

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

YING HAI GROUP HOLDINGS COMPANY LIMITED

瀛海集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8668)

ANNUAL RESULTS ANNOUNCEMENT 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 (collectively the “**Directors**” or individually a “**Director**”) of Ying Hai Group Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”, “**we**”, “**our**” or “**us**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on 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.*

FINANCIAL HIGHLIGHTS

- Revenue increased by approximately HK\$6.5 million from approximately HK\$105.0 million for the year ended 31 December 2024 to approximately HK\$111.5 million for the year ended 31 December 2025.
- The Group recorded gross profit of approximately HK\$11.2 million for the year ended 31 December 2025, as compared to gross profit of approximately HK\$13.1 million for the year ended 31 December 2024.
- Loss for the year increased significantly by approximately HK\$4.1 million from approximately HK\$9.5 million for the year ended 31 December 2024 to approximately HK\$13.6 million for the year ended 31 December 2025.
- Basic loss per share attributable to owners of the Company was approximately HK1.13 cents for the year ended 31 December 2025 (2024: approximately HK0.79 cents).
- The Board has resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (2024: nil).

ANNUAL RESULTS

The board (the “**Board**”) of Directors of the Company is pleased to announce the consolidated annual results of the Group for the year ended 31 December 2025, together with the comparative audited figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	4	111,481	104,991
Cost of sales		(100,242)	(91,892)
Gross profit		11,239	13,099
Other income, gains and losses, net		543	772
Administrative expenses		(16,898)	(18,887)
Other operating expenses		(1,842)	(2,197)
Fair value changes on investment properties		(284)	(324)
Gain on disposal of investment in an associate		23	—
Impairment loss recognised under expected credit losses model, net		(5,290)	(1,604)
Impairment loss recognised in respect of property, plant and equipment		(50)	(423)
Impairment loss recognised in respect of right-of-use assets		(838)	—
Loss from operations		(13,397)	(9,564)
Share of result of associate		9	171
Finance costs		(83)	(121)
Loss before tax	6	(13,471)	(9,514)
Income tax expense	7	(89)	—
Loss for the year		(13,560)	(9,514)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of financial statements of foreign operations		18	(168)
		18	(168)
Total comprehensive loss for the year		(13,542)	(9,682)
Loss for the year attributable to owner of the Company		(13,560)	(9,514)
Total comprehensive loss for the year attributable to owner of the Company		(13,542)	(9,682)
Loss per share			
Basic and diluted	8	HK(1.13) cents	HK(0.79) cents

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		7,500	8,560
Investment properties		2,388	2,672
Right-of-use assets		—	—
Investment in an associate		—	697
Deposits paid		42	—
		9,930	11,929
Current assets			
Inventories		30	—
Trade receivables	9	9,234	16,377
Deposits, prepayments and other receivables		18,782	10,092
Financial assets at fair value through profit or loss		—	525
Bank deposits with original maturity over three months		2,615	2,701
Cash and cash equivalents		5,256	3,248
		35,917	32,943
Current liabilities			
Trade and other payables	10	28,709	13,226
Amount due to a director		4,385	5,394
Borrowings		134	139
Lease liabilities		342	658
		33,570	19,417
Net current assets		2,347	13,526
Total assets less current liabilities		12,277	25,455
Non-current liabilities			
Borrowings		1,330	1,465
Lease liabilities		499	—
		1,829	1,465
Net assets		10,448	23,990
Capital and reserves			
Share capital		12,000	12,000
Reserves		(1,552)	11,990
Total equity attributable to owners of the Company		10,448	23,990

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

Ying Hai Group Holdings Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 18 December 2018 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the Company’s registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is Room 506, 5/F, Peninsula Centre, 67 Mody Road, Tsim Sha Tsui East, Hong Kong. The Company’s immediate and ultimate holding company is Silver Esteem Limited (the “**Silver Esteem**”), a company incorporated in the British Virgin Islands (“**BVI**”) with limited liability and is wholly owned by Mr. Choi Wai Chan (“**Mr. Choi**”), who is a shareholder of the Company.

The Company is an investment holding company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the travel business consisting of sales and distribution of hotel rooms and margin income from sales, distribution and provision of air tickets, hotel rooms and ancillary travel-related products in Macau, the vehicle business represents the provision of vehicle leasing and limousine services in Macau and Hong Kong, the show and event business represents the sales of show and event tickets, organising the shows and events and related ancillary services in Asia and investment in events.

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”) which is the functional currency of the Company. The consolidated financial statements are presented in the nearest thousand (HK\$’000) unless otherwise stated.

2. BASIS OF PREPARATION OF CONSOLIDATION FINANCIAL STATEMENTS

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

The consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments and investment properties that are measured at fair value at the end of each reporting period, as explained in the accounting policies 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 this 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 within the scope of HKFRS 16 *Leases*, 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*.

For financial instruments which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure at fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation equals the transaction price.

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 entity 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.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

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

Amendments to HKAS 21	Lack of Exchangeability
-----------------------	-------------------------

The application of the Amendments 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.

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

The Group has not early adopted 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
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency 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 anticipate that the application of all other new and amendments to HKFRSs 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 (“**HKAS 1**”). This new HKFRS Accounting Standards, 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. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and other comprehensive income.

4. REVENUE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers		
Sales and distribution of hotel rooms	83,595	79,078
Margin income: <i>(Note)</i>		
– sale of air tickets	—	7
– sale of show and event tickets	—	6
– sale and distribution of hotel rooms	305	471
– sale and provision of ancillary travel-related products	7	25
Provision of limousine services	14,211	16,219
Shows and events income	11,360	6,816
Total revenue from contracts with customers	109,478	102,622
Fair value gain/(loss) on financial assets at fair value through profit or loss (“FVTPL”)	190	(886)
Lease income from vehicle leasing	1,813	3,255
Total revenue	111,481	104,991

All of the Group’s revenue from contracts with customers are recognised at a point in time.

Note: The Group’s margin income from sales, distribution and provision of air tickets, show and event tickets, hotel rooms and ancillary travel-related products and services, are considered as cash collected on behalf of a principal as an agent, and thus recorded on a net basis.

5. SEGMENT INFORMATION

The Group's operating segments are determined based on information reported to the chief operating decision maker of the Group for the purposes of resource allocation and assessment of segment performance focuses on types of products and services provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable operating segments of the Group.

The chief operating decision maker considers the Group has three reportable operating segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised.

(i) Travel business

The travel business consists of sales and distribution of hotel rooms and margin income from sales, distribution and provision of air tickets, hotel rooms and ancillary travel-related products in Macau.

(ii) Vehicle business

The vehicle business represents the provision of vehicle leasing and limousine services in Macau and Hong Kong.

(iii) Show and event business

The show and event business represents the sales of show and event tickets, organising the shows and events and related ancillary services in Asia and investment in events.

Segment revenue and results

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

For the year ended 31 December 2025

	Travel business <i>HK\$'000</i>	Vehicle business <i>HK\$'000</i>	Show and event business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment revenue	<u>83,907</u>	<u>16,024</u>	<u>11,550</u>	<u>111,481</u>
Reportable segment results	<u>(2,972)</u>	<u>368</u>	<u>(6,091)</u>	<u>(8,695)</u>
Interest income				58
Share of result of associate				9
Finance costs				(83)
Unallocated income and expenses				<u>(4,760)</u>
Loss before tax				<u><u>(13,471)</u></u>

For the year ended 31 December 2024

	Travel business <i>HK\$'000</i>	Vehicle business <i>HK\$'000</i>	Show and event business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment revenue	<u>79,581</u>	<u>19,474</u>	<u>5,936</u>	<u>104,991</u>
Reportable segment results	<u>(2,264)</u>	<u>2,290</u>	<u>(3,219)</u>	<u>(3,193)</u>
Interest income				53
Government grants				13
Share of result of associate				171
Finance costs				(121)
Unallocated income and expenses				<u>(6,437)</u>
Loss before tax				<u><u>(9,514)</u></u>

Reportable segment revenue represents revenue generated from external customers. There were no inter-segment sales during the reporting period.

Segment results represents profit earned by or loss from each segment without allocation of partial other income, government grants, directors' remuneration, partial depreciation, share of result of associate, finance costs and other corporate income and expenses under the heading of "unallocated income and expenses". This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

Information regarding the Group's reportable segments assets and liabilities are as follows:

For the year ended 31 December 2025

	Travel business <i>HK\$'000</i>	Vehicle business <i>HK\$'000</i>	Show and event business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets	<u>15,404</u>	<u>13,503</u>	<u>15,588</u>	<u>44,495</u>
Unallocated assets				<u>1,352</u>
Total assets				<u>45,847</u>
Reportable segment liabilities	<u>17,881</u>	<u>1,820</u>	<u>13,416</u>	<u>33,117</u>
Unallocated liabilities				<u>2,282</u>
Total liabilities				<u><u>35,399</u></u>

For the year ended 31 December 2024

	Travel business <i>HK\$'000</i>	Vehicle business <i>HK\$'000</i>	Show and event business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reportable segment assets	<u>17,675</u>	<u>15,506</u>	<u>10,496</u>	<u>43,677</u>
Unallocated assets				<u>1,195</u>
Total assets				<u>44,872</u>
Reportable segment liabilities	<u>17,403</u>	<u>1,276</u>	<u>214</u>	<u>18,893</u>
Unallocated liabilities				<u>1,989</u>
Total liabilities				<u><u>20,882</u></u>

For the purpose of monitoring performance assessment between segments and resources allocation, all assets and liabilities are allocated to the reportable segments other than partial property, plant and equipment, partial deposits and prepayments, investment in an associate, partial cash and cash equivalents, partial accruals and other payables, bank borrowings and partial lease liabilities.

Other segment information

For the year ended 31 December 2025

Amounts included in the measurement of segment profit or loss or segment assets:

	Travel	Vehicle	Show and event	Unallocated	Total
	business	business	business		
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Depreciation of property, plant and equipment	6	2,341	4	—	2,351
Depreciation of right-of-use assets	210	—	—	—	210
Impairment loss recognised in respect of property, plant and equipment	6	—	44	—	50
Impairment loss recognised in respect of right-of-use assets	838	—	—	—	838
Impairment loss recognised under ECL model, net					
- (Reversal of)/allowance for ECL on trade receivables, net	(156)	19	4,010	—	3,873
- (Reversal of)/allowance for ECL on deposits and other receivables, net	(13)	(5)	1,426	9	1,417
Fair value gain on financial assets at FVTPL	—	—	(190)	—	(190)
Additions to non-current assets (<i>Note</i>)	—	2,028	48	—	2,076

For the year ended 31 December 2024

	Travel	Vehicle	Show and event	Unallocated	Total
	business	business	business		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	6	1,961	—	—	1,967
Impairment loss recognised in respect of property, plant and equipment	—	423	—	—	423
Impairment loss recognised under ECL model, net					
- Allowance for ECL on trade receivables, net	1,662	57	42	—	1,761
- (Reversal of)/allowance for ECL on deposits and other receivables, net	(151)	(9)	3	—	(157)
Fair value loss on financial assets at FVTPL	—	—	886	—	886
Additions to non-current assets (<i>Note</i>)	<u>—</u>	<u>4,867</u>	<u>—</u>	<u>—</u>	<u>4,867</u>

Note: Additions to non-current assets exclude the additions of financial instruments and right-of-use assets.

Geographical information

During the years ended 31 December 2025 and 2024, the Group's operations are mainly located in Macau and Hong Kong.

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's investment properties and property, plant and equipment ("specified non-current assets")

	External customers		Specified non-current assets	
	2025	2024	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Macau	107,878	103,790	8,825	10,520
Hong Kong	3,603	1,200	1,063	712
Others*	—	1	—	—
	<u>111,481</u>	<u>104,991</u>	<u>9,888</u>	<u>11,232</u>

* Other represents the revenue generated from other Asian countries.

Note: Non-current assets excluded financial instruments.

Information about major customers

The Group's customer base is diversified and no individual customer with whom transactions have exceed 10% of the Group's revenue.

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditor's remuneration for:		
– audit service	600	600
Depreciation of property, plant and equipment (<i>note</i>)	2,351	1,967
Depreciation of right-of-use assets	210	—
Short-term lease rental expense	186	24
Fair value (gain)/loss on financial assets at FVTPL	(190)	886
Impairment loss recognised in respect of property, plant and equipment	50	423
Impairment loss recognised in respect of right-of-use assets	838	—
Impairment loss recognised under ECL model, net		
– Allowance for ECL on trade receivables, net	3,873	1,761
– Allowance for/(reversal of) ECL on deposits and other receivables, net	1,417	(157)
	<u>5,290</u>	<u>1,604</u>
Gross rental income from investment properties	(53)	(61)
Less:		
direct operating expenses incurred for investment properties that generated rental income during the year	10	9
	<u>(43)</u>	<u>(52)</u>
Employee benefit expenses (excluding directors' remuneration) (<i>note</i>)		
– Salaries, allowances and benefits in kind	13,004	14,608
– Retirement benefit scheme contribution	365	371
	<u>13,369</u>	<u>14,979</u>

Note: Included in the Group's cost of sales are depreciation of property, plant and equipment of approximately HK\$1,702,000 (2024: HK\$1,478,000), and employee benefit expenses (excluding directors' remuneration) of approximately HK\$6,150,000 (2024: HK\$6,046,000), for the year ended 31 December 2025.

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax:		
– Macau Complementary Tax – under-provision		
in respect of prior year:	<u>89</u>	<u>—</u>

Macau Complementary Tax are calculated at 12% of the estimated assessable profits for both years.

Hong Kong Profits Tax is calculated at 16.5% of estimated assessable profit for both years.

Taiwan income tax is calculated of 20% of the estimated assessable profit for both years.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for both years.

No provision for Hong Kong Profits Tax, Taiwan income tax and PRC Enterprise Income Tax has been made as there are no assessable profits or sufficient tax losses brought forward to set off against the estimated assessable profits for the years ended 31 December 2025 and 2024.

Taxation arising in other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

8. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss		
Loss for the year attributable to owners of the Company		
for the purpose of basic and diluted loss per share	<u>(13,560)</u>	<u>(9,514)</u>
	2025	2024
	'000	'000
Number of shares		
Weighted average number of shares for the purpose of		
calculating basic and diluted loss per share	<u>1,200,000</u>	<u>1,200,000</u>

Diluted loss per share were same as the basic loss per share as there were no potential dilutive ordinary shares in issue.

9. TRADE RECEIVABLES

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables, gross	16,296	19,566
Less: allowance for ECL	(7,062)	(3,189)
	<u>9,234</u>	<u>16,377</u>

As at 31 December 2025 and 2024, included in the Group's trade receivables are balances of approximately HK\$nil and HK\$2,000 respectively, that are due from related party. Such balances are trade nature, unsecured, interest-free and recoverable on demand.

The credit terms granted to major customers generally range from 30 to 45 days.

The ageing analysis of the Group's trade receivables, is based on invoice dates at the end of each reporting period, net of allowance for ECL, as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
0-30 days	6,832	13,220
31-60 days	445	1,569
61-90 days	854	1,578
Over 90 days	1,103	10
	<u>9,234</u>	<u>16,377</u>

10. TRADE AND OTHER PAYABLES

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	13,656	8,933
Accruals and other payables	14,631	4,023
Deposits received	100	256
Contract liabilities	322	14
	<u>28,709</u>	<u>13,226</u>

At 31 December 2025 and 2024, included in the Group's trade payables are balance of approximately HK\$nil and HK\$7,326,000 respectively, that are due to related parties. Such balances are trade nature, unsecured, interest-free and repayable on demand.

The average credit period granted by suppliers is 30 days.

The following is ageing of trade payables, based on the invoice dates:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
0-30 days	7,336	2,805
31-60 days	2,073	2,398
61-90 days	2,270	1,919
Over 90 days	1,977	1,811
	<u>13,656</u>	<u>8,933</u>

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

During the year ended 31 December 2025, Macau experienced a significant increase in the number of tourists visiting Macau, particularly from the PRC. This surge in visitors, combined with a stable and high growth rate of Macau's GDP, contributed to a more optimistic economic outlook for 2025 compared to the previous year.

BUSINESS REVIEW AND PROSPECTS

The Company successfully listed its shares (the “**Shares**”) on GEM of the Stock Exchange (the “**Listing**”) on 26 September 2019 (the “**Listing Date**”).

The Group is a licensed travel agent that primarily focuses on the provision of travel services and a car rental services provider in Macau, the PRC and Hong Kong. The Group derived its revenue from (i) travel business: The travel business consists of sales and distribution of hotel rooms and margin income from sales, distribution and provision of hotel rooms, air tickets and ancillary travel-related products in Macau; (ii) vehicle business: The vehicle business represents the provision of vehicle leasing and limousine services in Macau; and (iii) show and event business: The show and event business represents the sales of show and event tickets, organising the shows and events and related ancillary services in Asia and investment in events.

Apart from the business in Macau, the Group has explored the business in Hong Kong. On 22 March 2023, a subsidiary of the Company, namely Ying Hai Tourism Company Limited (瀛海旅遊有限公司), obtained a Travel Agent Licence (旅行代理商牌照) in Hong Kong issued by the Travel Industry Authority (旅遊業監管局).

The Group's strategic objective is to strengthen its established market position in the Macau's travel industry in order to generate profits and investment returns for the Company's shareholders and drive sustainable growth in the future. To do so, the Group plans to strategically look for opportunities to cooperate with more hotel operators, other travel agents and corporate customers in Macau. The Group intends to enter into collaboration agreements with more hotel operators to cover mid- and high-tier hotel rooms with a view to increase the number and range of available hotel rooms and to expand its hotel base so as to attract business travellers and high spending customers and to increase the Group's market share, and thereby generating a higher sales volume and revenue from the Group's other services, such as car rental services. Also, the Group will consider to expand the tourism business to the PRC. Additionally, the Group also engaged in the sales of show and event tickets organising the shows and events and related ancillary services in Asia and investment in events with a view to diversify the source of revenue in addition to sales and distribution of hotel rooms and vehicle leasing. The Group believes that this can bring synergy to its existing travel business of sales and distribution of hotel rooms and car rental services.

For the year ended 31 December 2025, the Group has completed 14 shows and events, including "POOHPAVEL FAN MEETING IN MACAU", "2025 寵生活週末市集", "星際時光傳城市集", "THE BOY NEXT WORLD FAN MEETING IN MACAU", "MIKELOVE FANS MEETING IN MACAU", "Level Up Fan Meeting in Macau", "TWO HEARTS IN HARMONY • LMSY FAN MEETING IN MACAU", "STAY WITH YOU • TTEETEEPOR 1ST FANS MEEING IN MACAU", "DESTINY OF ETERNITY • KENGNAMPING 1ST FAN MEETING IN MACAU", "2025 WHEE In FAN-CON TOUR [OWHEECE] in MACAU", "澳洲雷霆猛男SHOW", "AUAU & SAVE FANMEETING (夏 • 日 • 來 • 信)", "2025 iNKODE TO PLAY · Christmas Show" in Macau. Additionally, the Group participated in one Hong Kong show and event, namely "蠟筆小新「玩轉!時空大冒險」互動體驗展".

In 2026, the Group further participated in the certain shows and events, namely, “第十五屆全國運動會和全國第十二屆殘疾人運動會暨第九屆特殊奧林匹運動會澳門賽區特許零售商店” in Macau and “Dragon Ball Exhibition World Tour” and “蠟筆小新《玩轉!時空大冒險》互動展覽” in Taiwan.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately HK\$6.5 million from approximately HK\$105.0 million for the year ended 31 December 2024 to approximately HK\$111.5 million for the year ended 31 December 2025. The increase in revenue was mainly attributable to the increase in revenue generated from the show and event income.

Cost of sales

The Group's cost of sales mainly comprised (i) cost of hotel rooms; (ii) distribution service fees; (iii) cost of car rental services; and (iv) cost of show and event. For the years ended 31 December 2024 and 2025, the cost of sales amounted to approximately HK\$91.9 million and HK\$100.2 million, respectively, representing an increase of approximately HK\$8.3 million. Such increase was mainly driven by the increase in revenue from the sales and distribution of hotel rooms and show and event income.

Gross profit

The Group's gross profit remained relatively stable at approximately HK\$13.1 million and HK\$11.2 million for the years ended 31 December 2024 and 2025, respectively. For the years ended 31 December 2024 and 2025, the Group's gross profit margin decreased slightly from 12.5% for the year ended 31 December 2024 to 10.1% for the year ended 31 December 2025.

Other income and gains

The Group's other income and gains amounted to approximately HK\$0.8 million and HK\$0.5 million for the years ended 31 December 2024 and 2025, respectively.

Administrative expenses

The Group's administrative expenses mainly comprised employee benefits expenses, depreciation expenses, rental and related expenses, entertainment expenses and professional fees. For the years ended 31 December 2024 and 2025, the administrative expenses amounted to approximately HK\$18.9 million and HK\$16.9 million, respectively, representing a decrease of approximately HK\$2.0 million. Such decrease was mainly driven by the decrease in staff costs.

Other operating expenses

The Group's operating expenses decreased from approximately HK\$2.2 million for the year ended 31 December 2024 to approximately HK\$1.8 million for the year ended 31 December 2025 mainly due to the decrease in advertising expenses and sponsorship expenses.

Fair value changes on investment properties

During the year ended 31 December 2024, the Group transferred certain carparking spaces from property, plant and equipment to investment properties. The Group recognised a negative fair value changes on investment properties of approximately HK\$0.3 million and HK\$0.3 million for the years ended 31 December 2024 and 2025, respectively.

Impairment loss recognised under expected credit losses model, net

For the year ended 31 December 2025, the Group's impairment loss recognised under expected credit losses model amounted to approximately HK\$5.3 million, as compared to approximately HK\$1.6 million for the year ended 31 December 2024. Such increase was mainly attributable to increase in past due ageing of trade receivables as at 31 December 2025.

Impairment loss recognised in respect of property, plant and equipment

For the year ended 31 December 2025, the Group recognised an impairment loss of approximately HK\$0.1 million in respect of its property, plant and equipment (2024: approximately HK\$0.4 million).

Finance costs

The Group's finance costs were insignificant at approximately HK\$121,000 and HK\$83,000 for the years ended 31 December 2024 and 2025, respectively.

Income tax expense

The Group's income tax expense was nil and approximately HK\$0.1 million for the years ended 31 December 2024 and 2025, respectively.

Loss for the year

The Group's loss for the year increased by approximately HK\$4.1 million from approximately HK\$9.5 million for the year ended 31 December 2024 to approximately HK\$13.6 million for the year ended 31 December 2025. The increase in loss was mainly driven by the contraction in gross profit margin and the increase in impairment loss recognised under expected loss model.

Use of net proceeds from the Listing

The net proceeds (the “**Net Proceeds**”) from the Listing, after deducting the actual underwriting fees and expenses paid by the Company, amounted to approximately HK\$39.3 million. The intended use of proceeds was more particularly set out in the section headed “Future Plans and Use of Proceeds” in the prospectus of the Company dated 13 September 2019, (the “**Prospectus**”), and subsequently the Board resolved to revise the intended use of proceeds on 3 May 2021 as disclosed in the announcement of the Company dated 3 May 2021 (the “**2021 Announcement**”). The particulars of the use of Net Proceeds from the Listing Date up to 31 December 2025 are set forth below:

		The amount				
	Adjusted	Actual	of Net	Actual	Unutilised	
	use of Net	amount of	Proceeds	amount of	amount of the	Expected
	Proceeds	utilised from	utilised	Net Proceeds	Net Proceeds	timeline for
	as disclosed	the Listing	during	utilised as at	as at	the intended
	in the 2021	Date to	the year	31 December	31 December	use of the
	Announcement	31 December	31 December	2025	2025	unutilised
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	Net Proceeds
Expansion of car fleet	3,965	3,965	—	3,965	—	—
Cooperate with more hotel operators	6,480	4,138	—	4,138	2,342	December 2026
Increase our marketing and expansion of our sales channel	2,319	2,319	—	2,319	—	—
Improve the efficiency of our operation	1,485	1,485	—	1,485	—	—
Expand our workforce	824	824	—	824	—	—
General working capital	1,080	1,080	—	1,080	—	—
Cooperate with the organiser of singing concerts	22,186	22,186	—	22,186	—	—
Expansion of tourism business to the PRC	957	957	—	957	—	—
Total	<u>39,296</u>	<u>36,954</u>	<u>—</u>	<u>36,954</u>	<u>2,342</u>	<u>—</u>

Note: As disclosed in the 2021 Announcement, the Group's financial performance and conditions were affected by the emergence of the outbreak of COVID-19 pandemic (the "**Pandemic**") at the material time. In view of the adverse impact of the Pandemic on the Group's business at the material time, the Board resolved to adjust the business strategies in order to diversify the Group's business operations risks and to cope with the economic uncertainty in the future by reallocating the then unutilised Net Proceeds from the Listing. For further details in relation to the reallocation, please refer to the 2021 Announcement.

The unutilised Net Proceeds could not be fully utilised during the year ended 31 December 2025 as the Group required more time to identify suitable hotel operators for cooperation. The Group intends to utilise the unutilised Net Proceeds as soon as practicable by 31 December 2026.

All the unutilised Net Proceeds have been placed in licensed banks in Macau.

Comparison of business strategies and actual business progress

An analysis comparing the business objectives as set out in the Prospectus and the 2021 Announcement with the Group's actual business progress for the period from the Listing Date to the date of this announcement is set out below:

Business strategies as stated in the Prospectus and the 2021 Announcement	Actual business progress up to date of this announcement
Expansion of our car fleet	Up to the date of this announcement, the Group has purchased 22 new motor vehicles for the provision of point-to-point cross-border transportation services and car rental services in Macau and Hong Kong.
Cooperate with more hotel operators	The Group is in the progress of identifying suitable hotel operators for cooperation.

**Business strategies as stated
in the Prospectus and the
2021 Announcement**

**Actual business progress up to date of
this announcement**

Cooperate with the organiser of
singing concerts

The Group cooperated with the organiser of shows and events by sponsoring shows and events held in the PRC, Macau and Asia of well-known stars and artists. Subject to market demand in the PRC, Macau and Asia, the Group will further participate in shows and events.

Expansion of tourism business to
the PRC

As disclosed in the 2021 Announcement and elsewhere in this announcement, the Group planned to expand its tourism business to the PRC and Hong Kong in order to diversify its business. The Group is in the progress of identifying tourism business opportunities in the PRC and Hong Kong.

Principal risks and uncertainties in achieving our business strategies

During the period under review, the Group faced certain risks and uncertainties in achieving its business strategies in accordance with the use of proceeds plan as set out in the Prospectus and the 2021 Announcement as follows:

- (1) The Pandemic has severely affected the travel and tourism industry in Macau after the imposition of the travel restrictions by the Macau and the PRC governments and sluggish consumers' sentiment. There is no assurance that Pandemic will not recur or other outbreaks of similar scale will not occur. In the event there will be travel restrictions and lockdown in Macau, the PRC and Hong Kong in the future, the travel industry and thus the Group's business may be materially and adversely affected;
- (2) The Group may fail to identify suitable hotel operators with attractive terms to cooperate with to achieve its expansion plans;
- (3) When achieving the Group's business plans, timing is of the essence. The Group may fail to grasp the business trend to determine the optimal time to enter the market or expand its new sales channel; and

- (4) In an increasingly volatile and complex business environment, the Group may face change in consumer behaviour and spending habit as well as high competition when it executes its business plan.

In order to alleviate the above risks and uncertainties in achieving the Group's business strategies, the Group will ensure that its business plans are as resilient as possible to meet these challenges based on market conditions. The Group will carefully look at the business trends as well to determine if there is a strong entrepreneurial environment for it to lean on.

PRINCIPAL RISKS AND UNCERTAINTIES

The following are the principal risks and uncertainties faced by the Group, which may materially and adversely affect its business, financial condition or results of operations:

1. The Pandemic has severely affected the Group's business and operation after the imposition of the travel restrictions by the Macau and the PRC governments. There is no assurance that Pandemic will not recur or other outbreaks of similar scale will not occur. In the event there will be travel restrictions and lockdown in Macau, the PRC and Hong Kong in the future, the Group's business may be materially and adversely affected.
2. The Group's revenue was mainly derived from Macau and the Group's sales performance is susceptible to changes in Macau as well as the PRC policies and economic environment.
3. Customers may delay payment or default payment, yet the Group may be required to pay for the hotel rooms and the Group may bear the cost. Additionally, the Group may not be able to recover its trade receivables.
4. The Group's major suppliers might opt to deal with the Group's customers directly, alternatively the Group's travel agent customers may source hotel rooms from each other, thereby bypassing the Group.
5. Historically, the Group's revenue was generated from the sales and distribution of hotel rooms from certain hotel operators in Macau, and the Group's business and results of operation may be adversely affected if (i) the hotel operators terminate or refuse to renew the relevant agreements; or (ii) the renewed terms become less favourable to the Group.

6. The Group is committed to secure a guaranteed number of hotel rooms at pre-determined room rates with various hotels operators. The Group may suffer from a decrease in profits or record a loss from the sales and distribution of the guaranteed hotel rooms if the Group is unable to sell and distribute the hotel rooms at rates higher than its respective pre-determined room rates or if hotels operators reduce the number of hotel rooms sold to the Group.
7. If the Group is unable to obtain and maintain adequate parking spaces at reasonable costs, the Group's growth opportunities may be adversely affected.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Saved as disclosed in this announcement, the Group did not have other plans for material investments and capital assets as at 31 December 2025.

LIQUIDITY AND FINANCIAL RESOURCES

Capital structure

There has been no material change in the share capital structure of the Company during the year ended 31 December 2025.

Cash position

As at 31 December 2025, the cash and cash equivalents and bank deposits with maturity dates over three months (the “**Total Bank Balances**”) amounted to approximately of HK\$7.9 million (as at 31 December 2024: HK\$5.9 million). The increase was mainly due to increase in net cash generated from operations. Among the Total Bank Balances of HK\$7.9 million as at 31 December 2025:

1. approximately of HK\$5.3 million (as at 31 December 2024: approximately of HK\$3.2 million) represented cash and cash equivalents of the Group; and
2. approximately HK\$2.6 million (as at 31 December 2024: approximately HK\$2.7 million) represented bank deposits with maturity dates over three months of the Group, which were placed in a bank to secure general banking facilities in support of guarantees in favour of the suppliers of the Group and to the PRC, Macau and Hong Kong governments to obtain travel agent licence in Macau.

Borrowings and lease liabilities

As at 31 December 2025, the total borrowings and lease liabilities of the Group, all of which were denominated in Hong Kong dollars, amounted to approximately HK\$2.3 million (as at 31 December 2024: approximately HK\$2.3 million), and outstanding committed banking facilities amounted to approximately HK\$1.5 million (as at 31 December 2024: approximately HK\$1.6 million). In particular:

1. approximately HK\$1.5 million (as at 31 December 2024: HK\$1.6 million) represented the bank borrowings which bore fixed rates ranging from 2.5% to 2.75% per annum as at 31 December 2025 (as at 31 December 2024: ranging from 2.75% to 3.38% per annum). The bank borrowings with carrying amount of approximately HK\$1.5 million as at 31 December 2025 (as at 31 December 2024: approximately HK\$1.6 million) were secured by properties included in the investment properties with fair value of approximately HK\$1.6 million as at 31 December 2025 (properties under property, plant and equipment as at 31 December 2024: approximately HK\$1.8 million); and
2. approximately HK\$0.8 million (as at 31 December 2024: approximately HK\$0.7 million) represented lease liabilities of the leases available for use by the Group, carrying interest rates ranging from 5.1% to 5.2% per annum (as at 31 December 2024: ranging from 4.3% to 8.0% per annum).

Pledge of assets

As at 31 December 2025, the Group's bank deposits with maturity dates over three months with amount of approximately HK\$2.6 million (as at 31 December 2024: approximately HK\$2.7 million) was pledged to secure general banking facilities granted to the Group and guarantees issued to the suppliers of the Group as general trade deposits and to the PRC, Hong Kong and Macau governments to obtain travel agent licence in Macau.

As at 31 December 2025, the Group has pledged properties with fair value of approximately HK\$1.6 million (as at 31 December 2024: approximately HK\$1.8 million) to secure bank borrowings with carrying amounts of approximately HK\$1.5 million (as at 31 December 2024: approximately HK\$1.6 million). The properties are the carparking spaces that located in Macau.

Gearing ratio

As at 31 December 2025, the gearing ratio of the Group was approximately 22.1% (as at 31 December 2024: approximately 9.4%). The gearing ratio is calculated based on the bank borrowings and lease liabilities divided by the equity attributable to owners of the Company at the end of the respective year.

DIVIDEND

The Directors resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (2024: nil).

COMMITMENTS

As at 31 December 2025, the Group did not have capital commitment (as at 31 December 2024: nil).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Save as disclosed elsewhere in the notes to the consolidated financial statements, there was no material acquisition or disposal of subsidiaries, associate companies or joint ventures for the year ended 31 December 2025 and up to the date of this announcement.

SIGNIFICANT INVESTMENTS HELD

During the year ended and as at 31 December 2025, the Group had significant investment in investment properties. In addition, during the year ended 31 December 2025, the Group had significant investment in financial assets at fair value through profit or loss.

The following table sets forth the movement of our financial assets at fair value through profit or loss and its size relative to the Group's total assets as at/for the years ended 31 December 2025 and 2024:

For the year ended/As at 31 December 2025						
						Percentage of fair value to the Group's total assets at end of the year
Significant Investment	Investment cost	Fair value at beginning of the year	Fair value gain recognised	Settlement	Transfer to trade receivables	Fair value at end of the year
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Financial assets at fair value through profit or loss ^(Note)	1,411	525	190	715	—	—

Note: The financial assets at fair value through profit or loss represented investments in events, namely “Kamen Rider 50th Anniversary Exhibition (幪面超人50週年紀念展)” in Malaysia, “Chainsaw Man Animation Exhibition (鏈鋸人動畫展)” in Hong Kong. Pursuant to the cooperation agreements in respect of these events, the Group will be entitled to 20% of the profits of these events. These events have been completed during the year ended 31 December 2025 and as a result the financial assets at fair value through profit or loss had been derecognised as at 31 December 2025.

For the year ended/As at 31 December 2024

Significant Investment	Investment cost	Fair value at		Settlement	Transferred to trade receivables	Fair value at end of the year	Percentage of fair value to the Group's total assets at end of the year
		beginning of the year	Fair value loss recognised				
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	
Financial assets at fair							
value through							
profit or loss ^(Note)	1,411	—	(886)	—	—	525	1.2%

The investment properties represented the Group's investment in carparking spaces in Macau. During the year ended 31 December 2025, the Group leased these carparking spaces and earned rental income of approximately HK\$53,000 (2024: approximately HK\$61,000).

The following table sets forth the movement of our investment properties and their size relative to the Group's total assets as at/for the years ended 31 December 2025 and 2024:

For the year ended/As at 31 December 2025						
Investment properties	Usage	Net	Fair value		Fair value	Percentage of
		investment	at beginning	Change in	at end of	fair value to
		cost	of the year	fair value	the year	the Group's
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	total assets
Car Parking Space	Car parking	1,142	922	—	822	1.8%
No. 374 on 1st Floor, Fu Tat Fa Yuen, No. 68 Rua De Paris, Macau						
Car Parking Space Nos. 339	Car parking	2,277	1,750	—	1,566	3.4%
and 340 on the Mezzanine Floor, Dynasty Plaza, No. 463 Rua Cidade De Santarém, Macau						
Total		<u>3,419</u>	<u>2,672</u>	<u>—</u>	<u>2,388</u>	<u>5.2%</u>

For the year ended/As at 31 December 2024								
Investment properties	Usage	Investment cost at beginning of the year <i>HK\$'000</i>	Cost transferred from property, plant and equipment <i>HK\$'000</i>	Accumulated depreciation transferred from property, plant and equipment <i>HK\$'000</i>	Net investment cost transferred from property, plant and equipment <i>HK\$'000</i>	Change in fair value <i>HK\$'000</i>	Fair value at end of the year <i>HK\$'000</i>	Percentage of fair value to the Group's total assets at end of the year
Car Parking Space	Car parking	—	1,600	(458)	1,142	(220)	922	2.05%
No. 374 on 1st Floor, Fu Tat Fa Yuen, No. 68 Rua De Paris, Macau								
Car Parking Space	Car parking	—	3,000	(723)	2,277	(527)	1,750	3.90%
Nos. 339 and 340 on the Mezzanine Floor, Dynasty Plaza, No. 463 Rua Cidade De Santarém, Macau								
Total		—	4,600	(1,181)	3,419	(747)	2,672	5.95%

Save as disclosed above and the investments in subsidiaries and an associate by the Company, the Group did not hold any significant investments during the year ended and as at 31 December 2025.

The Company's Investment Strategy for Investment in Events

With a view to leverage the resources of the Group and to diversity the source of income, the Group's strategy is to identify, where appropriate, opportunities for organising and participating into well-know shows and events.

The Company's Investment Strategy for Investment Properties

The Group's strategy is to utilise the carparking spaces to generate cash inflows and earn capital appreciation. Currently, the Group has no plan to strategically increase its investment properties portfolio. The Group may invest in additional investment properties only if appropriate investment opportunities arise and when the Group has surplus funds.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no significant contingent liabilities (as at 31 December 2024: nil).

FOREIGN EXCHANGE EXPOSURE

The Group operates in Macau and the PRC with majority of the transactions being settled in MOP, HK\$, USD, SGD, NTD and RMB. The Group is not exposed to material foreign exchange risk in respect of HK\$ against MOP and USD as long as these currencies are pegged. The Group considers that there is no significant foreign exchange risk exposed to by the Group in its operation. The Group did not enter into any hedging transactions and did not have any foreign exchange contracts, interest or currency swaps, other financial derivatives or any financial instruments for hedging purposes for the year ended 31 December 2025.

TREASURY AND RISK MANAGEMENT

The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities. No investment in financial products other than cash and bank deposits were held by the Group during the year.

As at 31 December 2025, the Group's credit risk is primarily attributable to trade receivables, deposits paid and other receivables, bank deposits with original maturity over three months and bank balances.

As at 31 December 2025, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

Trade receivables

In order to minimise the credit risk, the management of the Group has delegated a team to be responsible for determination of credit limits and credit approvals. The Group's monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

In addition, the Group performs impairment assessment under the expected credit losses ("ECL") model upon the application of HKFRS 9 on credit card trade receivables individually and the remaining trade receivables are grouped using a provision matrix with past due status grouping. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Deposits paid and other receivables

The management of the Group makes periodic individual assessment on the recoverability of deposits and other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information under the ECL model upon application of HKFRS 9. The management of the Group believes that there is no material credit risk inherent in the Group's outstanding balance of deposits and other receivables.

Bank deposits with maturity dates over three months and bank balances

The Group deposited its cash with recognised and reputable banks. Bankruptcy or insolvency of the banks may cause the Group's right with respect to bank balances held to be delayed or limited. The Directors monitor the credit rating of these banks on an ongoing basis, and considers that the Group's exposure to credit risk of banks was minimal.

The Group does not have any other significant concentrations of credit risk. The exposures to these credit risks are monitored on an ongoing basis.

LITIGATIONS

During the year ended 31 December 2025, the Group was not involved in any litigation or arbitration of material importance and there was no litigation or claim of material importance pending or threatened by or against any member of the Group.

EMPLOYEES AND REMUNERATION POLICY

The Directors believe that employees are an important asset to the Group and the quality of the employees is an important factor in sustaining the Group's business growth and improving its profitability. The Group's remuneration package is structured with reference to the individual performance, working experience and prevailing salary levels in the market. In addition to basic salary and contributions to the mandatory provident fund, staff benefits also include medical insurance scheme and the options which can be issued under the Scheme (as defined below). The remuneration package of employees is reviewed on regular basis.

As at 31 December 2025, the Group had a total of 62 employees (2024: 84 employees). The Group's staff costs, including Directors' emoluments, amounted to approximately HK\$17.7 million for the year ended 31 December 2025 (2024: approximately HK\$19.5 million). Directors' remuneration amounted to approximately HK\$4.3 million for the year ended 31 December 2025 (2024: approximately HK\$4.6 million) which included remuneration of the independent non-executive Directors for a total amount of approximately HK\$0.2 million (2024: approximately HK\$0.2 million).

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group's business is primarily subject to the relevant environmental laws and regulations of Macau. During the year ended 31 December 2025, the Group was not subject to any material environmental claims, lawsuits, penalties, administrative or disciplinary actions.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year ended 31 December 2025 and up to the date of this announcement, the Group has complied with all the relevant laws and regulations in Macau, the PRC and Hong Kong in all material respects.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2025, the Group maintained good relationship with its employees, customers and suppliers. The Group will continue to ensure effective communication and maintain good relationship with them. During the year ended 31 December 2025, there was no material dispute between the Group and its customers, suppliers and employees, respectively.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Shares during the year ended 31 December 2025.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) has reviewed the accounting principles and policies adopted by the Group and discussed internal controls and financial reporting matters and the audited consolidated financial statements for the year ended 31 December 2025. The Audit Committee is of the opinion that the audited consolidated financial statements of the Group for the year ended 31 December 2025 comply with the applicable financial reporting standards and the GEM Listing Rules and that adequate disclosures have been made. The audited annual results of the Group for the year ended 31 December 2025 have been reviewed by the Audit Committee.

CORPORATE GOVERNANCE PRACTICE

The Board recognises that transparency and accountability are the cornerstones of the Company's corporate governance. Therefore, the Company is committed to maintaining high standards of corporate governance in order to uphold the transparency of the Group and safeguard interests of our shareholders. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the GEM Listing Rules. In the opinion of the Board, the Company has in all material respects complied with the CG Code for the year ended 31 December 2025, except for the deviations of paragraph C.2.1 of part 2 of the CG Code, which is explained in the paragraphs below.

Paragraph C.2.1 of part 2 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Choi Wai Chan (“**Mr. Choi**”) is currently the chairman and the chief executive officer of the Company. Considering that Mr. Choi has been operating and managing the Group since 2014 until his resignation in August 2022 (in which Mr. Choi was re-appointed in May 2023, the details of which are set out in the Company’s announcements dated 19 May 2023 and 25 May 2023) and his expertise in the travel industry, the Board believes that it is in the best interest of the Group to have Mr. Choi taking up both roles for effective management and business development. Furthermore, all major decisions of the Company are discussed by the Board, the Board committees and the senior management. The Board also considers that since the members of the Board include competent and independent non-executive Directors, this structure would not impair the balance of power and authority between the Board and its management in the business of the Group. Therefore, the Board considers that the deviation from paragraph C.2.1 of part 2 of the CG Code is appropriate in such circumstance and in the interest of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the required standard of dealing, as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for securities transactions by the Directors in respect of the Shares. Having made specific enquiry with all the Directors, all Directors have confirmed that they have complied with the required standard of dealing and the code of conduct for securities transactions by the Directors during the year ended 31 December 2025.

SHARE OPTION SCHEME

The Company had adopted a share option scheme (the “**Scheme**”) on 3 September 2019 (the “**Adoption Date**”). No awards or options had been granted, agreed to be granted, exercised, cancelled, forfeited or lapsed under the Scheme since the Adoption Date and up to the date of this announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued Shares as required under the GEM Listing Rules during the year ended 31 December 2025 and up to the date of this announcement.

SCOPE OF WORK OF HLB HODGSON IMPEY CHENG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement for the year ended 31 December 2025 have been agreed by the Group's auditor, HLB Hodgson Impey Cheng Limited ("HLB"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by HLB in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB on the preliminary announcement.

EVENTS AFTER REPORTING PERIOD

Save as disclosed in this announcement, the Group had no material events for disclosure subsequent to 31 December 2025 and up to the date of this announcement.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting for 2026 will be held on 29 May 2026 (the "2026 AGM"). A notice of meeting together with the circular for the 2026 AGM will be published in the manner as required by the GEM Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

In order to establish entitlements to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Tuesday, 26 May 2026, to Friday, 29 May 2026, both dates inclusive, the period during which no transfer of the Shares will be registered. Shareholders are reminded to ensure that all completed Share transfer forms accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 25 May 2026.

By order of the Board

Ying Hai Group Holdings Company Limited

Choi Wai Chan

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 27 March 2026

As at the date of this announcement, the executive Directors are Mr. Choi Wai Chan and Ms. Zou Shuer; and the independent non-executive Directors are Mr. Sou Sio Kei, Mr. Rodrigues Cesar Ernesto and Mr. Hu Chung Ming.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its publication and on the website of the Company at www.yinghaiholding.com.