)

viii. The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

a. the official closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

b. the average of the official closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and

c. the nominal value of a share.

Other than the 40,000,000 outstanding share options granted to the Directors and certain employees of the Group were cancelled with effect from 26 September 2024, there were no share options granted, forfeited, exercised and expired during the years ended 28 February 2025 and 2026.

40. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

Group	**Liabilities to external unitholder** HK$'000	**Lease liabilities** HK$'000	**Total** HK$'000
At 1 March 2024	–	330	330
Changes from cash flows:			
Payment of principal of lease liabilities	–	(1,148)	(1,148)
Interest paid on lease liabilities	–	(92)	(92)
Total changes from financing cash flows	–	(1,240)	(1,240)
Other changes:	–	2,075	2,075
Interest expenses *(note 11)*	–	92	92
Total others changes	–	2,167	2,167
At 28 February 2025 and 1 March 2025	–	1,257	1,257
Changes from cash flows:			
Payment of principal of lease liabilities	–	(1,260)	(1,260)
Interest paid on lease liabilities	–	(65)	(65)
Increase in liabilities to external unitholder	1,000	–	1,000
Total changes from financing cash flows	1,000	(1,325)	(325)
Other changes:			
Addition to lease liabilities	–	675	675
Interest expenses *(note 11)*	–	65	65
Unpaid distribution	275	–	275
Total others changes	275	740	1,015
At 28 February 2026	1,275	672	1,947

41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Name	Place of incorporation	Principal activities and place of operation	Class of shares held/paid up issued share capital	Effective interest held as at	
				28 February 2026	28 February 2025
Directly held by the Company					
Crystal Prospect Limited	BVI	Investment holding in Hong Kong	Ordinary shares/ US$100	**100%**	100%
Indirectly held by the Company					
Innovax Securities Limited	Hong Kong	Provision of securities dealing and brokerage services and securities financing services in Hong Kong	Ordinary shares/ HK$55,000,000	**100%**	100%
Innovax Capital Limited	Hong Kong	Provision of corporate finance advisory services in Hong Kong	Ordinary shares/ HK$10,000,000	**100%**	100%
Innovax Asset Management Limited	Hong Kong	Provision of asset management services in Hong Kong	Ordinary shares/ HK$5,000,000	**100%**	100%
Innovax Management Limited	BVI	Provision of management services and investment holding in Hong Kong	Ordinary shares/ US$100	**100%**	100%
Innovax Futures Limited	Hong Kong	Inactive	Ordinary shares/ HK$5,000,000	**100%**	100%
Innovax Consultancy Limited	Hong Kong	Provision of consultancy services in Hong Kong	Ordinary shares/ HK$1	**100%**	100%
Innovax Credit Limited	Hong Kong	Provision of money lending services in Hong Kong	Ordinary shares/ HK$100	**100%**	100%
Innovax Investment Limited	BVI	Investment holding in Hong Kong	Ordinary shares/ US$100	**100%**	100%
Innovax Intelligence Limited (formerly known as Innovax Fintech Limited) *(note i)*	Hong Kong	Inactive	Ordinary shares/ HK$100	**0%**	100%
Innovax China Financial Holdings Limited *(note i)*	Hong Kong	Investment holding in Hong Kong	Ordinary shares/ HK$1	**0%**	100%
重慶創峰企業管理有限公司 *(note i & iii)*	China	Inactive	Nil	**0%**	100%
Innovax Capital OFC *(note ii)*	Hong Kong	Investment fund in Hong Kong	Ordinary shares/ HK$1	**93%**	–

Notes:

(i) During the year ended 28 February 2026, the Group is disposed of the Company.

(ii) The Group is invested in the fund company in May 2025.

(iii) The entity is PRC limited liability company.

42. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	28 February 2026 HK$'000	28 February 2025 HK$'000
Non-current assets		
Unlisted investments in subsidiaries	**1**	1
Amounts due from subsidiaries	**148,000**	185,737
Total non-current assets	**148,001**	185,738
Current assets		
Other receivables and prepayments	**141**	239
Cash and bank balances	**21,993**	2,876
Total current assets	**22,134**	3,115
Total assets	**170,135**	188,853
Current liabilities		
Amounts due to subsidiaries	**6**	18,000
Accruals	**59**	58
Total current liabilities	**65**	18,058
Net current liabilities	**22,069**	(14,943)
Total assets less current liabilities and net assets	**170,070**	170,795
Equity		
Share capital *(see note 32)*	**6,000**	6,000
Reserves	**164,070**	164,795
Total equity	**170,070**	170,795

42. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Movement in the Company's reserves

	Share premium HK$'000	Share option reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 March 2024	169,663	6,707	(20,584)	155,786
Cancellation of share options	–	(6,707)	6,707	–
Issue of shares upon rights issue	9,671	–	–	9,671
Loss and total comprehensive expense for the year	–	–	(662)	(662)
At 28 February 2025	**179,334**	**–**	**(14,539)**	**164,795**
Loss and total comprehensive expenses for the year	**–**	**–**	**(725)**	**(725)**
At 28 February 2026	**179,334**	**–**	**(15,264)**	**164,070**

43. EVENTS AFTER THE REPORTING DATE

On 25 September 2025, Mr. Chung Chi Man (the "Vendor") and Mr. Wang Tingfa (the "Offeror") entered into a sale and purchase agreement (the "Sale and Purchase Agreement"), pursuant to which the Vendor has conditionally agreed to sell, and the Offeror has conditionally agreed to purchase, 110 shares (the "Sale Shares") in Billion Shine, representing the entire issued share capital of Billion Shine as at the date of the Sale and Purchase Agreement, for a total consideration of HK$270,000,000. Completion of the Sale and Purchase Agreement took place on 31 March 2026, and immediately upon which the Offeror (through Billion Shine) and parties acting in concert with him is interested in a total of 45,000,000 Shares, representing 75% of the total issued share capital of the Company. Accordingly, the Offeror became the controlling shareholder of the Company.

On 25 September 2025, Crystal Prospect Limited ("CPL"), a wholly-owned subsidiary of the Company and MSL, which is wholly-owned by the Vendor, entered into a disposal agreement (the "Disposal Agreement"). Pursuant to the Disposal Agreement, MSL has conditionally agreed to acquire and CPL has conditionally agreed to sell, or procure the sale of, the entire issued share capital of Innovax Credit and Innovax Management for a total consideration of HK$58.2 million (subject to adjustment). Completion of the Disposal Agreement took place on 31 March 2026. Immediately following the Disposal Completion, MSL is interested in the entire issued share capital of Innovax Credit and Innovax Management. The Company no longer has any interest in Innovax Credit and Innovax Management and they cease to be accounted as subsidiaries of Company.

For details of the Sale and Purchase Agreement and the Disposal Agreement, please refer to the announcements dated 10 October 2025, 31 October 2025, 28 November 2025, 28 December 2025, 28 January 2026, 27 February 2026, 25 March 2026 and 31 March 2026 jointly issued by the Company and the Offeror and the composite offer and response document dated 8 April 2026 jointly issued by the Company and the Offeror.

FINANCIAL SUMMARY

For the year ended 28 February 2026

	2022 HK$'000	2023 HK$'000	2024 HK$'000	2025 HK$'000	**2026** **HK$'000**
Revenue					
Corporate finance advisory services	14,812	17,446	11,734	8,495	**9,866**
Placing and underwriting services	4,221	9,531	10,913	151,467	**1,766**
Securities dealing and brokerage services	1,903	3,132	3,002	2,866	**5,310**
Asset management services	553	455	427	492	**3,748**
Interest income from securities financing services	13,445	14,808	5,525	2,611	**1,996**
Interest income from money lending services	21	163	1,126	1,746	**–**
Total revenue	34,955	45,535	32,727	167,677	**22,696**
Other income	4,010	4,412	4,638	5,408	**5,287**
Other gains or (losses)	(8,373)	625	22,424	(26,088)	**24,780**
	30,592	50,572	59,789	146,997	**52,763**
Administrative and operating expenses	(14,378)	(15,458)	(16,603)	(159,752)	**(18,679)**
Net impairment allowance on financial Instruments and contract assets, net of reversal	(17)	(28)	2	(278)	**(48)**
Staff costs	(37,390)	(41,390)	(41,368)	(22,162)	**(24,337)**
Finance costs	(55)	(271)	(42)	(92)	**(65)**
Other expenses	–	–	–	–	**(275)**
Listing expenses	–	–	–	–	**–**
Share of losses of joint ventures	–	(2)	(3)	–	**–**
Total expenses	(51,840)	(57,149)	(58,014)	(182,284)	**(43,404)**
(Loss)/profit before tax	(21,248)	(6,577)	1,775	(35,287)	**9,359**
Income tax expense	(1,269)	–	–	–	**–**
(Loss)/profit and total comprehensive (expense)/ income for the year	(22,517)	(6,577)	1,775	(35,287)	**9,359**
(Losses)/earnings per share					
Basic (HK cents)	(5.63)	(1.64)	3.66	(68.78)	**15.6**
Diluted (HK cents)	(5.63)	(1.64)	3.66	(68.78)	**15.6**

Asset and liabilities

	2022 HK$'000	2023 HK$'000	2024 HK$'000	2025 HK$'000	**2026** **HK$'000**
Total assets	303,337	307,615	283,600	353,027	**302,766**
Total liabilities	(94,784)	(98,901)	(73,111)	(166,154)	**(104,186)**
Net assets	208,553	208,714	210,489	186,873	**198,580**