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Loco Hong Kong Holdings Limited

港銀控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 8162)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the “**Directors**”) of Loco Hong Kong Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

This announcement shall remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least seven days from the date of its publication and will be available on the Company’s website at www.locohkholdings.com.

The Board of Directors (the “**Board**”) of the Company hereby announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025, together with comparative figures for the previous year.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue			
– Sales of metal		19,807,862	15,114,153
– Education management services		32,815	33,733
		<hr/>	<hr/>
Total revenue	3	19,840,677	15,147,886
Other income and losses		6,042	(715)
		<hr/>	<hr/>
		19,846,719	15,147,171
Carrying value of inventories sold		(19,724,183)	(15,065,173)
Change in fair value of commodity inventories		265	30
Depreciation on property, plant and equipment		(1,592)	(1,527)
Depreciation on right-of-use assets		(2,223)	(3,132)
Loss on derecognition of a subsidiary		(17)	(3)
Loss on disposal of property, plant and equipment		–	(45)
Employee costs		(12,270)	(11,090)
Other operating expenses		(12,707)	(14,276)
Provision of loss allowance on trade and other receivables, net		(593)	(2,248)
Rental expenses		(1,839)	(1,426)
Finance costs	4	(7,288)	(801)
		<hr/>	<hr/>
Profit before income tax expense	5	84,272	47,480
Income tax expense	6	(19,358)	(15,335)
		<hr/>	<hr/>
Profit for the year		64,914	32,145
		<hr/> <hr/>	<hr/> <hr/>

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other comprehensive income/(loss)			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Reclassification of cumulative translation reserve upon derecognition of a subsidiary		17	3
Exchange differences on translating foreign operations		<u>3,452</u>	<u>(1,737)</u>
Other comprehensive income/(loss) for the year, net of tax		<u>3,469</u>	<u>(1,734)</u>
Total comprehensive income for the year attributable to owners of the Company		<u>68,383</u>	<u>30,411</u>
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share attributable to owners of the Company during the year (basic and diluted)	<i>7</i>	<u>6.59</u>	<u>3.88</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		16,536	3,441
Right-of-use assets		2,289	4,421
		<u>18,825</u>	<u>7,862</u>
Current assets			
Inventories		556	291
Trade and other receivables and prepayments	8	330,743	937,010
Pledged time deposits		360,390	–
Cash and cash equivalents		64,638	21,263
		<u>756,327</u>	<u>958,564</u>
Current liabilities			
Trade and other payables and accruals	9	505,779	823,602
Borrowings		–	26,052
Contract liabilities		–	28,249
Derivative financial instruments		27,077	–
Tax payable		18,762	11,201
Lease liabilities		1,870	2,306
		<u>553,488</u>	<u>891,410</u>
Net current assets		<u>202,839</u>	<u>67,154</u>
Total assets less current liabilities		<u>221,664</u>	<u>75,016</u>
Non-current liabilities			
Deferred tax liabilities		3,291	2,067
Lease liabilities		792	2,574
		<u>4,083</u>	<u>4,641</u>
Net assets		<u>217,581</u>	<u>70,375</u>
Capital and reserves			
Share capital		267,171	188,348
Reserves		(49,590)	(117,973)
Total equity attributable to the owners of the Company		<u>217,581</u>	<u>70,375</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

Loco Hong Kong Holdings Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 5 August 2014. The addresses of the registered office and principal place of business are Unit 401, 4/F., Fairmont House, 8 Cotton Tree Drive, Admiralty, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “**Group**”) are principally engaged in metal business, education management services business and money lending services business.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated. These consolidated financial statements were approved and authorized for issue by the board of directors on 27 March 2026.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRS Accounting Standards**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance Cap.622 (“**CO**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”).

The consolidated financial statements have been prepared on the historical cost basis except for certain inventories and financial instruments that are measured at fair values.

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*” (“**HKFRS 2**”), leasing transactions that are accounted for in accordance with HKFRS 16 “*Leases*” (“**HKFRS 16**”), and measurements that have some similarities to fair value but are not fair value, such as net realizable value in HKAS 2 “*Inventories*” or value in use in HKAS 36 “*Impairment of Assets*”.

The preparation of the consolidated financial statements in accordance with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies of the Group.

2.2 Changes in accounting policies

(i) *Application of new and amendments to HKFRS accounting standards adopted by the Group*

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

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by HKICPA for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

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

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

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

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

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

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

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 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. 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. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the executive directors of the Company, who are the chief operating decision-makers that are used to make strategic decision. The Group manages its business by divisions, which are organized by business lines.

The segments are managed separately as each business offers different products and requires different business strategies. The following summary describes the operations in each of the Group's reportable and operating segments:

- (i) Trading of metal – Sales of metal.
- (ii) Money lending services – Provision of money lending services.
- (iii) Education management services – Provision of education management services.

(a) Segment results, assets and liabilities

The segment information provided to the directors of the Company for the reportable segments for the years ended 31 December 2024 and 2025 are as follows:

	For the year ended 31 December 2025			Total HK\$'000
	Trading of metal HK\$'000	Money lending services HK\$'000	Education management services HK\$'000	
Reportable segment revenue (Note)	19,807,862	–	32,815	19,840,677
Reportable segment profit/(loss)	77,901	(141)	26,204	103,964
Depreciation of property, plant and equipment				(3)
Depreciation of right-of-use assets				(1,153)
Employee costs				(9,601)
Interest expenses				(33)
Loss on derecognition of a subsidiary				(17)
Other unallocated corporate expenses				(8,885)
Profit before income tax expense				84,272
Income tax expense				(19,358)
Profit for the year				64,914
Reportable segment assets	673,403	62	97,890	771,355

For the year ended 31 December 2025

	Trading of metal <i>HK\$'000</i>	Money lending services <i>HK\$'000</i>	Education management services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cash and cash equivalents				2,197
Property, plant and equipment				5
Right-of-use assets				752
Other unallocated corporate assets				843
Consolidated total assets				775,152
Additions to specified non-current assets	-	-	14,271	14,271
Reportable segment liabilities	543,920	68	7,868	551,856
Lease liabilities				792
Other unallocated corporate liabilities				4,923
Consolidated total liabilities				557,571

Note: There is no inter-segment revenue for the year.

For the year ended 31 December 2024

	Trading of metal <i>HK\$'000</i>	Money lending services <i>HK\$'000</i>	Education management services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment revenue (Note)	<u>15,114,153</u>	<u>–</u>	<u>33,733</u>	<u>15,147,886</u>
Reportable segment profit/(loss)	<u>41,603</u>	<u>(148)</u>	<u>25,699</u>	<u>67,154</u>
Depreciation of property, plant and equipment				(7)
Depreciation of right-of-use assets				(1,194)
Employee costs				(7,464)
Interest expenses				(321)
Other unallocated corporate expenses				<u>(10,688)</u>
Profit before income tax expense				47,480
Income tax expense				<u>(15,335)</u>
Profit for the year				<u>32,145</u>
Reportable segment assets	<u>886,668</u>	<u>187</u>	<u>70,153</u>	<u>957,008</u>
Cash and cash equivalents				2,696
Property, plant and equipment				1
Right-of-use assets				1,906
Other unallocated corporate assets				<u>4,815</u>
Consolidated total assets				<u>966,426</u>
Additions to specified non-current assets	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Reportable segment liabilities	<u>870,609</u>	<u>191</u>	<u>7,316</u>	<u>878,116</u>
Lease liabilities				1,934
Other unallocated corporate liabilities				<u>16,001</u>
Consolidated total liabilities				<u>896,051</u>

Note: There is no inter-segment revenue for the year.

(b) Other segment information

	For the year ended 31 December 2025			
	Trading of metal <i>HK\$'000</i>	Money lending services <i>HK\$'000</i>	Education management services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Depreciation of property, plant and equipment	–	–	(1,589)	(1,589)
Depreciation of right-of-use assets	(125)	(124)	(821)	(1,070)
Provision of loss allowance on trade and other receivables	(485)	–	(108)	(593)
Interest expenses	<u>(7,144)</u>	<u>(3)</u>	<u>(108)</u>	<u>(7,255)</u>
	For the year ended 31 December 2024			
	Trading of metal <i>HK\$'000</i>	Money lending services <i>HK\$'000</i>	Education management services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Depreciation of property, plant and equipment	(7)	–	(1,513)	(1,520)
Depreciation of right-of-use assets	(987)	(132)	(819)	(1,938)
Provision of loss allowance on trade and other receivables	(1,116)	–	(1,132)	(2,248)
Interest expenses	(322)	(3)	(155)	(480)
Loss on disposal of property, plant and equipment	<u>(33)</u>	<u>–</u>	<u>(12)</u>	<u>(45)</u>

(c) **Geographical information**

The Company is an investment holding company incorporated in Hong Kong and the principal place of the Group's operations is Hong Kong, Singapore and the Chinese Mainland. Accordingly, the management determines that the Group is domiciled in Hong Kong.

The Group's revenue from customers and information about its specified non-current assets, comprising property, plant and equipment and right-of-use assets, by geographical location are detailed below:

	Revenue from customers*	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong	2,548,787	2,430,925
Chinese Mainland	150,163	48,476
Singapore	16,906,078	12,478,052
Other	235,649	190,433
	<u>19,840,677</u>	<u>15,147,886</u>

* *Based on location of customers.*

	Specified non-current assets	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong	820	2,218
Chinese Mainland	18,005	5,644
	<u>18,825</u>	<u>7,862</u>

(d) **Disaggregation of revenue**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trading of metal	19,807,862	15,114,153
Education management services	32,815	33,733
Money lending services	—	—
	<u>19,840,677</u>	<u>15,147,886</u>

(e) **Disaggregation of revenue from contracts with customers**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
By timing of revenue recognition:		
Control transferred over time	32,815	33,733
Control transferred at a point in time	19,807,862	15,114,153
	<u>19,840,677</u>	<u>15,147,886</u>

(f) **Information about major customers**

Revenue from major customers, each of them accounted for 10% or more of the Group's revenue and is reported under the segment of trading of metal and education management services, are set out below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A ¹	11,300,090	7,731,845
Customer B ¹	N/A	2,516,854
Customer C ¹	<u>2,867,060</u>	<u>N/A</u>

¹ *Revenue from trading of metal*

N/A: Not applicable as the revenue generated by the customer is less than 10% of the Group's revenue.

4. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on borrowings	38	574
Interest on lease liabilities	145	227
Interest related to trade payables (<i>note</i>)	<u>7,105</u>	<u>–</u>
	<u>7,288</u>	<u>801</u>

Note: Interest expenses incurred for the long credit period provided by supplier.

5. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is arrived at after charging:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditors' remuneration	880	880
Exchange losses – net	–	879
Lease payments not included in the measurement of lease liabilities	<u>1,839</u>	<u>1,426</u>

6. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax:		
Charge for the year	18,134	14,384
Deferred tax:		
Charge for the year	<u>1,224</u>	<u>951</u>
Income tax expense	<u>19,358</u>	<u>15,335</u>

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operates.

Pursuant to the rules and regulations of the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the BVI.

Hong Kong Profits tax rate is 16.5% for the year ended 31 December 2025 (2024: 16.5%) on the estimated assessable profits arising in Hong Kong except for the first HK\$2 million of qualified group entity's assessable profit is calculated at 8.25% which is in accordance with the two-tiered profit tax rates regime.

Under the law of the Chinese Mainland on Enterprise Income Tax (the "EIT Law") and Interpretation Regulation of the EIT Laws, the tax rate of the Chinese Mainland subsidiaries is 25% for the year ended 31 December 2025 (2024: 25%).

7. EARNINGS PER SHARE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit		
Profit attributable to owners of the Company	<u>64,914</u>	<u>32,145</u>
	2025	2024
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (<i>in thousand</i>)	<u>984,832</u>	<u>829,404</u>

For the year ended 31 December 2024, the computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options since their exercise price is higher than the average market price of the Company's share for the year. Accordingly, the basic and diluted earnings per share are the same.

The basic earnings per share is the same as the diluted earnings per share, as the Company has no dilutive potential ordinary shares during the current year.

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	286,075	870,715
<i>Less: provision for loss allowance</i>	<u>(3,173)</u>	<u>(2,607)</u>
Trade receivables – net (<i>Note</i>)	282,902	868,108
Other receivables and deposits	47,184	27,236
<i>Less: provision for loss allowance</i>	<u>(346)</u>	<u>(201)</u>
Other receivables and deposits – net	46,838	27,035
Prepayments	<u>1,003</u>	<u>41,867</u>
	<u>330,743</u>	<u>937,010</u>

Note:

Trade receivables

The credit period granted to customers are 1 month — 12 months generally.

The aging analysis of the trade receivables based on the date of demand note is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 – 30 days	278,548	859,777
31 – 90 days	3,286	7,082
91 – 180 days	1,068	1,249
Over 180 days	<u>–</u>	<u>–</u>
	<u>282,902</u>	<u>868,108</u>

9. TRADE AND OTHER PAYABLES AND ACCRUALS

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	491,586	818,541
Other payables and accruals	14,193	5,061
	<u>505,779</u>	<u>823,602</u>

The followings is an aging analysis of trade payable presented based on the date of demand note:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 – 60 days	166,535	818,541
61 – 90 days	–	–
Over 90 days	325,051	–
	<u>491,586</u>	<u>818,541</u>

The credit period on purchases of goods is ranging from 1 month to 3 months generally.

10. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the year ended 31 December 2025 (“FY2025” or “Current Year”), the Group’s principal businesses, namely the metal business and the education management services business, have continued to maintain a steady growth momentum.

In 2025, the global geopolitical landscape was complex and volatile, with frequent economic and trade frictions and regional conflicts, leading to a marked rise in economic uncertainty. The Group adhered to the strategy of pursuing progress while maintaining stability and proactive strategic deployments, focused on its core metal business and optimize the business structure, achieving sound operation and remarkable growth in performance.

During the Current Year, the Group achieved revenue of approximately HK\$19,840.7 million, representing an increase of approximately 31% as compared to approximately HK\$15,147.9 million for the year ended 31 December 2024 (“FY2024”), and a net profit of approximately HK\$64.9 million, representing a significant growth of approximately 102% from approximately HK\$32.1 million in FY2024. The simultaneous increase in revenue and profitability attests to the forward-looking nature of the Group’s strategic layout and the effectiveness of its operation and management, as well as the result of the Group’s active cost control and optimization, further solidifying the Group’s capability for sustainable development.

I. Metal business

As the Group’s core operation, the metal business covers metal commodities and metal consumer products. Through long-term and stable cooperation with a number of large Chinese Mainland state-owned enterprises, large comprehensive key enterprises and international enterprises, it has established a diversified customer and supplier network covering Chinese Mainland, Hong Kong and Singapore, which continuously strengthens the competitive advantages in a complex market environment.

In FY2025, that business segment achieved revenue of approximately HK\$19,807.9 million, representing an increase of approximately 31% as compared with approximately HK\$15,114.2 million in FY2024. Segment profit increased significantly by approximately 87% to HK\$77.9 million. The significant growth in the metal business was mainly attributable to the following: the Group accurately captured the growing demand from downstream emerging industries against the backdrop of changes in the global trading landscape, achieving continuous business expansion; and relying on its accumulated industry resources and channel advantages over the years, it further broadened its product portfolio and domestic and overseas customer markets. With the continuous expansion in the scale and product range of the metal business, the Group has been enhancing its internal control and risk management to ensure a balance between business scale growth and controllable risks.

I. Product field

The Group's metal business focuses on the supply chains for metal commodities and metal consumer products and has covered a wide range of metal raw materials including copper, aluminum, nickel and iron ore, as well as metal consumer products.

II. Market prospects, development plans and strategies

The Chinese Mainland's domestic manufacturing upgrading and sustained growth of the new energy industry have provided long-term support for the development of the metal business. The Group's core customers for the metal business include large state-owned enterprises and large key integrated enterprises across various sectors in the Chinese Mainland, and are expected to continue to benefit from domestic economic development.

Currently, factors such as the complex global geopolitical environment, uneven economic recovery, and persistent uncertainties in tariffs and trade policies have exacerbated volatility in international commodity prices. The Group will continue to focus on metal commodities business and metal consumer products business, where international and domestic market prices are relatively transparent and risks are relatively controllable, so as to effectively balance the risks arising from market fluctuations.

The Group's customers comprised mainly large domestic state-owned enterprises and large key comprehensive enterprises in the Chinese Mainland, and such customers have good reputation and continuous and stable procurement demand. The Group will further expand its collaboration with these large-scale state-owned enterprises and large scale key comprehensive enterprises, pay close attention to market trends and customer demands, and adhere to its strategy of “pursuing progress while maintaining stability” in order to further strengthen our core business – metal business.

II. Education management services business

As of 31 December 2025, our wholly-owned subsidiary, Sichuan Loco Yahui Education Management Limited* (四川港銀雅滙教育管理有限公司) (“**Loco Yahui**”), was principally engaged in the business of providing education management services to different schools and education institutions in the Chinese Mainland.

The business segment has performed well since its launch in 2019, focusing on the fields of art and physical education, humanities education and well-rounded education encouraged by the national education policy. As of FY2025, the Group's education management services business recorded revenue of approximately HK\$32.8 million, which was broadly comparable to the revenue of approximately HK\$33.7 million recorded by this segment in FY2024. The education management services business will continue to maintain healthy development.

I. Main Customers

The education management services business mainly involves provision of relevant educational management services to 9 educational institutions in Chengdu, the Chinese Mainland (covering four types of major customers, including 4 arts and physical education and training institutions, 2 kindergartens, 2 humanistic well-rounded natural experience education provider and 1 educational textbook and book distributor).

II. Market prospects, development plans and strategies

With the continuous deepening of comprehensive reforms in the national education sector, the Group's education management services business will keep pace with policy adjustments, and strive to maintain healthy development.

III. Money lending services business

During the reporting period, against the uncertainty in the macro credit environment, the Group considers that the credit risk-return profile of its money lending services remains difficult to achieve an acceptable level in the short term. Accordingly, the Group continued to adopt the strategy of prudent assessment in its money lending business during the year. As of FY2025, the business segment recorded no revenue (As of FY2024: Nil).

FINANCIAL REVIEW

For the year ended 31 December 2025, the Group had a total revenue of approximately HK\$19,840.7 million (2024: approximately HK\$15,147.9 million), representing an increase of approximately 31% as compared with 2024. The Group recorded profit of approximately HK\$64.9 million (2024: profit of approximately HK\$32.1 million) for the year ended 31 December 2025, representing an increase of approximately 102% as compared to 2024. The increase in profit was mainly attributable to net effect of:

- (a) an increase in the Group's total revenue of approximately HK\$4,692.8 million as discussed above;
- (b) the carrying value of inventories sold was recognized approximately HK\$19,724.2 million (2024: approximately HK\$15,065.2 million);
- (c) a decrease in provision of loss allowance on trade and other receivables of approximately HK\$1.7 million;
- (d) an increase in employee costs of approximately HK\$1.2 million; and
- (e) an increase in income tax expense of approximately HK\$4.0 million.

For the year ended 31 December 2025, the Group's profit attributable to owners of the Company was approximately HK\$64.9 million, as compared to the profit attributable to owners of the Company of approximately HK\$32.1 million for 2024.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2025, the Group had cash and bank balances of approximately HK\$64.6 million (2024: approximately HK\$21.3 million) and net current assets of approximately HK\$202.8 million (2024: approximately HK\$67.2 million). As at 31 December 2025, the current ratio stood at 1.37 times (2024: 1.08 times).

The Group generally finances its operations primarily with internally generated cash and borrowings. The increase in cash and bank balances of approximately HK\$43.3 million is mainly attributable to the profit for the year and the decrease in the trade and other receivable, netting off by the decrease in the trade and other payable and repayment of borrowing.

As at 31 December 2025, the Group had no outstanding borrowings (2024: approximately HK\$26.1 million). The borrowings represent loans denominated in HK\$, RMB and USD from shareholders bearing interest at 0%-2.5% per annum which are unsecured and are repayable within one year as at 31 December 2024.

As at 31 December 2025, the amount of total available bank facilities of the Group was approximately HK\$1,736.8 million (2024: Nil). The Directors believed that the Group has adequate and sound financial resources to fulfill its commitments and working capital requirements.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed herein, there was no other significant investment held, material acquisition and disposal of subsidiaries and affiliated companies by the Company during the year ended 31 December 2025. There was no other plan for material investments or capital assets as at 31 December 2025.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

References are made to the Company's announcements dated 3 January 2025, 8 January 2025 and 24 January 2025. The Company had completed placing of a total of 165,880,800 ordinary shares of the Company to not less than six places (who and whose ultimate beneficial owners are third parties independent of and not being connected person of the Company) at a placing price of HK\$0.48 per placing share on 24 January 2025. The Directors consider that the placing represents a good opportunity to raise additional funding for the operations of the Group and will enable the Group to boost the development of its metal business.

The placing price of HK\$0.48 per placing share under the placing represents: (i) a discount of approximately 15.79% to the closing price of HK\$0.57 per ordinary share as quoted on the Stock Exchange on 3 January 2025, being the date of the placing agreement; and (ii) a discount of approximately 8.4% to the average closing price of approximately HK\$0.524 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the placing agreement.

The net proceeds (after deducting the placing commission and other related expenses and professional fees) from the 165,880,800 placing shares amounted to approximately HK\$78.82 million and the net price per placing share was approximately HK\$0.475. The Company intends to apply such net proceeds from the placing for the general working capital of the group; including for repayment of shareholder's loan and the development of its metal business.

As at 31 December 2025, the aforesaid net proceeds use which are consistent with the intended use of proceeds has been applied as follows:

	<i>HK\$'000</i>
Net proceeds from placing shares	78,823
Utilized amount of proceeds during the period:	
– Repayment of shareholders' loan	(26,052)
– Development of the metal business	<u>(52,771)</u>
Unutilized amount of proceeds as at 31 December 2025	<u><u>–</u></u>

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed a total of 22 staff (2024: 24 staff). The total employee costs, including remuneration of the Directors, for the year ended 31 December 2025 amounted to approximately HK\$12.3 million (2024: approximately HK\$11.1 million).

The remuneration policy and package of the Group's employees are periodically reviewed. In addition to salaries, the Group provides staff benefits including medical and provident fund. Bonuses are also available to employees of the Group at the discretion of the Directors and depending on the financial performance of the Group.

CHARGE ON THE GROUP'S ASSETS

As at 31 December 2025, an amount of approximately HK\$360.4 million (2024: Nil) of pledged time deposits was pledged to banks to secure certain bank facilities granted to the Group.

GEARING RATIO

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital.

As at 31 December 2025, the gearing ratio was Nil (2024: 12.1%).

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities, guarantees or any litigation or claims of material importance pending or threatened against any member of the Group (2024: Nil) and there has not been any material change in the contingent liabilities of the Group since 31 December 2025.

TREASURY POLICY

The Directors will continue to follow a prudent policy in managing the Group's bank balances and maintain strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

FOREIGN EXCHANGE EXPOSURE

Certain of the Group's subsidiaries primarily operate in Hong Kong and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar ("USD"), the Renminbi ("RMB") and the Euro ("EUR"). Therefore, foreign exchange risk primarily arose from recognized assets and liabilities in our Group's Hong Kong subsidiaries when receiving or to receive foreign currencies from, or paying or to pay foreign currencies to, overseas. Considering that the Hong Kong dollar is pegged with the USD, the management is of the opinion that the currency exposure arising from USD transactions is not significant to the Group. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

CAPITAL COMMITMENT AND CAPITAL EXPENDITURE

As at 31 December 2025, the Group did not have any significant capital commitment and capital expenditure (2024: Nil).

DIVIDENDS

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

SCOPE OF WORK OF AUDITORS

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on this announcement.

DISCLOSURE UNDER SECTION 436 OF THE HONG KONG COMPANIES ORDINANCE

The financial information of the Group relating to the years ended 31 December 2025 and 2024 included in this preliminary announcement of annual results for the year ended 31 December 2025 do not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on the financial statements of the Group for the year ended 31 December 2024. The auditors' report was unqualified; did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

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

On 24 January 2025, the Company allotted and issued a total of 165,880,800 fully paid new shares by the way of placing at a price of HK\$0.48 per share. Please refer to "Placing of New Shares Under General Mandate" for details.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the year ended 31 December 2025. No treasury shares held by the Company as at 31 December 2025.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2025, to the best knowledge of the Board, the Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix C1 of the GEM Listing Rules.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions carried out by Directors, that is not laxer than relevant standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries to all Directors, they confirmed they have complied with the standards of dealings and the code of conduct regarding securities transactions carried out by Directors, adopted by the Company throughout the year ended 31 December 2025.

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

The Company established the audit committee (the “**Audit Committee**”) on 22 July 2014 with written terms of reference that was amended and adopted with effect from 2 January 2019 in compliance with the Code Provision D.3.3. The duties of the Audit Committee include reviewing, in draft form, the Company’s annual report and accounts, half-yearly report and quarterly report (if any) and providing advice and comments to the Board. In this regard, members of the Audit Committee will liaise with the Board, the Company’s senior management and the auditors. The Audit Committee will also consider any significant or usual items that are, or may need to be, reflected in such reports and accounts and give consideration to any matters that have been raised by the Company’s accounting staff, compliance officers or auditors. Members of the Audit Committee are also responsible for reviewing the Company’s financial reporting process, risk management and internal control systems.

The Audit Committee currently comprises 3 independent non-executive Directors, namely Ms. Wu Liyan, Mr. Yeung Chun Wa and Mr. Tian Yuan and Ms. Wu Liyan is the chairlady of the Audit Committee.

The Audit Committee has reviewed the annual results and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

By order of the Board
Loco Hong Kong Holdings Limited
Wang Wendong
Chief Executive Officer

Hong Kong, 27 March 2026

As at the date of this announcement, the executive Directors are Mr. Zhang Siyuan (Chairman of the Board), Mr. Wang Wendong and Mr. Fung Chi Kin; and the independent non-executive Directors are Ms. Wu Liyan, Mr. Yeung Chun Wa and Mr. Tian Yuan.